


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 03 APR 2019	DAY: Wed
TABLED	Hon. Benjamin Wachua Majority Party whip
CLERK-AT THE TABLE:	Mado Miriam

**REPORT**

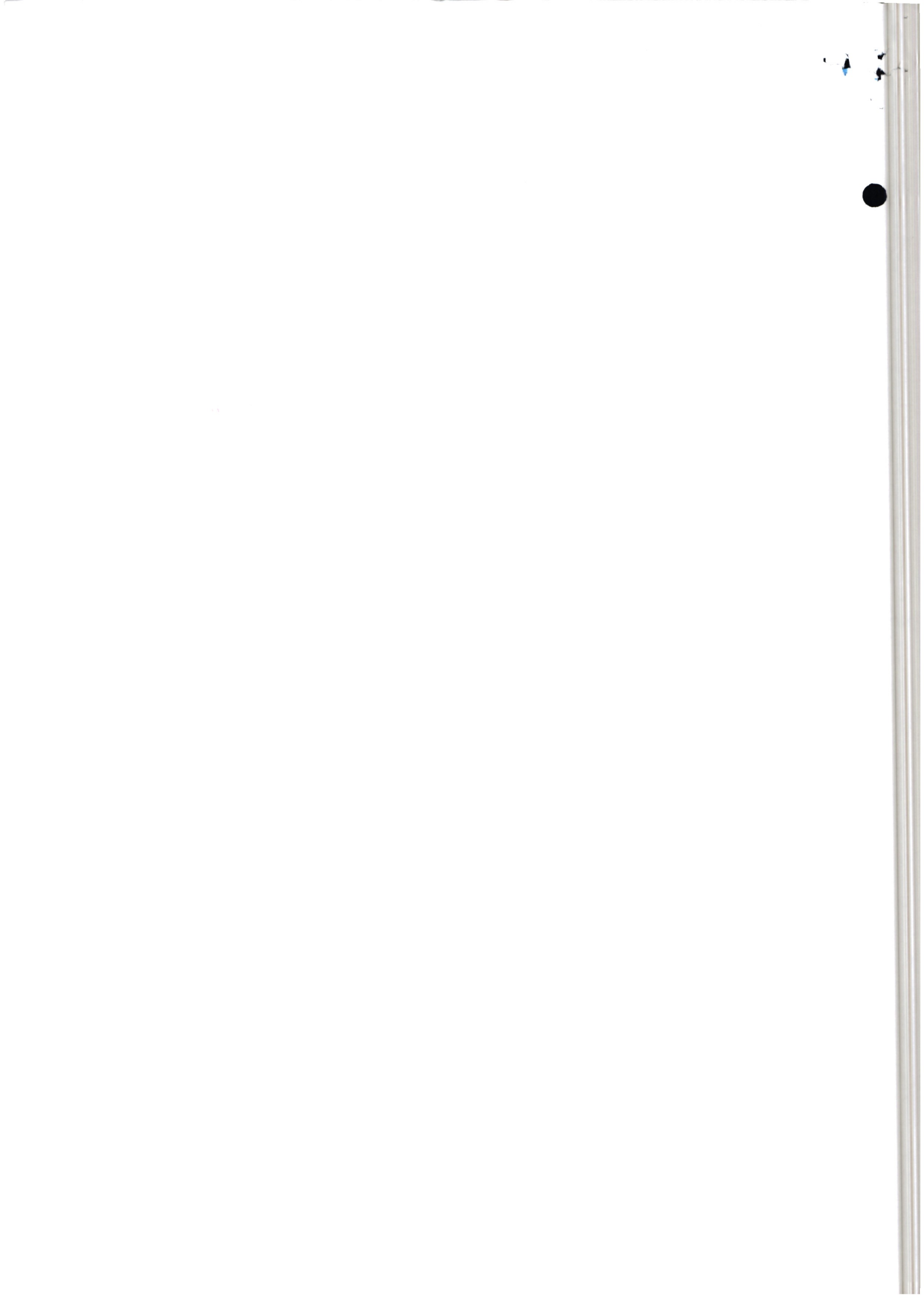
**OF**

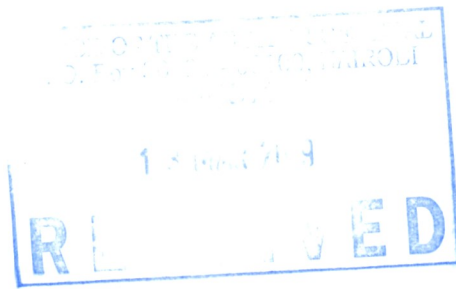
**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND  
URIRI CONSTITUENCY**

**FOR THE YEAR ENDED  
30 JUNE 2017**





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**CONSTITUENCY DEVELOPMENT FUND- URIRI CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2017**

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**Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)**

*Richard  
Fom*

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**CONSTITUENCY DEVELOPMENT FUND – URIRI CONSTITUENCY**

**Reports and Financial Statements**

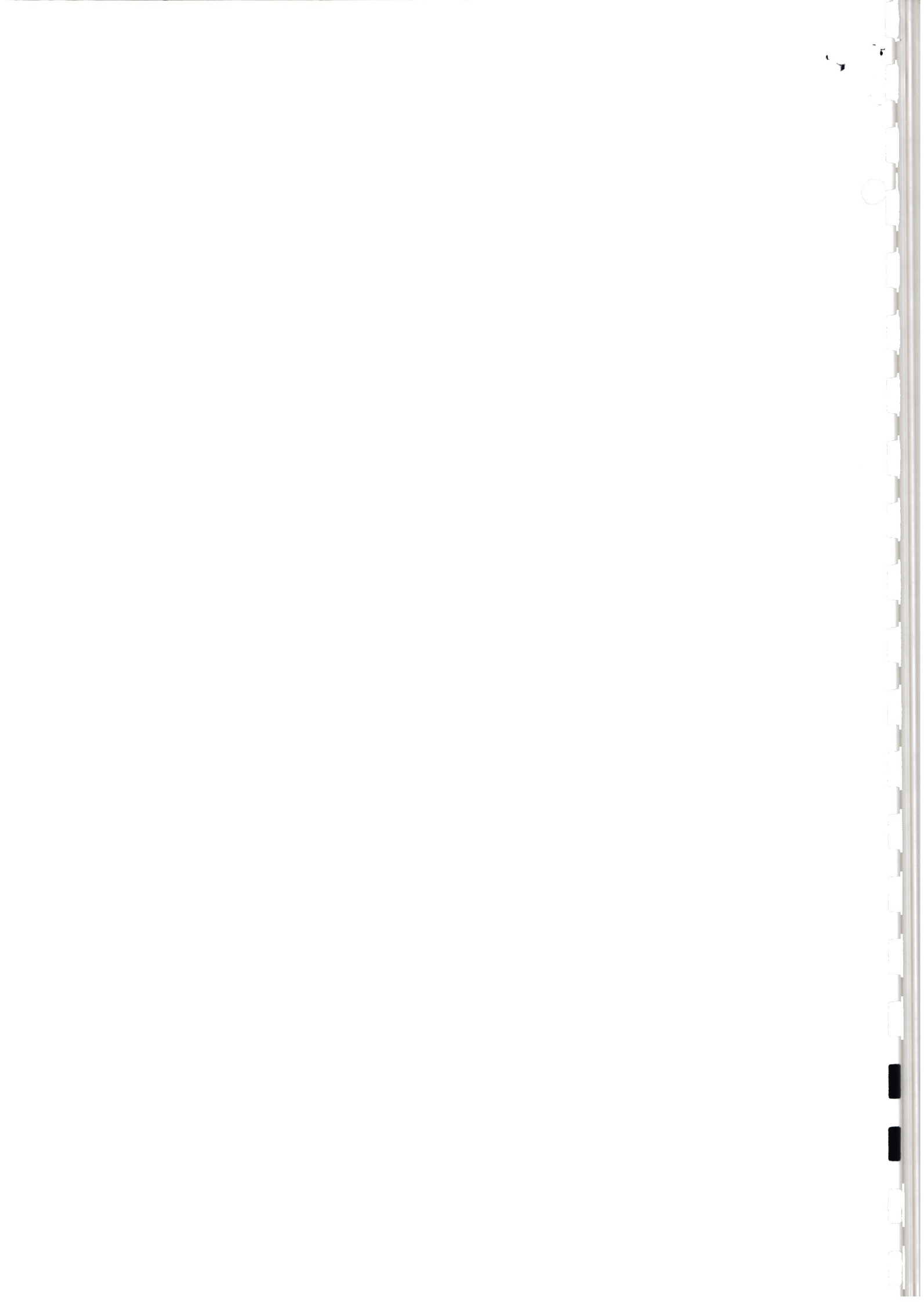
**For the year ended June 30, 2017**

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**(a) Background information**

The *Constituencies Development Fund (NG-CDF)* was set up under the NG-CDF Act, 2003 now repealed by the NG-CDF Act, 2013. The *Constituencies Development Fund* is represented by the Cabinet Secretary for Devolution and Planning, who is responsible for the general policy and strategic direction of the *Constituencies Development Fund*.

**(b) Key Management**

The *URIRI Constituency's* day-to-day management is under the following key organs:

- i. Constituencies Development Fund Board (NG-CDFB)
- ii. Constituency Development Fund Committee (NG-CDFC)

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2015 and who had direct fiduciary responsibility were:

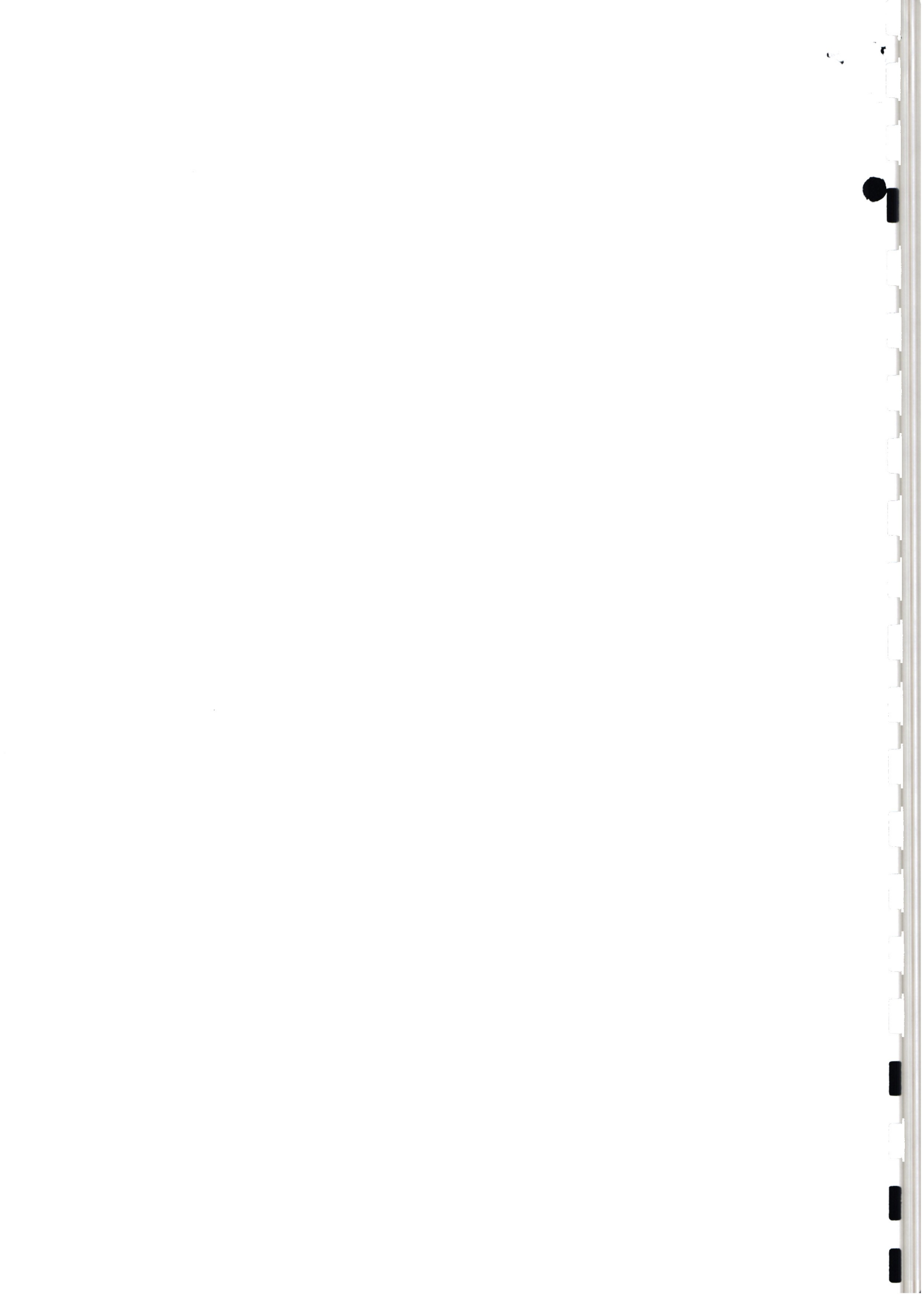
<b>No.</b>	<b>Designation</b>	<b>Name</b>
1.	Accounting Officer	<b>Yusuf Mbuno</b>
2.	A.I.E holder	<b>Charles Omosa</b>
3.	Accountant	<b>Zachariah Nyapara</b>
4.		

**(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of URIRI Constituency. The reports and recommendation of ARMC when adopted by the NG-CDF Board are forwarded to the Constituency Development Fund Committee (NG-CDFC) for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

**(e) URIRI NG-CDF Headquarters**

P.O. Box 8,  
RAPOGI  
Off RAPOGI-AWENDO ROAD





**(f) URIRI NG-CDF Contacts**

Telephone: (254) 0729495375

E-mail: [comosa@cdf.go.ke](mailto:comosa@cdf.go.ke)

Website: [www.go.ke](http://www.go.ke)

**(g) URIRI NG-CDF Bankers**

1. Kenya Commercial Bank  
MIGORI BRANCH

...

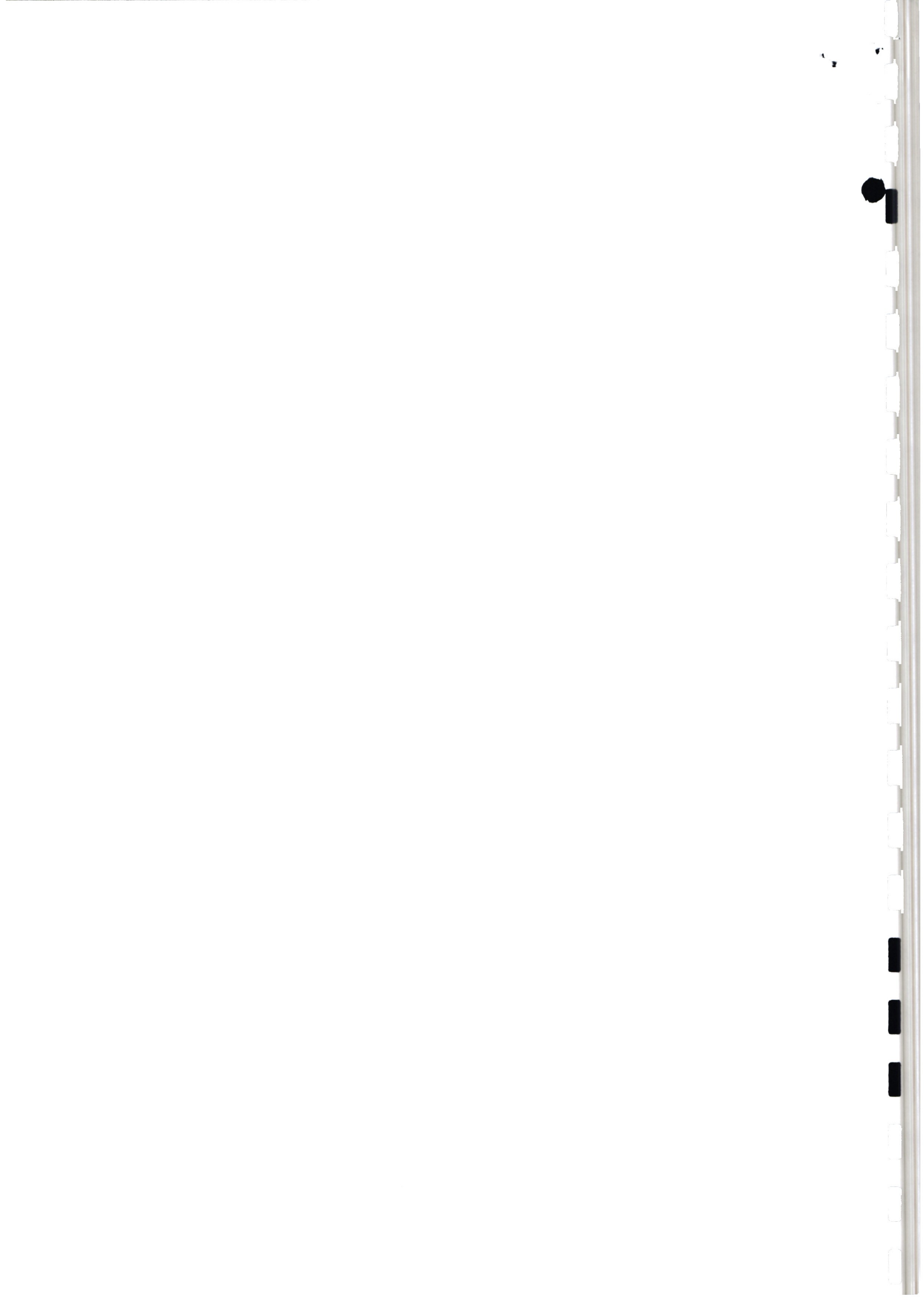
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**(h) Independent Auditors**

Auditor General  
Kenya National Audit Office  
Anniversary Towers, University Way  
P.O. Box 30084  
GOP 00100  
Nairobi, Kenya

**(i) Principal Legal Adviser**

The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya



**I. FORWARD BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT FUND COMMITTEE (NG-CDFC)**

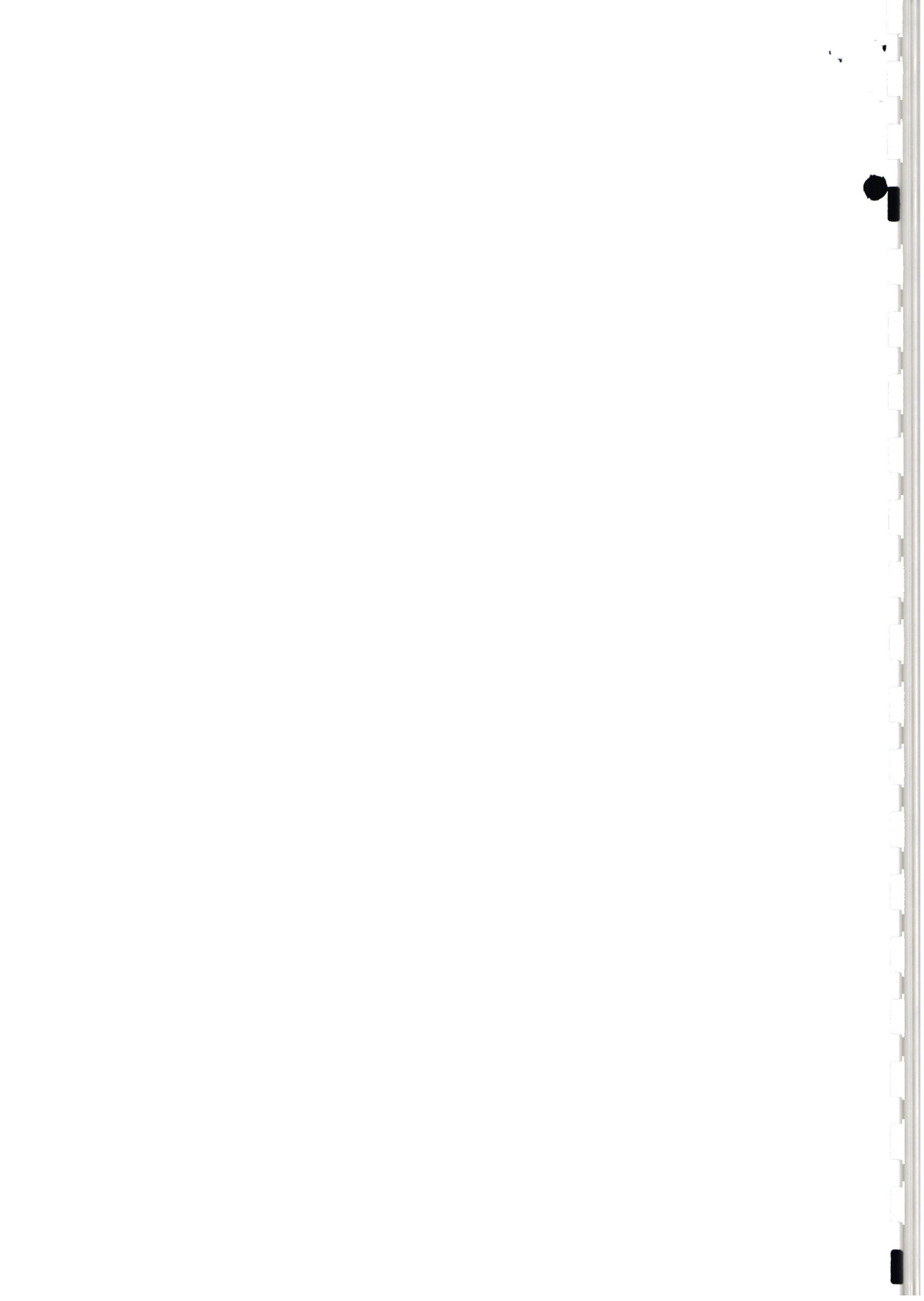
I have the pleasure of representing to you the final Accounts for the financial year 2016/2017 for Uriri NG-CDF. The Constituency was allocated a total of Ksh. 84,896,552. During the financial year 2016/2017 to be utilised for Administration and Recurrent, Monitoring and Evaluation, Capacity Building, Bursary and projects in various sectors such as Education, Security, Sports, Emergency and Environmental activities. The constituency was able to implement most of these activities successfully. The detailed figures and comparisons with the previous financial year are contained in the financial statements I am presenting to you.

The Uriri NG-CDF has been working tirelessly to bring Development to communities and to transform their lives through provision of improved infrastructure, Bursaries to bright but needy students as well as erecting Solar Security Lights to foster Business Activities across the constituency. Most of the PMC have been sensitized and they have good understanding of what they ought to be doing as far project management is concern.

*Sign*



**CHAIRMAN NG-CDFC**



# REPUBLIC OF KENYA

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NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND-URIRI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

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#### REPORT ON THE FINANCIAL STATEMENTS

#### Adverse Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund- Uriri Constituency set out on pages 5 to 34, which comprise the statement of financial assets as at 30 June 2017, statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of National Government Constituencies Development Fund- Uriri Constituency as at 30 June 2017 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Reporting Standards (Cash Basis) and do not comply with the National Government Constituencies Development Fund Act, 2015.

In addition, as required by Article 229 (b) of the Constitution, based on the procedures performed, I confirm that public money has not been applied lawfully and in an effective way.

#### Basis for Adverse Opinion

##### 1. Inaccuracies in the Financial Statements

Examination of the statement of receipts and payments has revealed the following inaccuracies and discrepancies in the statement:

- i. The compensation of employee expenditure reflected was Kshs.1,769,100 as per certified accounts for 2015/2016 while financial statements reflect comparative balance of Kshs.1,860,300 leading to an unreconciled variance of Kshs.91,200.
- ii. The compensation of employees expenditure balance of Kshs.1,190,300 reflected in the statement of receipts and payments differs with the account's balance of Kshs.1,262,450 shown in the supporting schedule leading to an unreconciled variance of Kshs.72,150.

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*Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund - Uriri Constituency for the year ended 30 June 2017*

- iii. The occurrence, validity and accuracy of committee expenses and allowances totaling Kshs.1,737,717 has not been confirmed since the management did not avail the respective committee minutes and reports for audit.
- iv. The statement of receipts and payments, in addition, reflects transfers to other government units of Kshs.46,503,103. However, the management did not avail for audit the schedules, project files and relevant supporting documents to support the amount. Consequently, the completeness, occurrence and existence of the balance cannot be confirmed.
- v. Management did not avail ledgers and supporting schedules to support the balance of Kshs.36,683,518 reflected in the statement of receipts and payments as grants and other transfers.

Consequently, the validity and accuracy of the balances shown in the statement of receipts and payments cannot be verified.

## **2. Trial Balance**

The management of the Fund did not provide a trial balance for audit review. It was not clear how the financial statements submitted for audit were prepared in the absence of a trial balance.

Consequently, the accuracy and completeness of the financial statements cannot be confirmed.

## **3. Transfers to Other Government Entities**

### **3.1 Failure by the Project Management Committees to Submit Expenditure Returns**

Included in the transfers to other government entities of Kshs.46,503,103 reflected in the statement of receipts and payments for the year under review are disbursements made to various government entities. However, as explained below, the propriety of expenditures reported to have been incurred from the disbursements cannot be confirmed:

#### **3.1.1 Construction of Classroom at Rombe Secondary School**

Included in the transfers to other government entities balance of Kshs.46,503,103 reflected in the statement of receipts and payments for the year under review are transfers to secondary schools totaling Kshs.27,159,999 which in turn include Kshs.800,000 reported to have been incurred on construction of one classroom at Rombe Secondary School. However, the management did not present the expenditure schedules and the project file for audit. In addition, physical verification revealed that the project was not implemented.

In view of these anomalies, the occurrence and validity of the expenditure totaling Kshs.800,000 cannot be confirmed.

#### **3.1.2 Construction of Classroom at Ongenga Primary School**

Also included in the transfers to other government entities of Kshs.46,503,103 reflected in the statement of receipts and payments are transfers to primary schools totaling Kshs.10,700,000

which in turn include Kshs.800,000 for the completion of two classrooms at Ongenga Primary School. However, the management failed to provide expenditure schedules and the project file for audit. In addition, physical verification revealed that the project had not been done.

In view of these anomalies, the validity and occurrence of the expenditure totaling Kshs.800,000 cannot be confirmed.

### **3.1.3 Construction of Classroom at Siro Primary School**

Also included in transfers to primary schools balance of Kshs.10,700,000 is Kshs.1,000,000 transferred to Siro Primary School for completion of one classroom entailing installation of fixtures, painting and plastering, and building a new staff house. However, the class was not branded as a NGCDF project upon completion and it was therefore not possible to confirm that the works were solely financed by the NGCDF-Uriri.

### **3.1.4 Construction of Toilet and Purchase of Chairs and Desks at Nyabera Talent Academy**

Included in the transfers to secondary schools totaling Kshs.27,159,999 is a sum of Kshs.1,200,000 disbursed for the construction of a nine-door toilet and purchase of 30 chairs and 30 desks at Nyabera Talent Academy. However, the management did not provide the project file for audit review and as a result, the validity and occurrence of the expenditure cannot be confirmed.

### **3.1.5 Construction of Classroom at Ober Secondary School**

Similarly, the propriety and occurrence of expenditure incurred from a sum of Kshs.800,000 disbursed for construction of one classroom at Ober Secondary School cannot be confirmed because the management did not provide a project file for audit review. In addition, physical verification of the project revealed that it was not done to completion.

### **3.1.6 Painting and General Finishing at Uiri Youth Empowerment Centre**

A sum of Kshs.800,000 was disbursed for painting, flooring and installing fittings at Uiri Youth Empowerment Centre. However, the fittings were not installed.

Consequently, the whole of the expenditure disbursed was not incurred for the intended purpose.

## **4. Other Grants and Transfers**

### **4.1 Emergency Projects**

Included under other grants and transfers of Kshs.36,683,517 is Kshs.3,999,977 for emergency projects which in turn includes Kshs.1,000,000 disbursed for construction of a dormitory at Kamsaki Girls Secondary. However, the Fund did not provide evidence to show that the expenditure met the criteria for emergency projects as defined by Section 8 (3) of NGCDF Act, 2015.

Consequently, the regularity of the expenditure cannot be confirmed.

## **4.2 Sports Expenditure**

Included under other grants and transfers of Kshs.36,683,517 is Kshs.3,976,068 being payments for sports expenditure. However, management have not availed for audit review supporting documentation for proof that that the supplies were received or identify the persons to whom the payment were made.

Consequently, the occurrence and propriety of the expenditure cannot be confirmed.

## **5. Summary Statement of Appropriation**

The summary statement of appropriation reflects an original budget of Kshs.81,896,552 and an adjustment of Kshs.10,045,341 which raised the total budget for the year under review to Kshs.91,941,892. In addition, the Fund received Authority to Incur Expenditure certificates (AIE) amounting to Kshs.84,896,551 and had an opening cash(bank) balance of Kshs.4,714,948. Although the amounts have been included as adjustments in the statement of appropriation, they have not been supported by an approved code list showing the 2015/2016 approved budget that was financed in 2016/2017.

In the absence of a list of rolled-over projects, it is not possible to confirm that the previous year's allocations expended in the year under review were utilized for the intended purposes.

## **6. Prior-year Adjustments**

Reflected in the statement of assets as at 30 June 2017 is a prior-year adjustment of Kshs.27,000 disclosed in Note 14 to the financial statements. However, the management did not analyze the balance to explain the adjustment. As a result, is not possible to confirm that the net assets balance is fairly stated.

## **7. Cash Flow**

The statement of cash flow indicates net increase of cash and cash equivalents negative balance of Kshs.5,791,511 as at 30 June 2017 which however differs by Kshs.27,000 from the deficit of Kshs.5,818,511 reflected in the statement of receipts and payments for the year under review.

Consequently, the accuracy of cash flow balances of Kshs.753,830 as at 30 June 2017 cannot be confirmed.

## **8. Project Implementation Committee (PMC) Bank Balances**

The financial statements under Annex 5 disclose forty three (43) Project Management Committee (PMC) bank account balances totaling Kshs.226,822 as at 30 June 2017. However, the respective bank statements and reconciliations were not made available for audit review.

Consequently, the accuracy of bank balances of Kshs.226,822 as at 30 June 2017 cannot be confirmed.



## 9. Fixed Assets Register

The summary of fixed assets under Annex 4 reflects assets worth Kshs.7,296,270. However, the balance is not supported by a detailed fixed assets register.

Consequently, the accuracy of the summary of fixed assets balance of Kshs.7,296,270 cannot be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am Independent of National Government Constituencies Development Fund - Uriri Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements and internal control in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

### Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Adverse Opinion section, I have determined that there are no other key audit matters to communicate in my report

### Other Matter

#### 1. Budget Performance

The Fund was allocated Kshs.81,896,551 by the National Government Constituencies Development Fund Board together with an adjustment of Kshs.10,045,341 which raised total final budget to Kshs.91,941,892. However, the Fund spent Kshs.90,715,063 during the year under review. A comparison of budgeted and actual amounts is shown below:

The expenditure absorption rate during the year was 99% of the budget which was satisfactory.

Audit Components	Final budget figures Kshs.	Actual Kshs.	% Difference
Transfers from CDF Board	91,941,892	84,896,552	92%
<b>Payments</b>			
Compensation of Employees	2,342,800	1,190,300	51%
Use of goods and Services	2,985,425	2,985,425	100%
Committee Expenses	1,737,718	1,737,718	100%
Transfers to Other Government Units	46,577,432	46,503,103	100%
Other grants and transfers	36,683,517	36,683,517	100%
Social Security Benefits			

Acquisition of Assets	1,615,000	1,615,000	100%
Other Payments			
<b>Total</b>	<b>91,941,891</b>	<b>90,715,062</b>	<b>99%</b>

## 2. Project Verification

During the year under review, sixteen (16) projects costing Kshs.23,699,996 were verified during audit, and six of these were found to be complete. The findings are outlined below:

	Name of project	Activity	Budget Kshs.	Level of completion%	Observations
1	Uriri Jua kali shades	Construction of Jua kali shades	3,000,000	100%	Complete and in use
2	Uriri Administration Post	Fencing of the compound	700,000	100%	Complete and in use
3	Uriri Youth Empowerment	Painting, flooring and general finishing(fittings)	1,599,999	90%	Complete and in use but not branded
4	Sibuole Borehole	Repair of bore pump	999,997	100%	Complete and in use
5	Kamsaki Girls	Construction of dormitory under emergency	1000,000	100%	Complete and in use
6	Rombe Secondary School	Construction of 1 classroom	800,000	0%	Project not done and Project file not availed.
7	Bishop Linus Osogo Okok Secondary School	Purchase of a school bus	7,000,000	100%	Project complete and in use
8	Ongenga Primary School	Completion of two classrooms( painting, fixing of doors, glasses and general finishes	800,000	0%	Project file not availed. Project not done
9	Puche Primary School	Construction of two classrooms	1,600,000	50%	Project not complete.
10	Magongo Secondary School	Construction of 1 classroom	800,000	100%	Project complete and in use
11	St Linus Koyieko Secondary School	Completion of laboratory( Roofing, plastering and fixtures)	1,200,000	80%	Project not complete. Not branded
12	Nyakurkuma Secondary School	Construction of 1 classroom	800,000	70%	Project not complete. Not in use
13	Ober Secondary School	Construction of 1 classroom	800,000	50%	Project not complete
14	Nyabera Talent Academy	Construction of 9-door toilet ( 900,000) and purchase of 30 chairs and 30 desks	1,200,000	40%	Project not complete. Project file missing

15	Ochindo Chiefs office	Construction of chiefs office	800,000	70%	Project not complete
16	Kajulu Chiefs office	Construction of chiefs office	600,000	90%	Project not complete
	<b>Total</b>		<b>23,699,996</b>		

Two projects under implementation were not branded as NGCDF projects. Lack of branding risks overlap in funding of projects between the National Government and county governments and may result in inadequate financial disclosure and oversight.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management is aware of the intention to liquidate the Fund or have its operations cease. Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

### **Auditor-General's Responsibilities for the Audit of the Financial Statements**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for

my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



**FCPA Edward R. O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**13 November 2018**

**CONSTITUENCY DEVELOPMENT FUND- URIRI CONSTITUENCY****Reports and Financial Statements**

For the year ended June 30, 2017

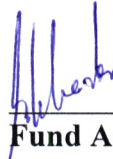
**III. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2016-2017	2015 - 2016
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	1	84,896,552	141,038,861.00
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	
<b>TOTAL RECEIPTS</b>		<b>84,896,55</b>	<b>141,038,861.00</b>
<b>PAYMENTS</b>			
Compensation of employees	4	1,190,300	1,769,100
Use of goods and services	5	2,985,424	2,178,210.55
Committee Expenses	6	1,737,718	2,756,006.70
Transfers to Other Government Units	7	46,503,103	46,320,919.90
Other grants and transfers	8	36,683,517	79,278,083.15
Acquisition of Assets	9	1,615,000	2,100,000.00
Other Payments	9		32,055,050.61
<b>TOTAL PAYMENTS</b>		<b>90,715,063</b>	<b>166,548,569.94</b>
<b>SURPLUS/DEFICIT</b>		<b>(5,818,511)</b>	<b>(25,509,708.14)</b>

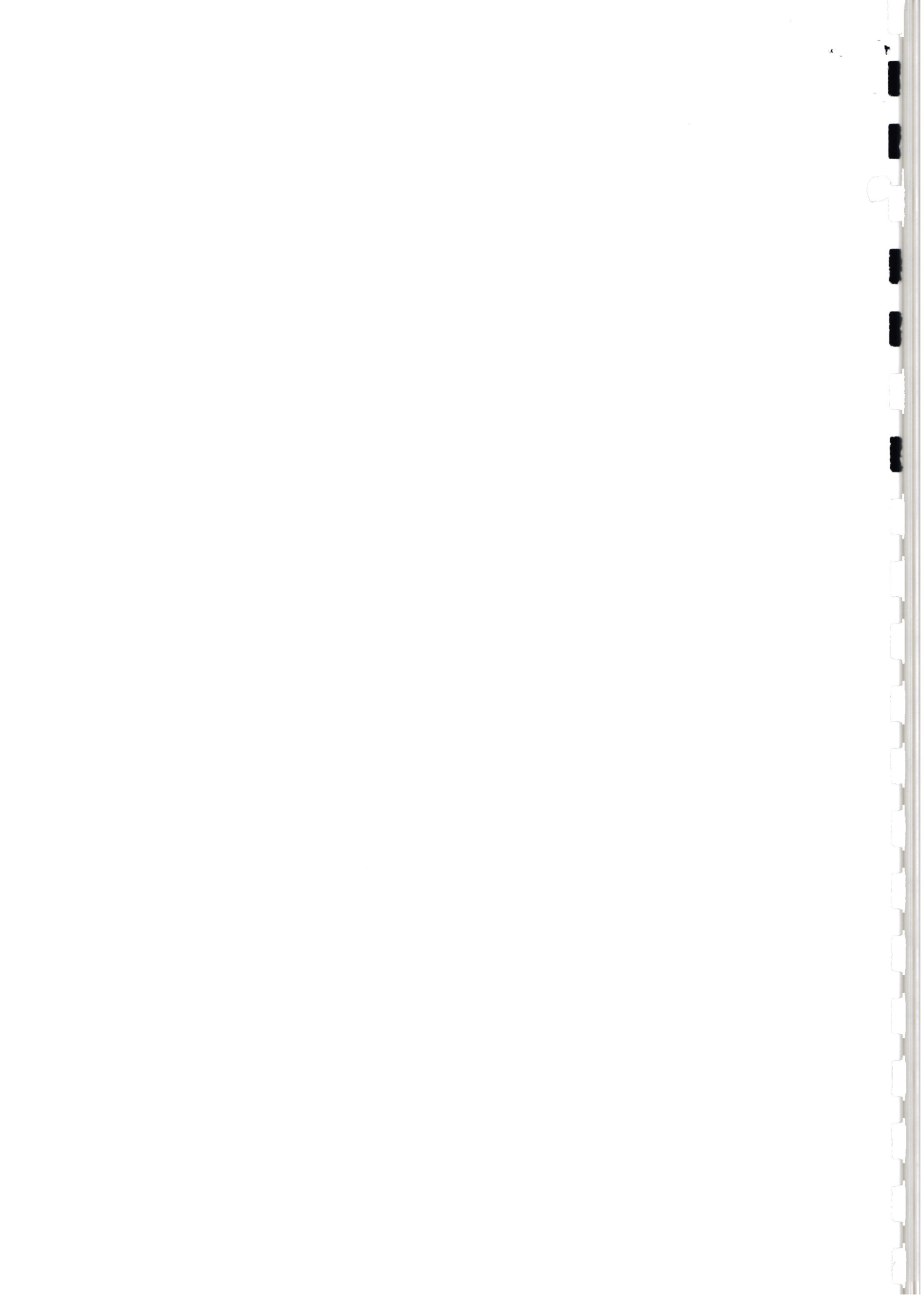
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The URIRI CDF financial statements were approved on 28/9 2017 and signed by:



Chairman - CDFC



Fund Account Manager



**CONSTITUENCY DEVELOPMENT FUND- URIRI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

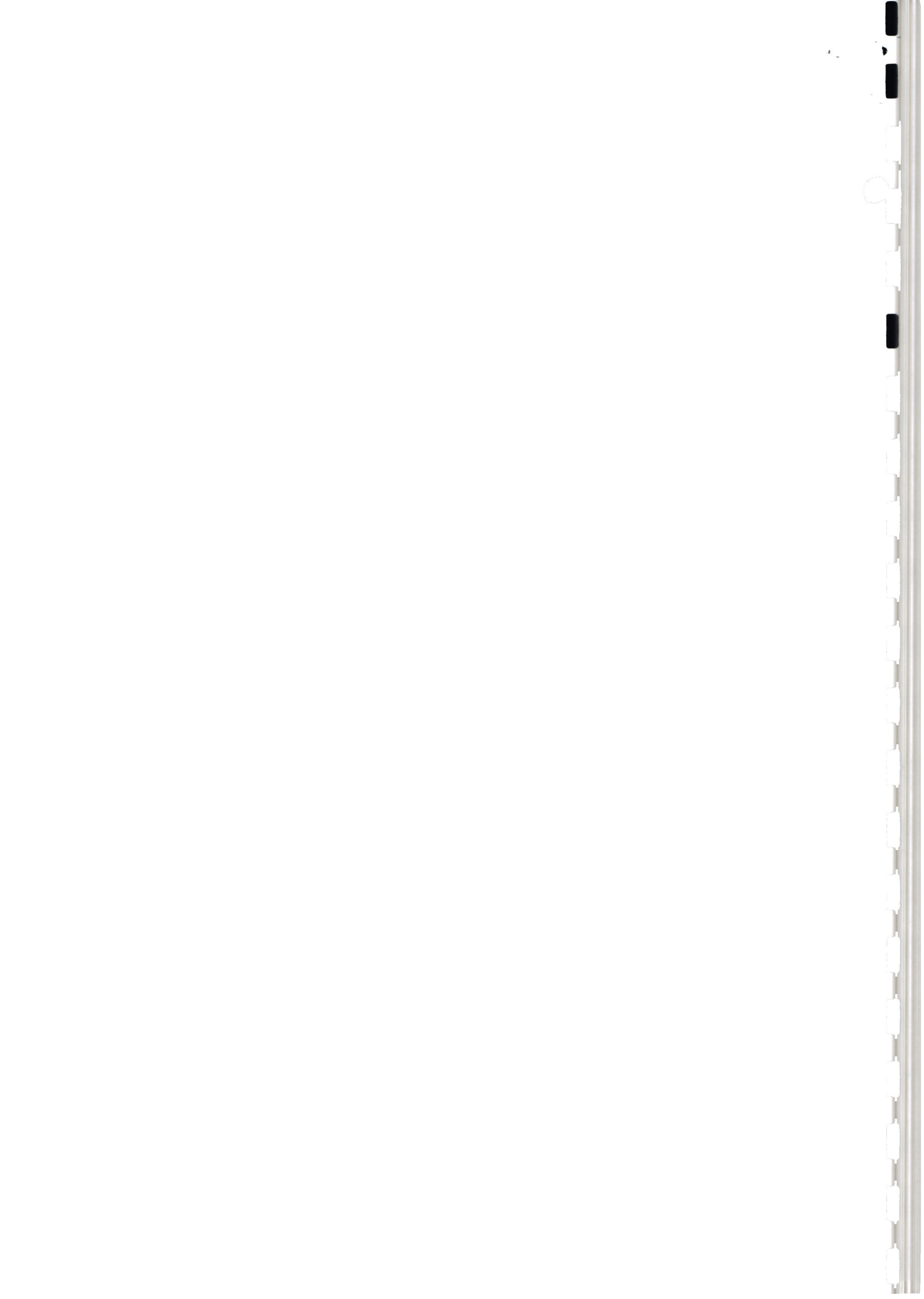
**IV. STATEMENT OF ASSETS**

	Note	2016-2017 Kshs	2015 - 2016 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	753,830	4,714,948.65
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	1,830,393.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>753,830</b>	<b>6,545,341.65</b>
<b>REPRESENTED BY</b>			
Retention	12	-	-
Fund balance b/fwd 1st July...	13	6,545,341	32,055,050.64
Surplus/Deficit for the year		(5,818,511)	(25,509,709.00)
Prior year adjustments	14	27,000	-
<b>NET LIABILITIES</b>		<b>753,830</b>	<b>6,545,341.64</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The URIRICDF financial statements were approved on 28/9 2017 and signed by:

  
Chairman - CDFC

  
Fund Account Manager





**CONSTITUENCY DEVELOPMENT FUND- URIRI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

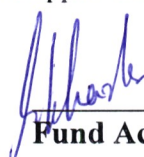
**V. STATEMENT OF CASHFLOW**

Receipts for operating income		2016-2017	2015 - 2016
Transfers from CDF Board	1		
Other Receipts	3	84,896,552	141,038,861.80
		-	-
<b>Payments for operating expenses</b>			
Compensation of Employees	4	1,190,300	1,769,100.00
Use of goods and services	5	2,985,424	2,178,210.55
Committee Expenses	6	1,737,718	2,756,006.70
Transfers to Other Government Units	7	46,503,103	46,320,919.90
Other grants and transfers	8	36,683,517	79,278,083.15
Social Security Benefits	9	50,250.00	91,200.00
Other Payments	10	36,300.00	32,055,050.00
<b>Adjusted for:</b>			
Adjustments during the year	14	27,000	164,448,570.30
<b>Net cash flow from operating activities</b>		<b>89,100,063</b>	<b>-23,409,708.50</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	
Acquisition of Assets	10	1,615,000.00	2,100,000.00
<b>Net cash flows from Investing Activities</b>		<b>1,615,000.00</b>	<b>2,100,000.00</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>-5,791,511</b>	<b>-25,509,708.50</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>13</b>	<b>6,572,342</b>	<b>32,055,050.00</b>
<b>Cash and cash equivalent at END of the year</b>		<b>753,830</b>	<b>6,572,342</b>

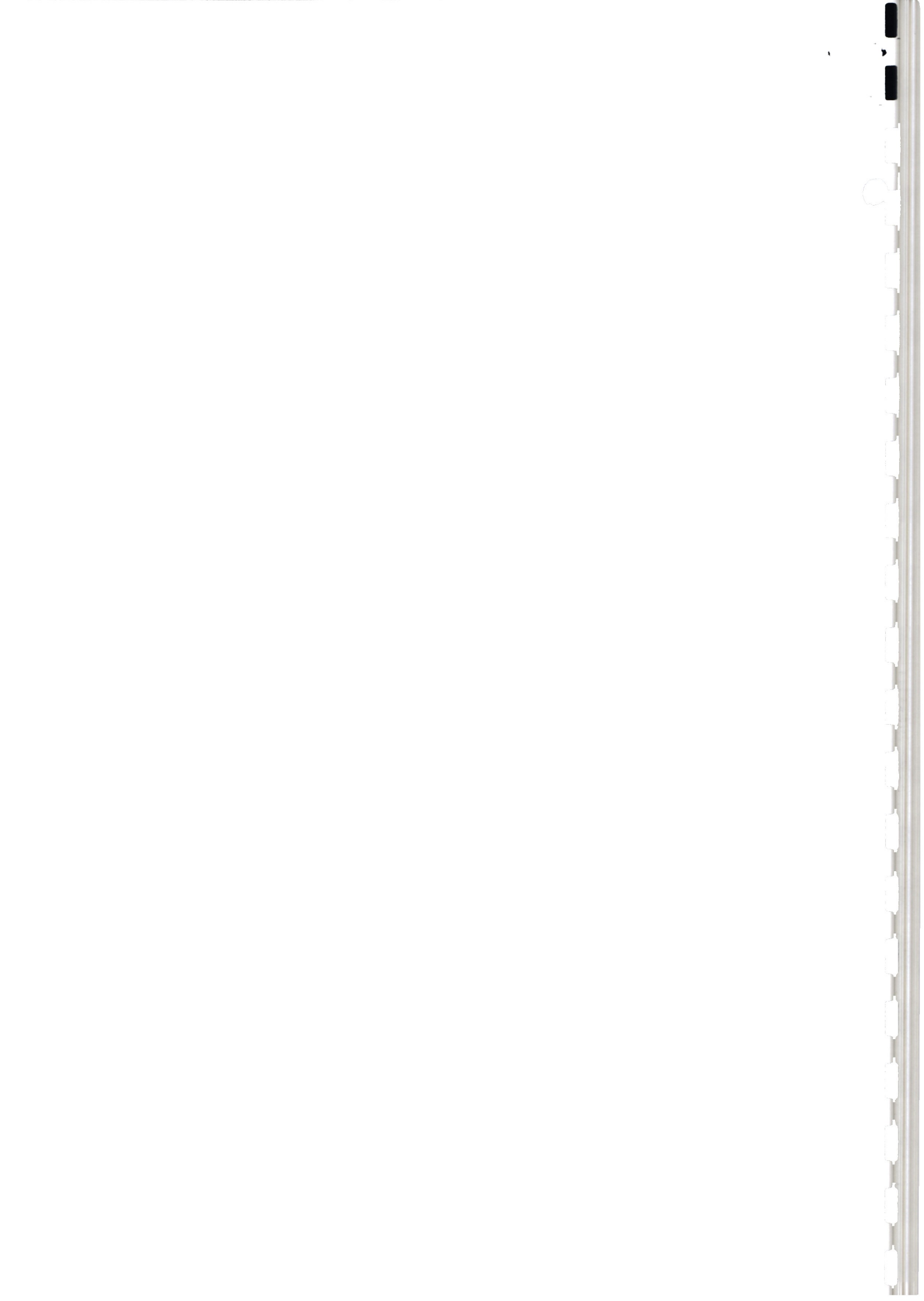
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The URIRI CDF financial statements were approved on 28/9 2017 and signed by:



\_\_\_\_\_  
Chairman CDFC



\_\_\_\_\_  
Fund Account Manager



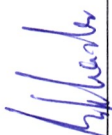
VI. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	84,896,552	6,572,342	91,468,894	89,582,759	753,830	98%
Proceeds from Sale of Assets						
Other Receipts						
<b>TOTAL RECEIPTS</b>	84,896,552	6,572,342	91,468,894	89,582,759	1,886,135	98%
<b>PAYMENTS</b>						
Compensation of Employees	1,500,000	351,300	1,851,300	1,190,300	153,798	60%
Use of goods and services	2,810,690	174,736	2,985,426.00	2,985,424	2	82%
Committee Expenses	1,400,000	337,718	1,737,718	1,137,718	600,000	65%
Transfers to Other Government Units	45,043,103	1,460,030	46,503,133	46,503,103	30	100%
Other grants and transfers	32,482,758	4,200,759	36,683,517	36,683,517	-	100%
Acquisition of Assets	1,567,200	47,800.00	1,615,000.00	1,615,000	-	100%
Other Payments						
<b>TOTALS</b>	84,896,552	6,572,342	91,468,894	91,941,892	753,830	98%

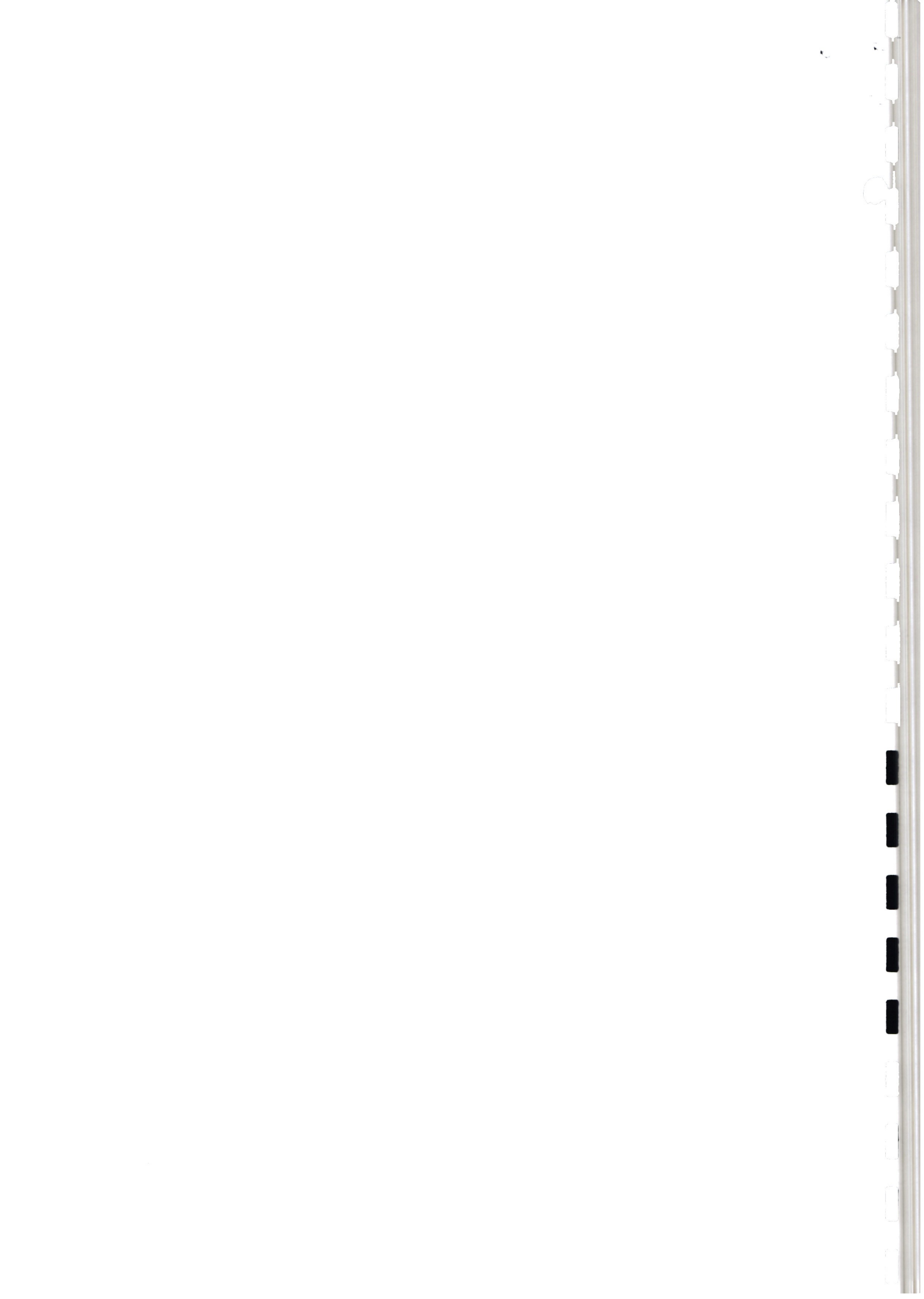
The URIRICDF financial statements were approved on 28/9 2017 and signed by:



Chairman CDF



Fund Account Manager



## **VII. SIGNIFICANT ACCOUNTING POLICIES**

The principle accounting policies adopted in the preparation of these financial statements are set out below:

### **1. Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *CDF* and all values are rounded to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the *CDF*.

### **2. Recognition of revenue and expenses**

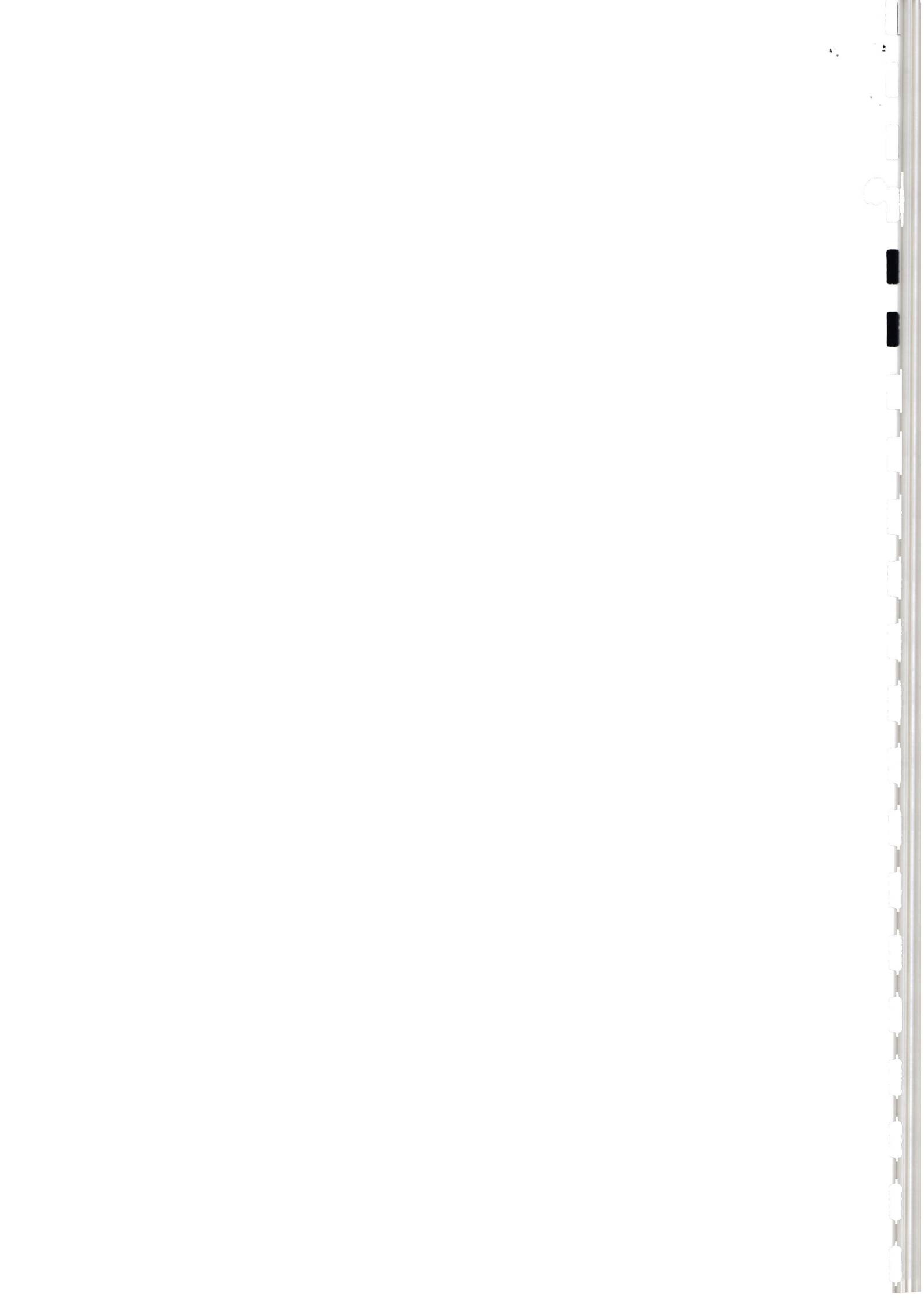
The *CDF* recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the *CDF*. In addition, the *CDF* recognises all expenses when the event occurs and the related cash has actually been paid out by the *CDF*.

### **3. In-kind contributions**

In-kind contributions are donations that are made to the *CDF* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *CDF* includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

### **4. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.



# CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY

## Reports and Financial Statements

For the year ended June 30, 2017

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### *SIGNIFICANT ACCOUNTING POLICIES (Continued)*

#### **5. Pending bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as ‘memorandum’ or ‘off-balance’ items to provide a sense of the overall net cash position of the *CDF* at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

#### **6. Budget**

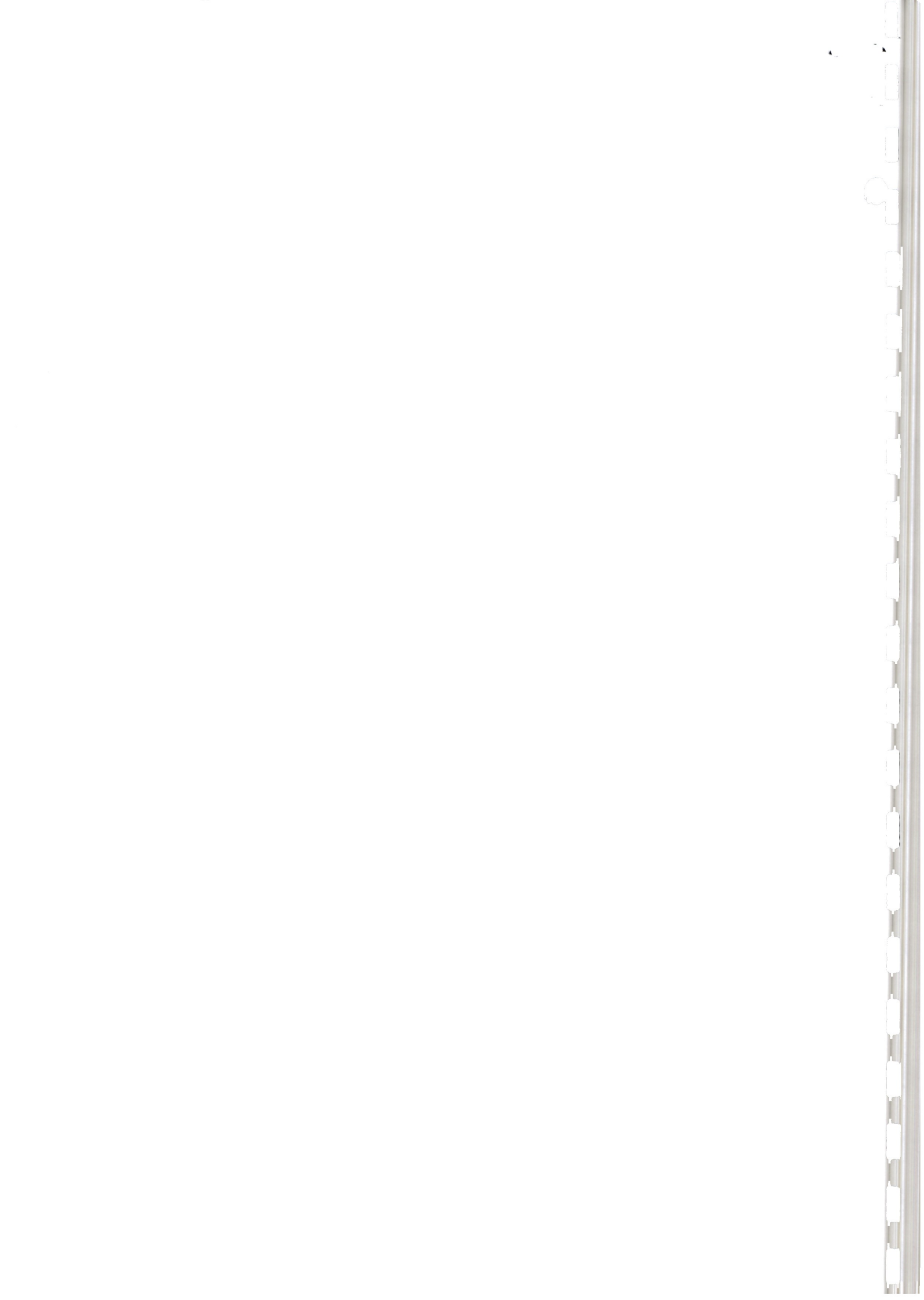
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *CDF*'s budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the *CDF*'s actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

#### **7. Comparative figures**

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

#### **8. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2017.





**CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

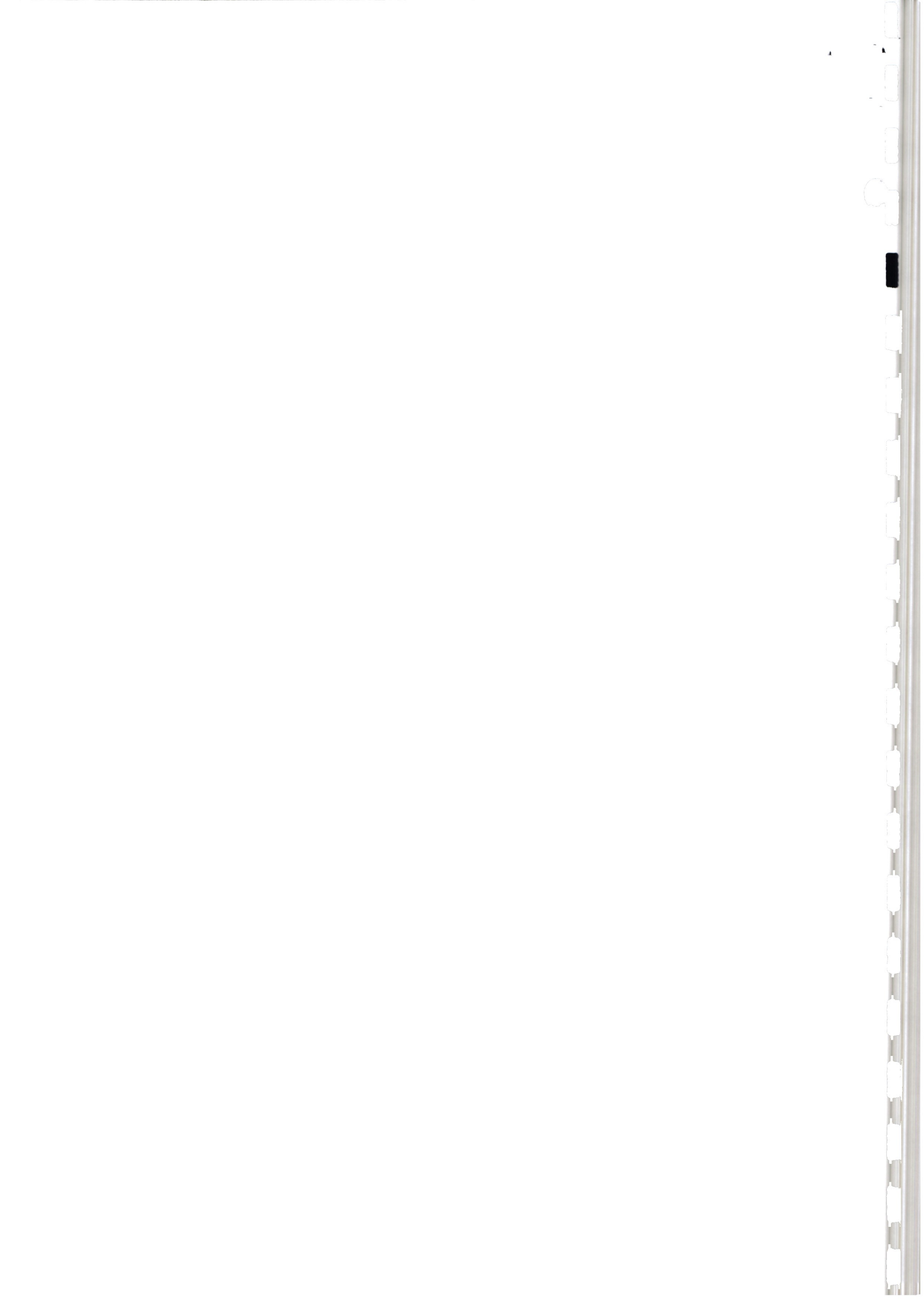
**VIII. NOTES TO THE FINANCIAL STATEMENTS**

**1.1.1.1.1.1.1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2016-2017	2015 - 2016
		Kshs	Kshs
NG-CDF Board			
AIE NO	A-825914	3,000,000.00	27,585,416.80
AIE NO	A-839527	4,094,827.60	10,000,000.00
AIE NO	A-839626	36,853,449.00	10,000,000.00
	A-855556	40,948,275.10	10,000,000.00
			28,000,000.00
			29,000,000.00
			26,453,445.00
(other constituency e.g, parent constituency)			
<b>TOTAL</b>		<b>84,896,551.70</b>	<b>141,038,861.80</b>

**1.1.1.1.1.1.2 PROCEEDS FROM SALE OF ASSETS**

	2016-2017	2015 - 2016
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	xxx	xxx
Receipts from sale of office and general equipment	xxx	xxx
Receipts from the Sale Plant Machinery and Equipment	xxx	xxx
<b>Total</b>	<b>xxx</b>	<b>xxx</b>



**CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

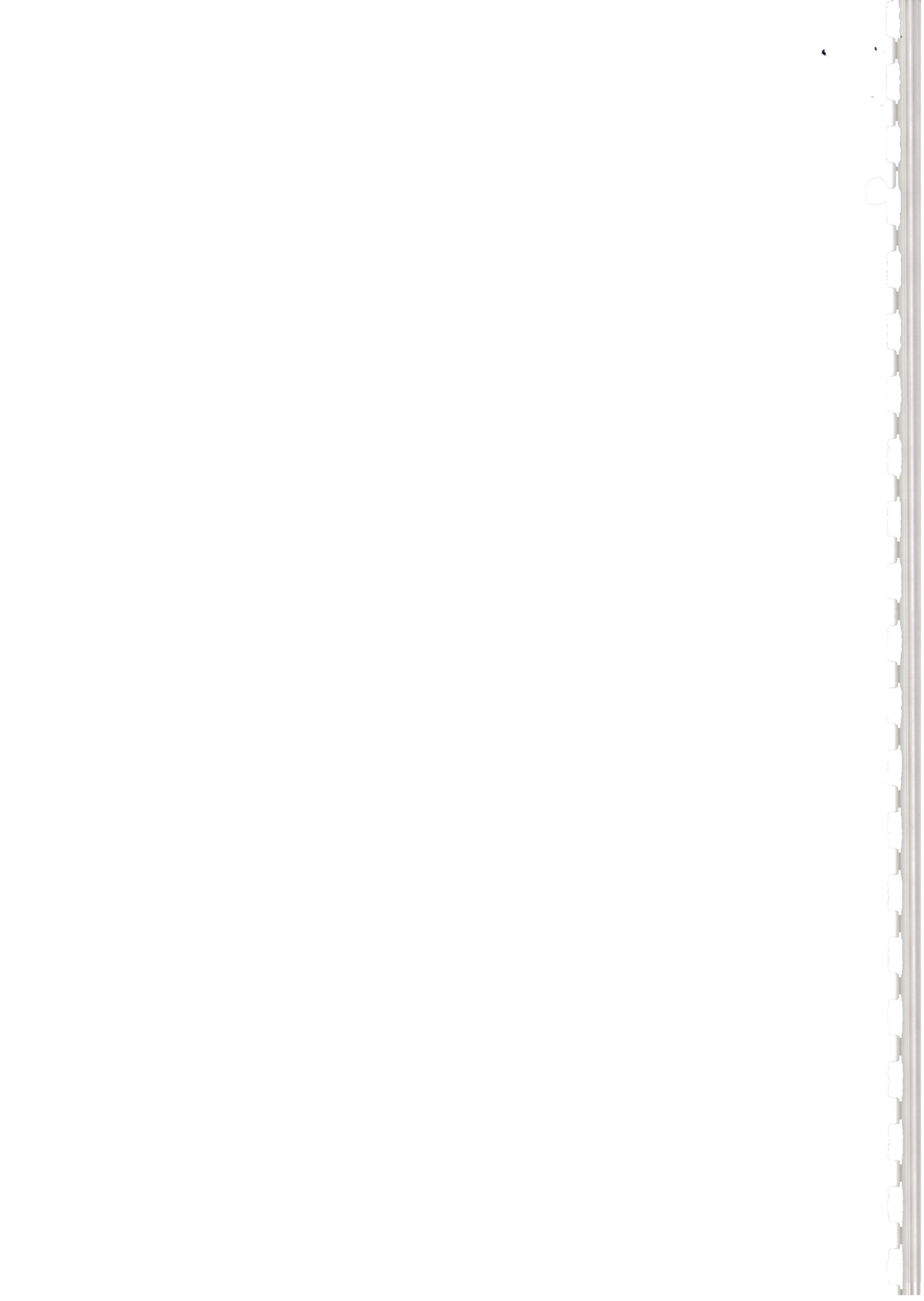
*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**1.1.1.1.1.1.3 OTHER RECEIPTS**

	<b>2016-2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	xxx	xxx
Rents	xxx	xxx
Receipts from Sale of tender documents	xxx	xxx
Other Receipts Not Classified Elsewhere	xxx	xxx
<b>Total</b>	<b>xxx</b>	<b>xxx</b>

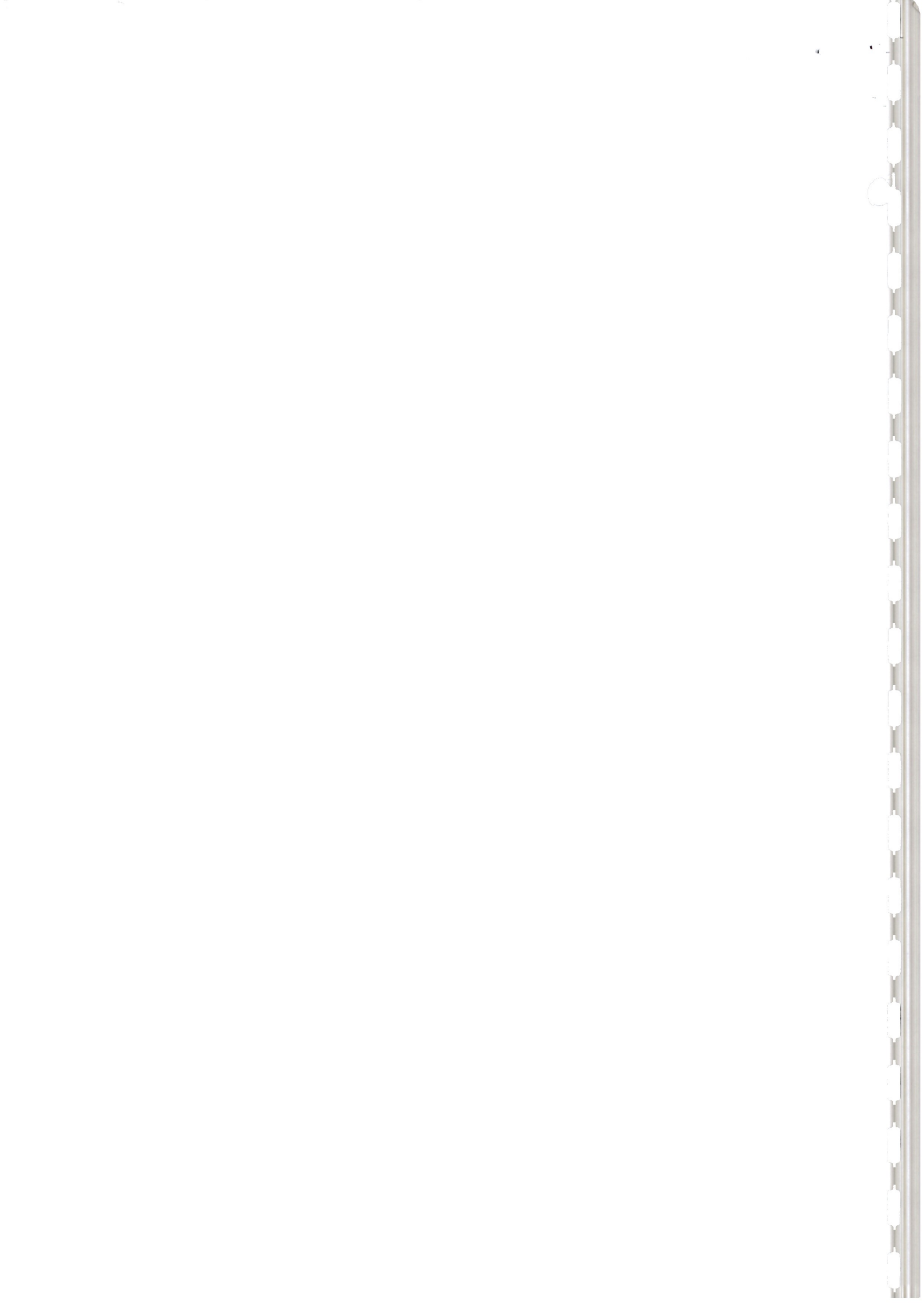
**1.1.1.1.1.1.4 COMPENSATION OF EMPLOYEES**

	<b>2016-2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Basic wages of contractual employees	1,103,750.00	1,769,100,00
Basic wages of casual labour	xxx	Xxx
<b>Personal allowances paid as part of salary</b>		
House allowance	xxx	xxx
Transport allowance	xxx	xxx
Leave allowance	xxx	xxx
Gratuity	xxx	xxx
Other personnel payments	36,300	xxx
NSSF	50,250.00	91,200
<b>Total</b>	<b>1,190,300.00</b>	<b>1,860,300.00</b>



**CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***1.1.1.1.1.1.5 USE OF GOODS AND SERVICES**

	<b>2016-2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Committee Expenses	1,137,718	2,756,006.70
Utilities, supplies and services	275,600	133,607.00
Communication, supplies and services	203,650	445,000.00
Domestic travel and subsistence	-	400,000.00
Printing, advertising and information supplies & services	10,259	208,603.35
Rentals of produced assets	-	xxx
Training expenses	600,000	237,000.00
Hospitality supplies and services	-	200,000.00
Insurance costs	-	xxx
Specialized materials and services	213,000	500,000.00
Office and general supplies and services	456,475	53,999.20
Other operating expenses	426,438	xxx
Routine maintenance – vehicles and other transport equipment	-	xxx
Routine maintenance – other assets	267,700	xxx
<b>Total</b>	<b><u>2,985,424</u></b>	<b><u>2,178,210.00</u></b>
<b>TOTAL</b>	<b><u>2,985,424</u></b>	<b><u>2,178,210.00</u></b>

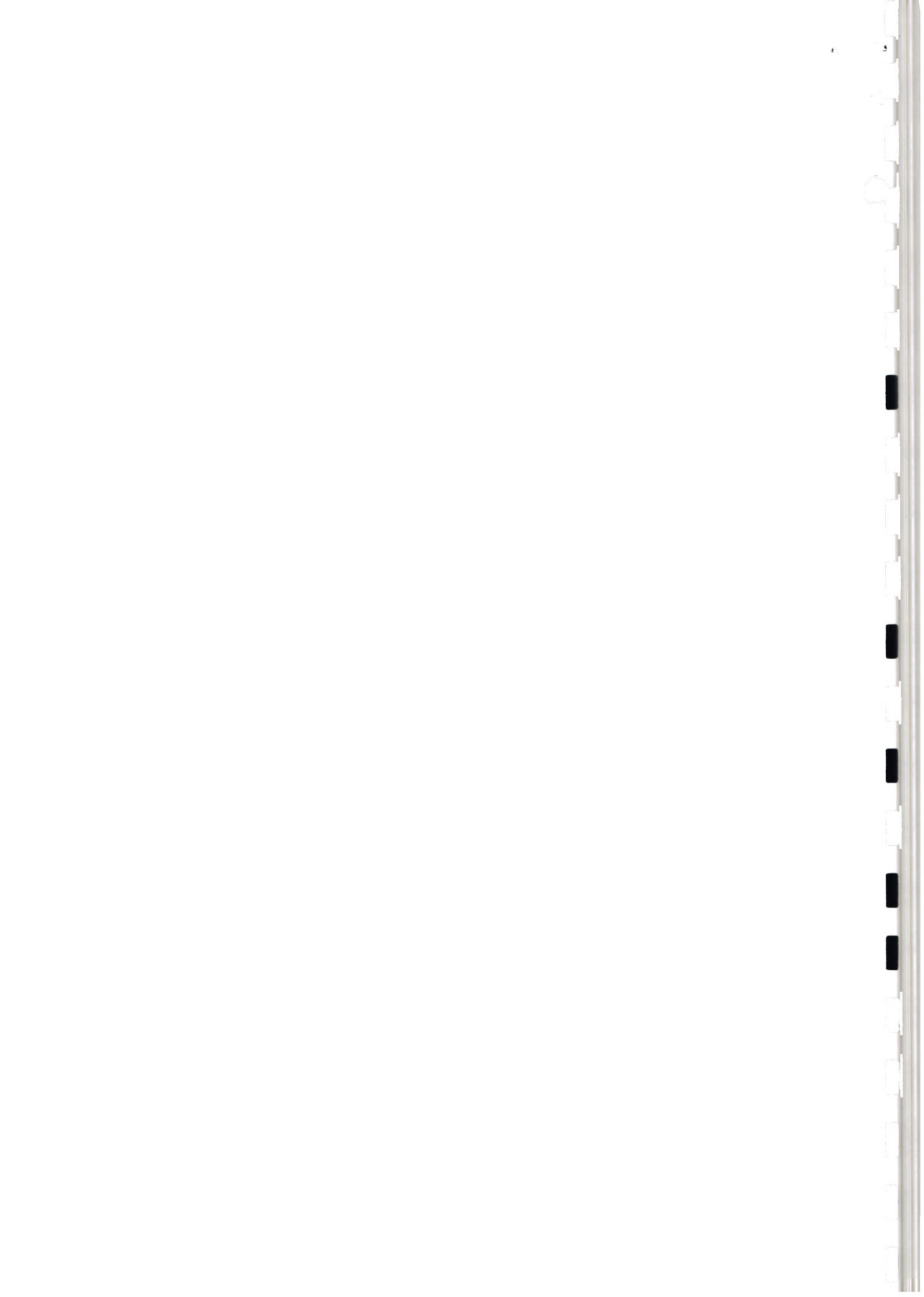


**CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***1.1.1.1.1.1.6 TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2016-2017	2015 - 2016
	Kshs	Kshs
Transfers to National Government entities	10,700,000.00	16,300,000
Transfers to primary schools (see attached list)	27,159,999.98	26,820,919.94
Transfers to secondary schools (see attached list)	8,643,103.00	2,000,000.00
Transfers to tertiary institutions (see attached list)	Xx	1,200,000.00
Transfers to health institutions (see attached list)	Xx	xx
<b>TOTAL</b>	<b>46,503,102.98</b>	<b>46,320,919.94</b>

**1.1.1.1.1.1.7 OTHER GRANTS AND OTHER PAYMENTS**

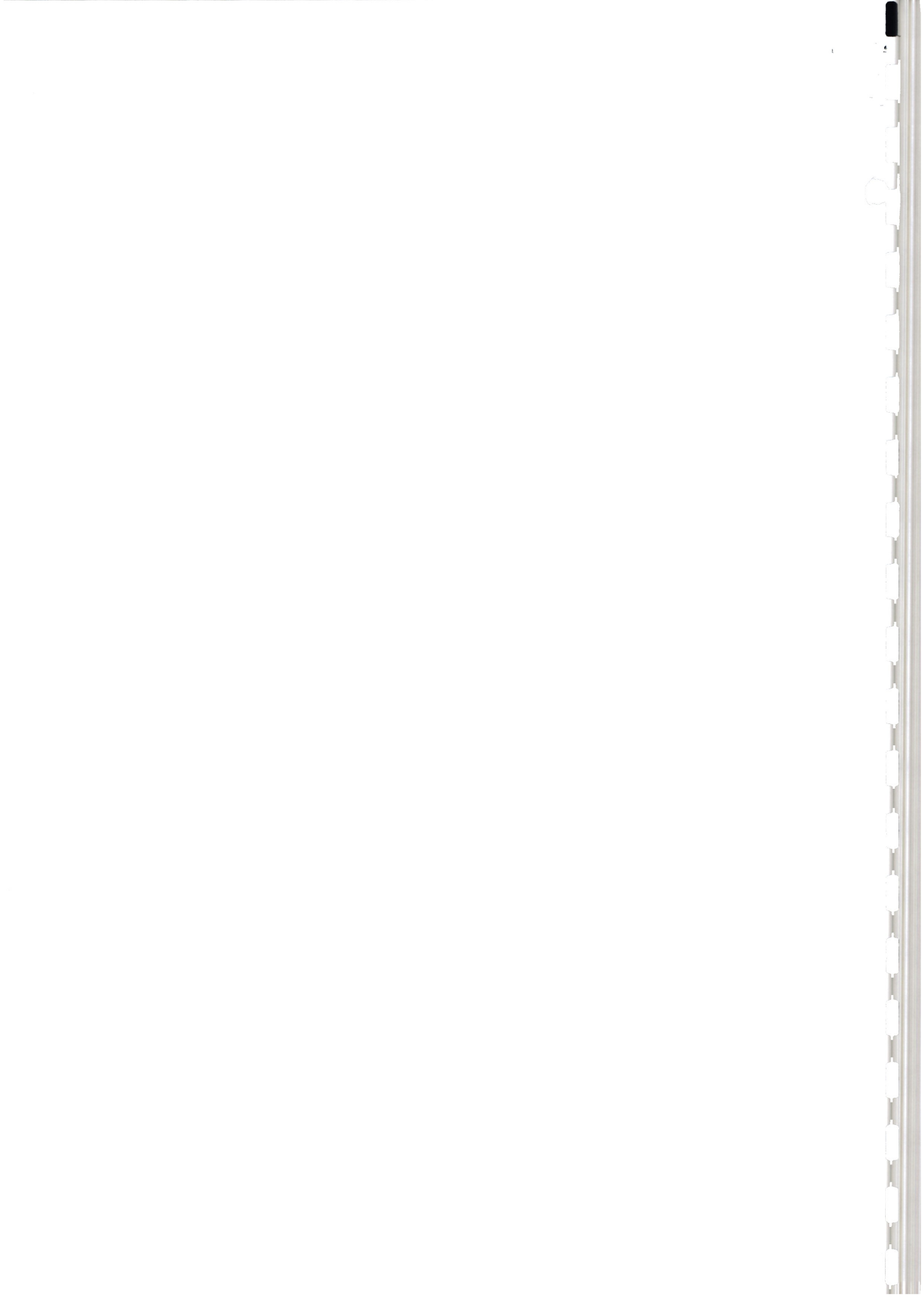
	2016-2017	2015 - 2016
	Kshs	Kshs
Bursary – secondary schools (see attached list)	5,000,000.00	5,383,602.80
Bursary – tertiary institutions (see attached list)	14,948,471.93	5,270,000.00
Bursary – special schools (see attached list)	2,919,000.00	3,000,000.00
Mock & CAT (see attached list)	1,203,000.00	1,000,000.00
Water projects (see attached list)	xx	400,000.00
Agriculture projects (see attached list)	xx	-
Electricity projects (see attached list)	xx	8,750,000.00
Security projects (see attached list)	3,000,000.00	1,500,000.00
Roads projects (see attached list)	xx	-
Sports projects (see attached list)	3,976,068.00	-
Environment projects (see attached list)	1,637,000.00	2,206,833.35
Emergency projects (see attached list)	3,999,977.00	5,767,647.00
<b>Total</b>	<b>36,683,516.93</b>	<b>79,278,083.15</b>





**CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***1.1.1.1.1.1.8 ACQUISITION OF ASSETS****Non Financial Assets**

	<b>2016-2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	xx	xx
Construction of Buildings	xx	xx
Refurbishment of Buildings	xx	xx
Purchase of Vehicles and Other Transport Equipment	xx	xx
Overhaul of Vehicles and Other Transport Equipment	xx	xx
Purchase of Household Furniture and Institutional Equipment	xx	xx
Purchase of Office Furniture and General Equipment	1,615,000.00	1,300,000.00
Purchase of ICT Equipment, Software and Other ICT Assets	xx	800,000.00
Purchase of Specialised Plant, Equipment and Machinery	xx	xx
Rehabilitation and Renovation of Plant, Machinery and Equip.	xx	xx
Acquisition of Land	xx	xx
Acquisition of Intangible Assets	xx	xx
<b>Total</b>	<b>1,615,000.00</b>	<b>2,100,000.00</b>



**CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

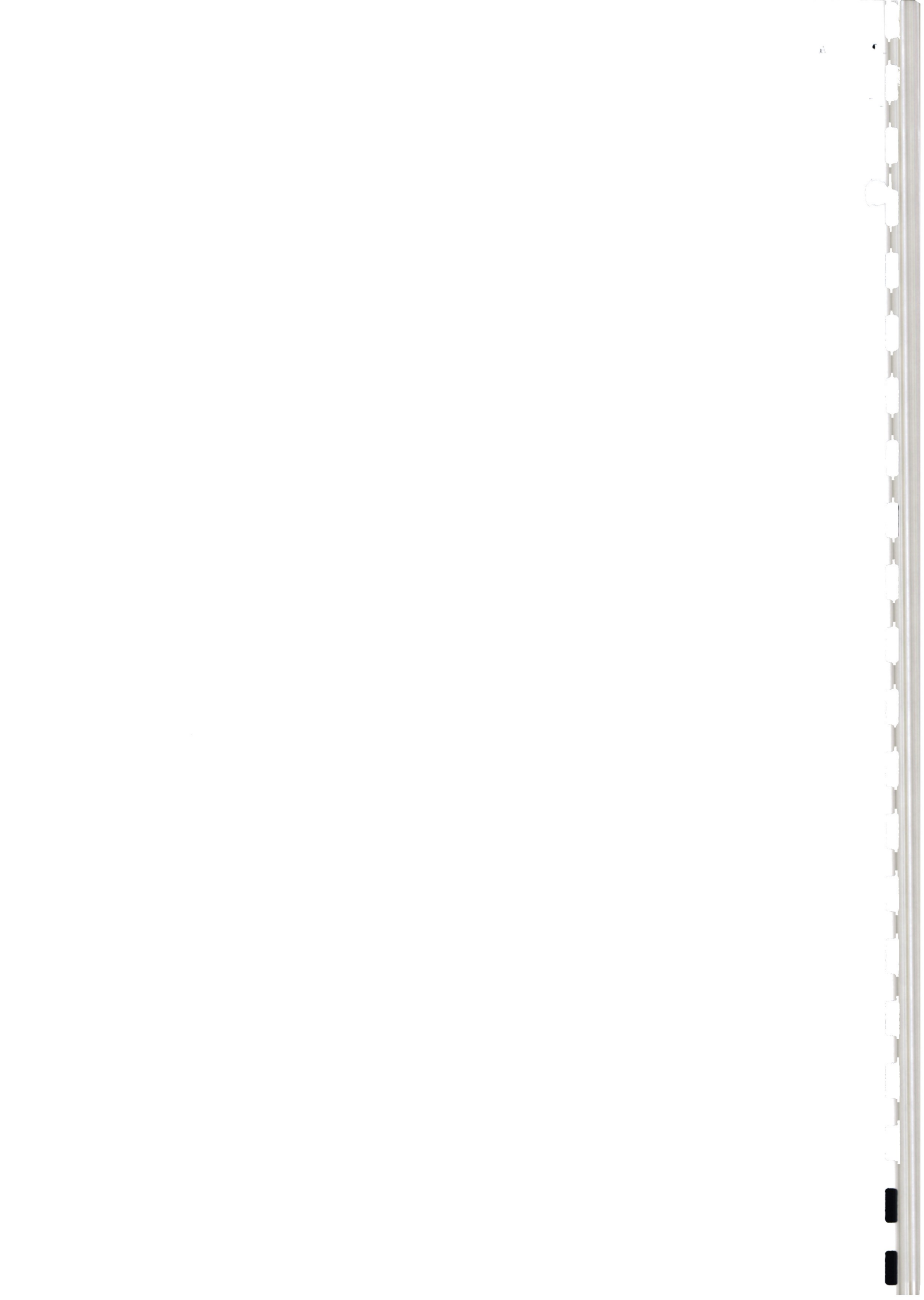
**1.1.1.1.1.1.9 OTHER PAYMENTS**

	<b>2016-2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>

-	-	
-	-	<b>xxx</b>

**10A: Bank Accounts (cash book bank balance)**

	2016-2017	2015 - 2016
<b>Name of Bank, Account No. &amp; currency</b>	<b>Kshs</b>	<b>Kshs</b>
<i>KENYA COMMERCIAL BANK MIGORI BRANCH</i>		
<i>A/C NO.</i>	753,830	4,714,948.65
<i>Name of Bank, Account No.</i>	-	xxx
<i>Name of Bank, Account No.</i>	-	xxx
<b>Total</b>	753,830	4,714,948.65



**CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**10B: CASH IN HAND**

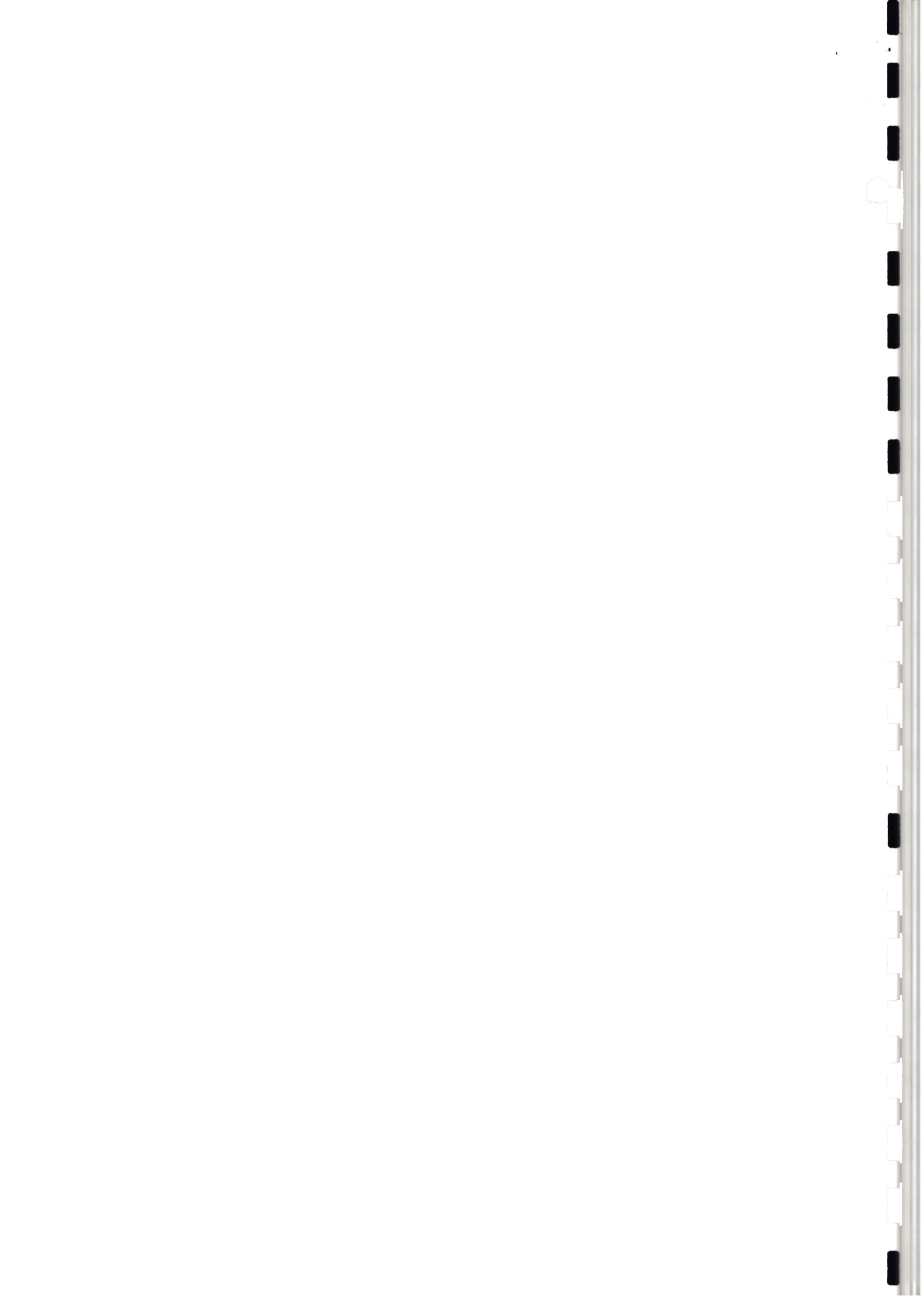
	2016-2017 Kshs	2015 - 2016 Kshs
Location 1	xxx	xxx
Location 2	xxx	xxx
Location 3	xxx	xxx
Other Locations ( <i>specify</i> )	xxx	xxx
<b>Total</b>	<b>xxx</b>	<b>xxx</b>

*[Provide cash count certificates for each]*

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<b>Total</b>				<b>xxx</b>

*[Include an annex of the list is longer than 1 page.]*



**CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**12. RETENTION**

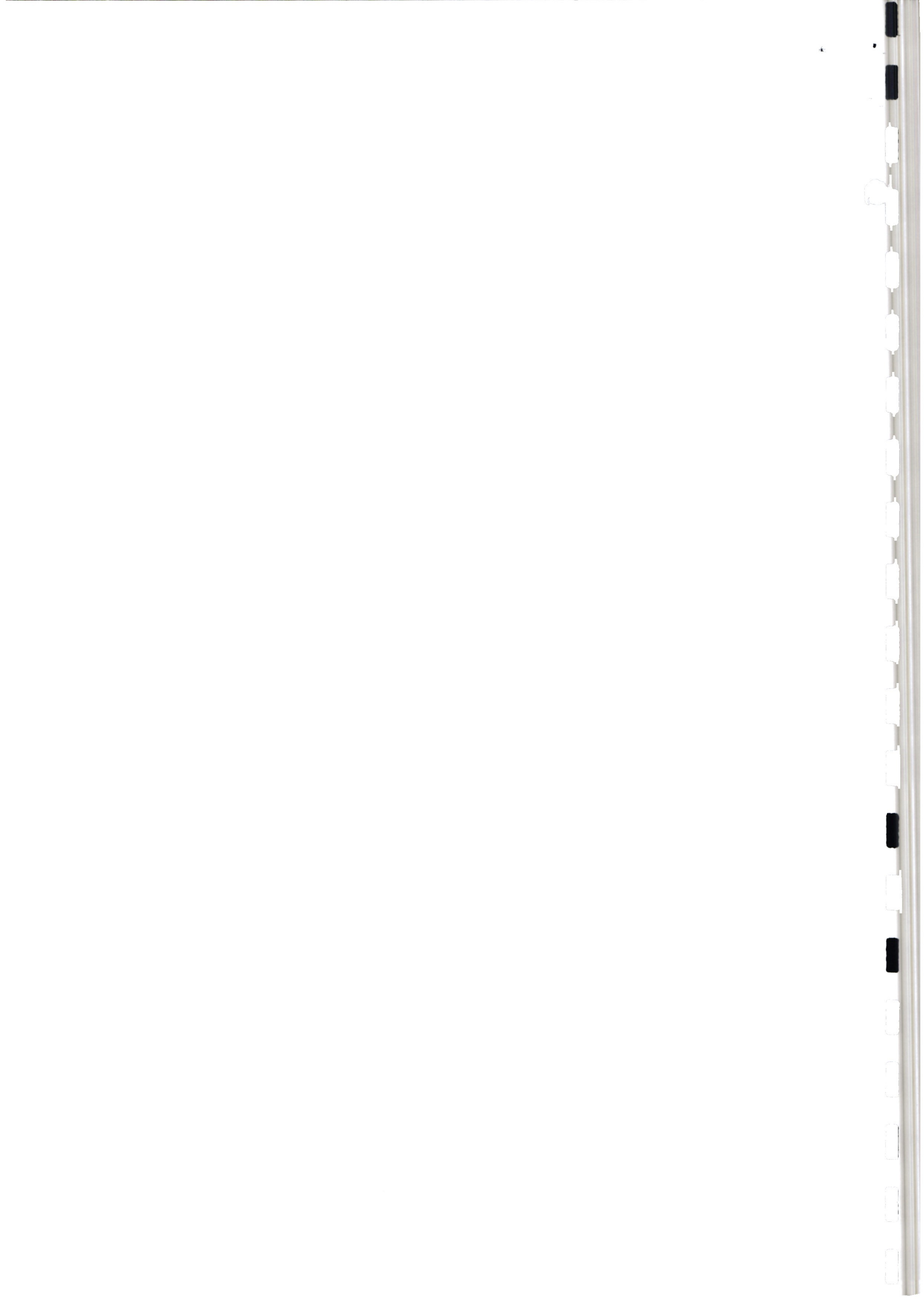
	<b>2016-2017</b>	<b>2015 - 2016</b>	
	<b>Kshs</b>	<b>Kshs</b>	
Supplier 1	xxx		-
Supplier 2	xxx		-
Supplier 3	xxx		-
<b>Total</b>			<b>-</b>
<i>[Provide short appropriate explanations as necessary]</i>			

**13. BALANCES BROUGHT FORWARD**

	<b>2016-2017</b>	<b>2015 - 2016</b>	
	<b>Kshs</b>	<b>Kshs</b>	
Bank accounts	xxx		-
Cash in hand	xxx		-
Imprest	xxx		-
<b>Total</b>			<b>-</b>
<i>[Provide short appropriate explanations as necessary]</i>			

**14. PRIOR YEAR ADJUSTMENTS**

	<b>2016-2017</b>	<b>2015 - 2016</b>	
	<b>Kshs</b>	<b>Kshs</b>	
Bank accounts	27,000		-
Cash in hand	-		-
Imprest	-		-
<b>Total</b>	<b>27,000</b>		<b>-</b>





**CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

**15. OTHER IMPORTANT DISCLOSURES**

**15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

	<b>2016-2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Construction of buildings	xxx	xxx
Construction of civil works	xxx	xxx
Supply of goods	xxx	xxx
Supply of services	xxx	xxx
	<b>xxx</b>	<b>xxx</b>

**15.2: PENDING STAFF PAYABLES (See Annex 2)**

	<b>Kshs</b>	<b>Kshs</b>
Senior management	xxx	xxx
Middle management	xxx	xxx
Unionisable employees	xxx	xxx
Others ( <i>specify</i> )	xxx	xxx
	<b>xxx</b>	<b>xxx</b>

**15.3: OTHER PENDING PAYABLES (See Annex 3)**

	<b>Kshs</b>	<b>Kshs</b>
Amounts due to other Government entities (see attached list)	xxx	xxx
Amounts due to other grants and other transfers (see attached list)	xxx	xxx
Others ( <i>specify</i> )	xxx	xxx
	<b>xxx</b>	<b>xxx</b>

**15.4: PMC account balances (See Annex 5)**

	<b>Kshs</b>	<b>Kshs</b>
PMC account Balances (see attached list)	226,822.55	xxx
	<b>226,822.55</b>	<b>xxx</b>



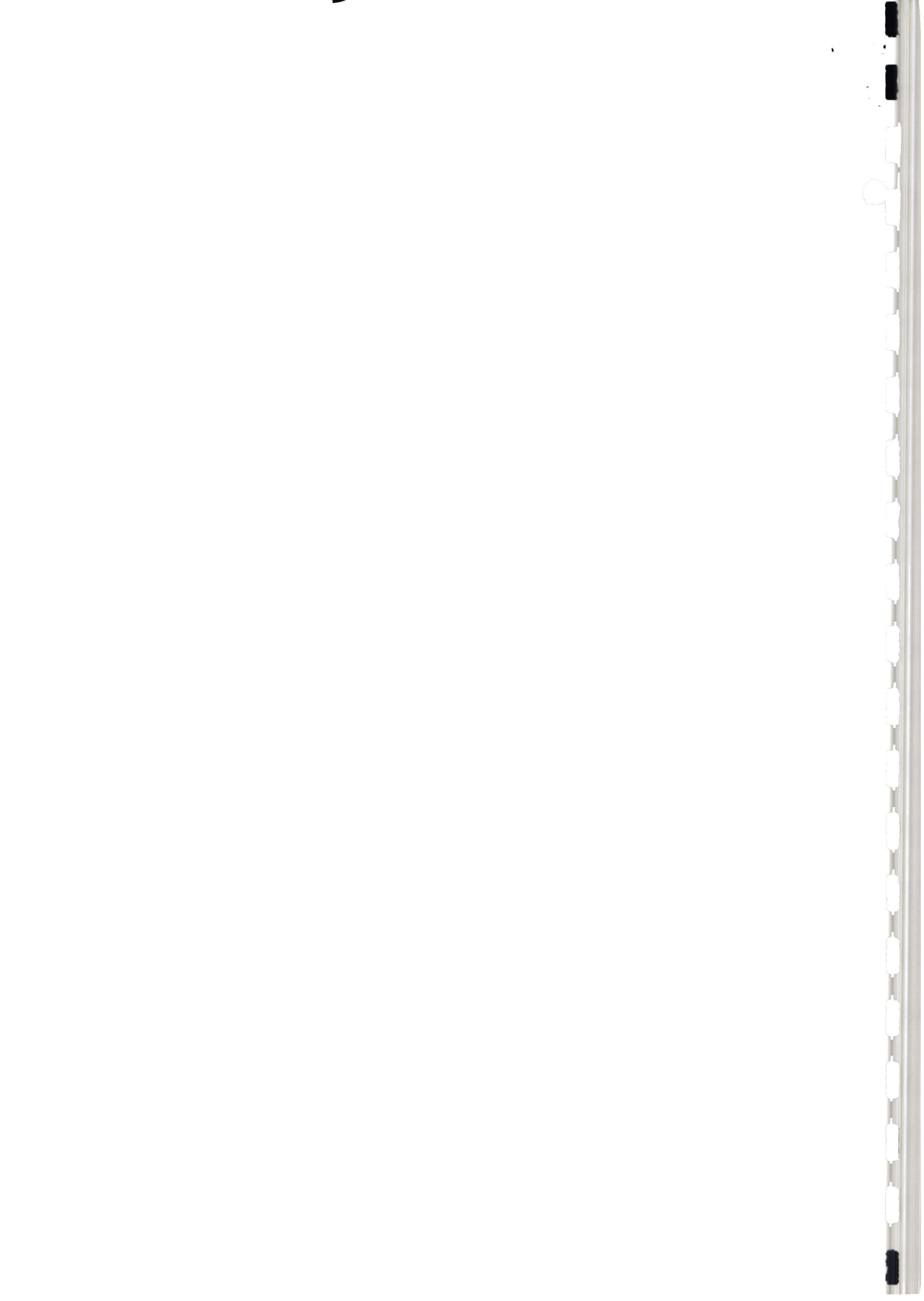
**NATIONAL GOVERNMENT - (URIRI CONSTITUENCY)**

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs)

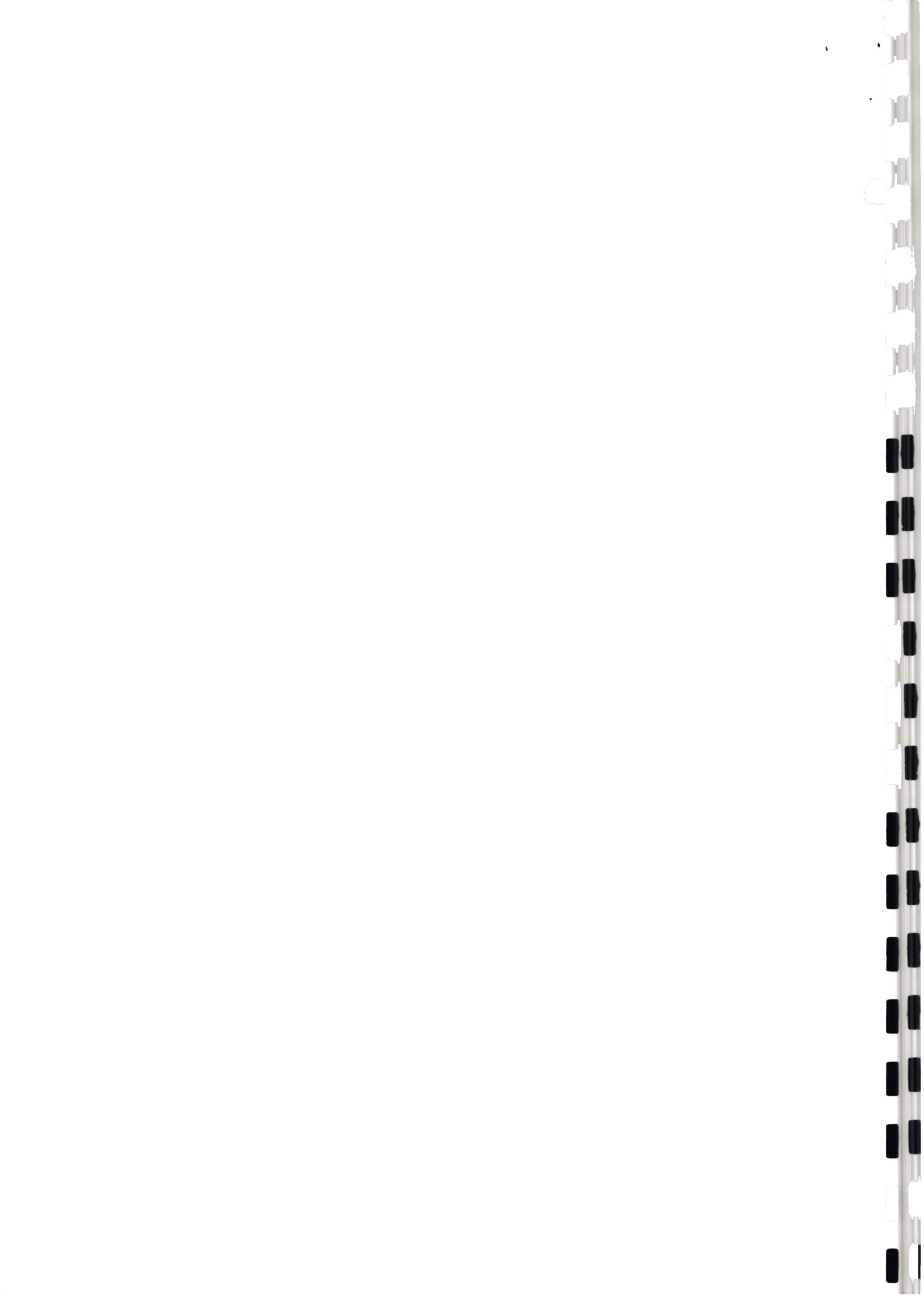
**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
	a	b	c	d=a-c		
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Construction of civil works</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
10.						
11.						
12.						
<b>Sub-Total</b>						
<b>Grand Total</b>						



**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
		a	b	c	d=a-c		
<b>Senior Management</b>							
1.							
2.							
3.							
	<b>Sub-Total</b>						
<b>Middle Management</b>							
4.							
5.							
6.							
	<b>Sub-Total</b>						
<b>Unionisable Employees</b>							
7.							
8.							
9.							
	<b>Sub-Total</b>						
<b>Others (specify)</b>							
10.							
11.							
12.							
	<b>Sub-Total</b>						
	<b>Grand Total</b>						



**NATIONAL GOVERNMENT - (Indicate actual name of the enti**

**Reports and Financial Statements**

**For the year ended June 30, 2017 (Kshs)**

**ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES**

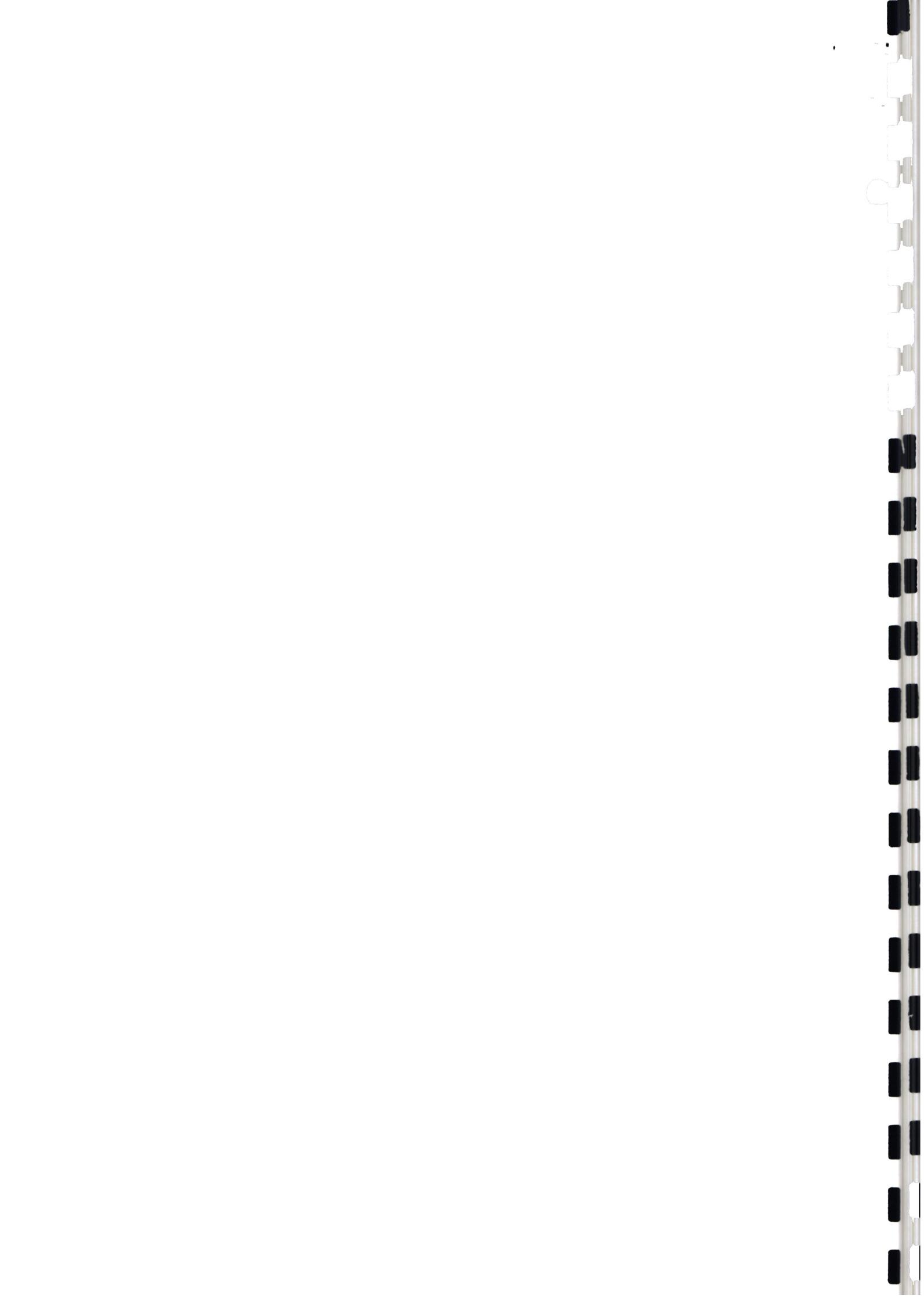
Name	Brief Transaction Description	Original Amount a	Date Payable Contracted b	Amount Paid To-Date c	Outstanding Balance 2016 d=a-c	Outstanding Balance 2014	Comments
<b>Amounts due to other Government entities</b>							
1.							
2.							
3.							
	<b>Sub-Total</b>						
<b>Amounts due to other grants and other transfers</b>							
4.							
5.							
6.							
	<b>Sub-Total</b>						
	<b>Sub-Total</b>						
<b>Others (specify)</b>							
7.							
8.							
9.							
	<b>Sub-Total</b>						
	<b>Grand Total</b>						





**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

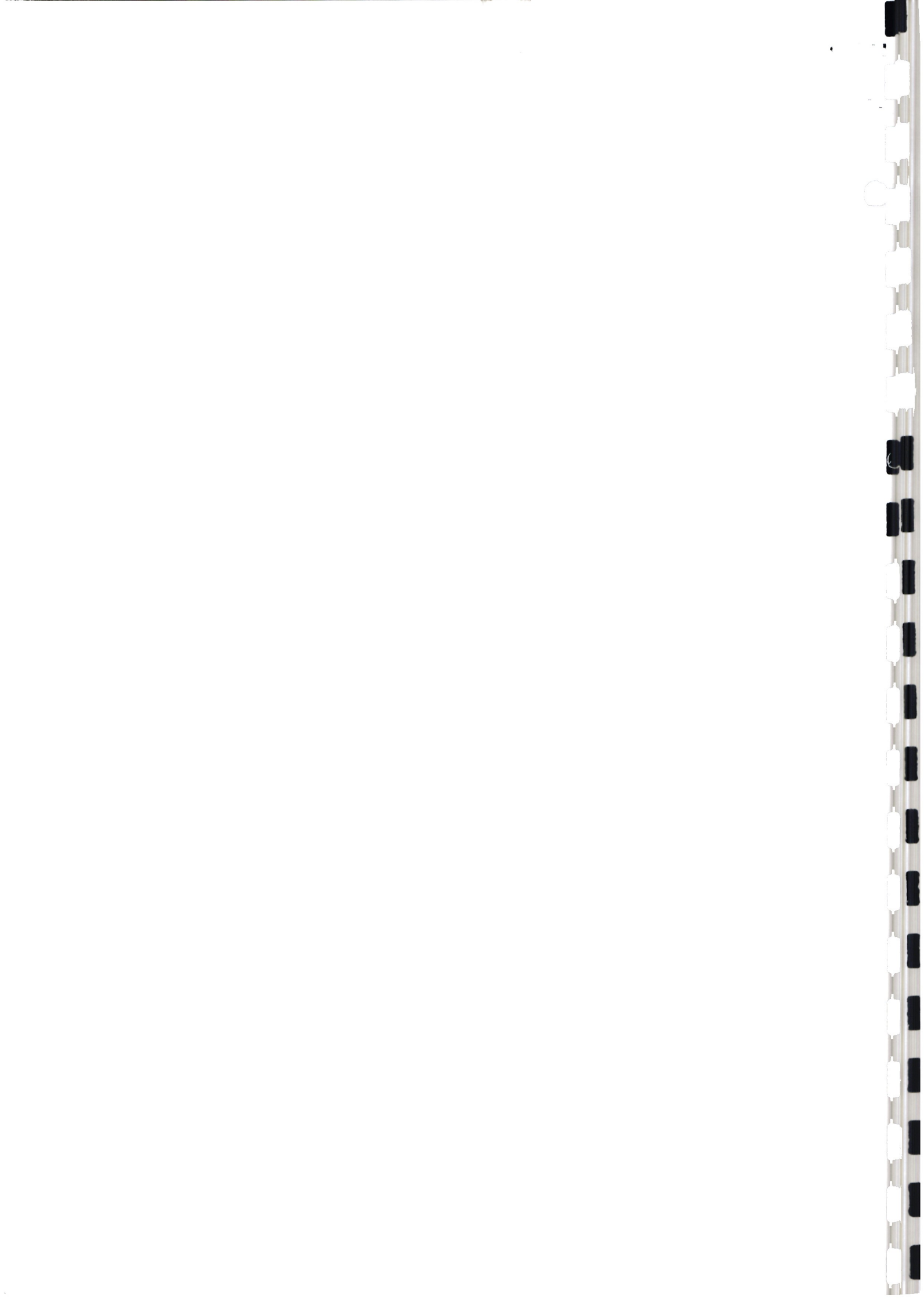
<b>Asset class</b>	<b>Historical Cost (Kshs) 2014/15</b>	<b>Historical Cost (Kshs) 2013/14</b>
Land		
Buildings and structures		
Transport equipment	3,581,270.00	3581,270.00
Office equipment, furniture and fittings	2,915,000.00	1,300,000.00
ICT Equipment, Software and Other ICT Assets		
Other Machinery and Equipment	800,000.00	800,000.00
Heritage and cultural assets		
Intangible assets		
<b>Total</b>	<b>7296,270.00</b>	<b>5,681,270.00</b>



**NATIONAL GOVERNMENT - (Indicate actual name of the enti**  
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**ANNEX 4 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2017**

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
OBAMA PRIMARY SCHOOL	KCB MIGORI	1209700778	3,000.00	
DAGO PRIMARY SCHOOL	KCB MIGORI	1208393111	1,340.00	
ASST. CHIEF OFFICE KAJULU II	KCB MIGORI	1208215094	2,000.00	
OCHIDO CHIEF'S CAMP	KCB MIGORI	1204880409	2,000.00	
MAGONGO MIXED SEC SCHOOL	KCB MIGORI	1207830054	2,000.00	
SIRO SEC SCHOOL	KCB MIGORI	1151108995	5,022.00	
NYAKURKUMA SEC SCHOOL	KCB MIGORI	1208056581	1,560.00	
ASST. CHIEF KAJULU I	KCB MIGORI	1207257753	2,100.00	
GOT KODERO PRI SCHOOL	KCB MIGORI	1207884685	2,000.00	
ONDOME PRIMARY SCHOOL	KCB MIGORI	1114649945	6,890.00	
OBER SEC SCHOOL	KCB MIGORI	1207223182	2,000.00	
OMBOO SEC SCHOOL	KCB MIGORI	1208089994	2,000.00	
KAMBOGO PRI SCHOOL	KCB MIGORI			
NYAMASARE SEC SCHOOL	KCB MIGORI	1149027126	7,393.00	
MIDIDA SEC SCHOOL	KCB MIGORI	1204939284	5,333.00	
ONDOME SEC SCHOOL	KCB MIGORI	1127871919	5,485.00	
KOLWAL SEC SCHOOL	KCB MIGORI	1203743165	1,560.00	
SIRO PRIMARY SCHOOL	KCB MIGORI	1177939738	3,605.00	

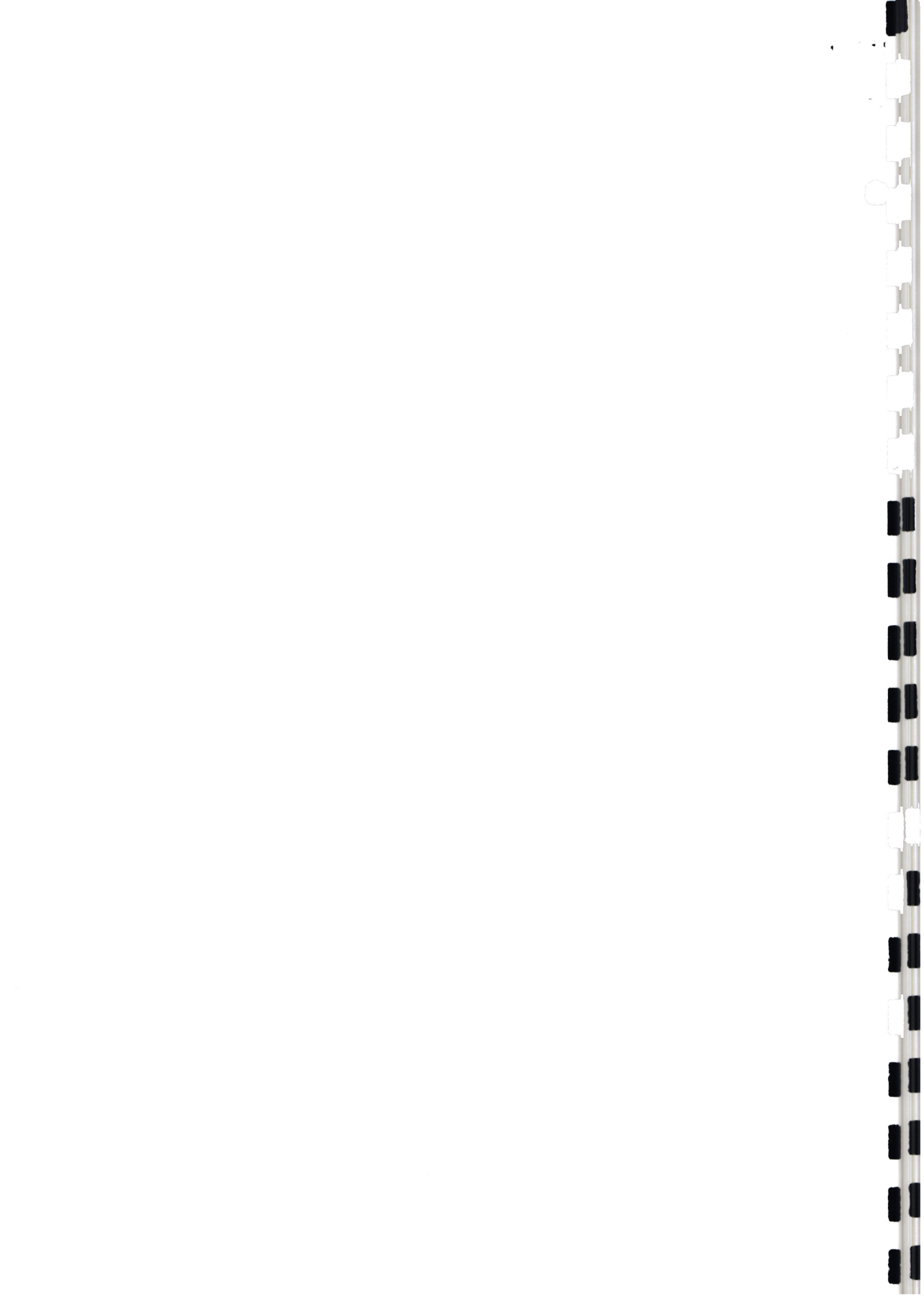


**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**

**Reports and Financial Statements**

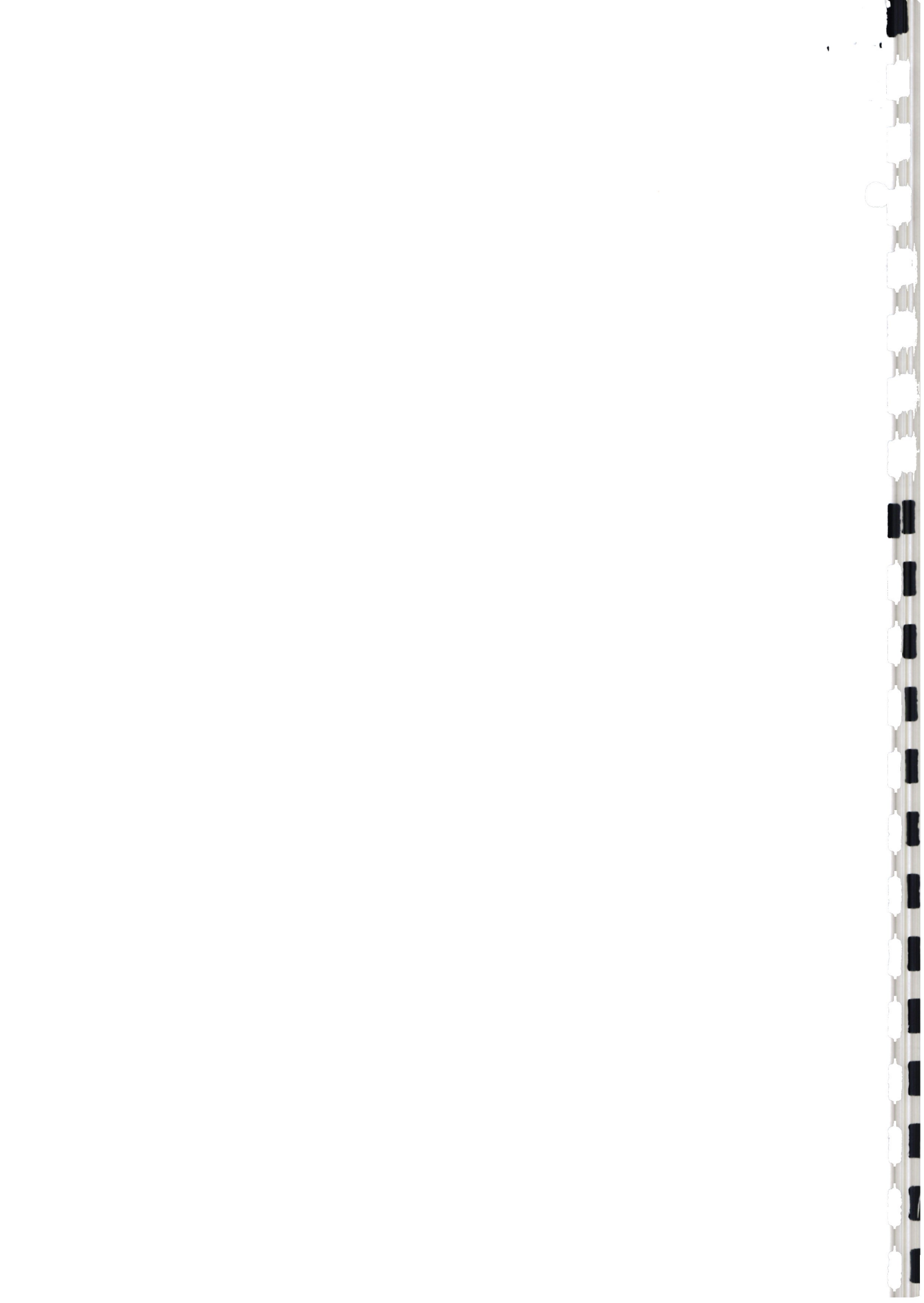
**For the year ended June 30, 2017 (Kshs)**

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
OYANI CHIEF'S CAMP	KCB MIGORI	1135691886	855.00	
MORI SEC SCHOOL	KCB MIGORI	1154572234	2,044.75	
OSOGO SECONDARY SCHOOL	KCB MIGORI	1160183198	3,693.00	
ST. LINUS KOYIEKO SEC SCHOOL	KCB MIGORI	1154791211	6,892.00	
ODENY ODHCH PRIMARY SCHOOL	KCB MIGORI	1203558147	1,560.00	
URIRI RESOURCE CENTRE	KCB MIGORI	1153862425	132,165.00	
PUCHE PRIMARY SCHOOL	KCB MIGORI	1202706339	1,120.00	
CONSTITUENCY ENVIRONMENT AWARENESS	KCB MIGORI	1173842586	533.00	
ONGENGA PRIMARY SCHOOL	KCB MIGORI	1135675325	735.00	
ROMBE SEC SCHOOL	KCB MIGORI	1165065177	2,498.85	
ONGORO PRIMARY SCHOOL	KCB MIGORI	1137052546	3,418.00	
MASOGE SECONDARY SCHOOL	KCB MIGORI	1207266582	2,000.00	
RAPOGI GIRLS SECONDARY SCHOOL	KCB MIGORI	1131178742	379.00	
LUORO SEC SCHOOL	KCB MIGORI	1135599882	1,635.00	
OGWEDHI- SIGIRIA RD	KCB MIGORI	1183367279	469.00	
KORINGO DISPENSARY	KCB MIGORI	1167628950	502.00	
KODUOGO SEC SCHOOL	KCB MIGORI	1178081982	1,050.00	
KALII PRIMARY SCHOOL	KCB MIGORI	1145754473		
MANYONGE SECONDARY SCHOOL	KCB MIGORI	1149246286	1,941.00	
GOT KAWINO PRIMARY SCHOOL	KCB MIGORI	11207216852	1,000.00	



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<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2016/17</b>	<b>Bank Balance 2015/16</b>
URIRI ADMINISTRATION POLICE	KCB MIGORI	1205069739	2,000.00	
MANYONGE SECONDARY SCHOOL	KCB MIGORI	1149246286	1,111.95	
OYANI SECONDARY SCHOOL	KCB MIGORI	1205082514	1,000.00	
PITH NYADUNDO PRI	KCB MIGORI	1145978789	3,032.00	
URIRI ADMIN POLICE	KCB MIGORI	1205069769	2,000.00	
<b>Total</b>			<b>226,822.55</b>	





**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**

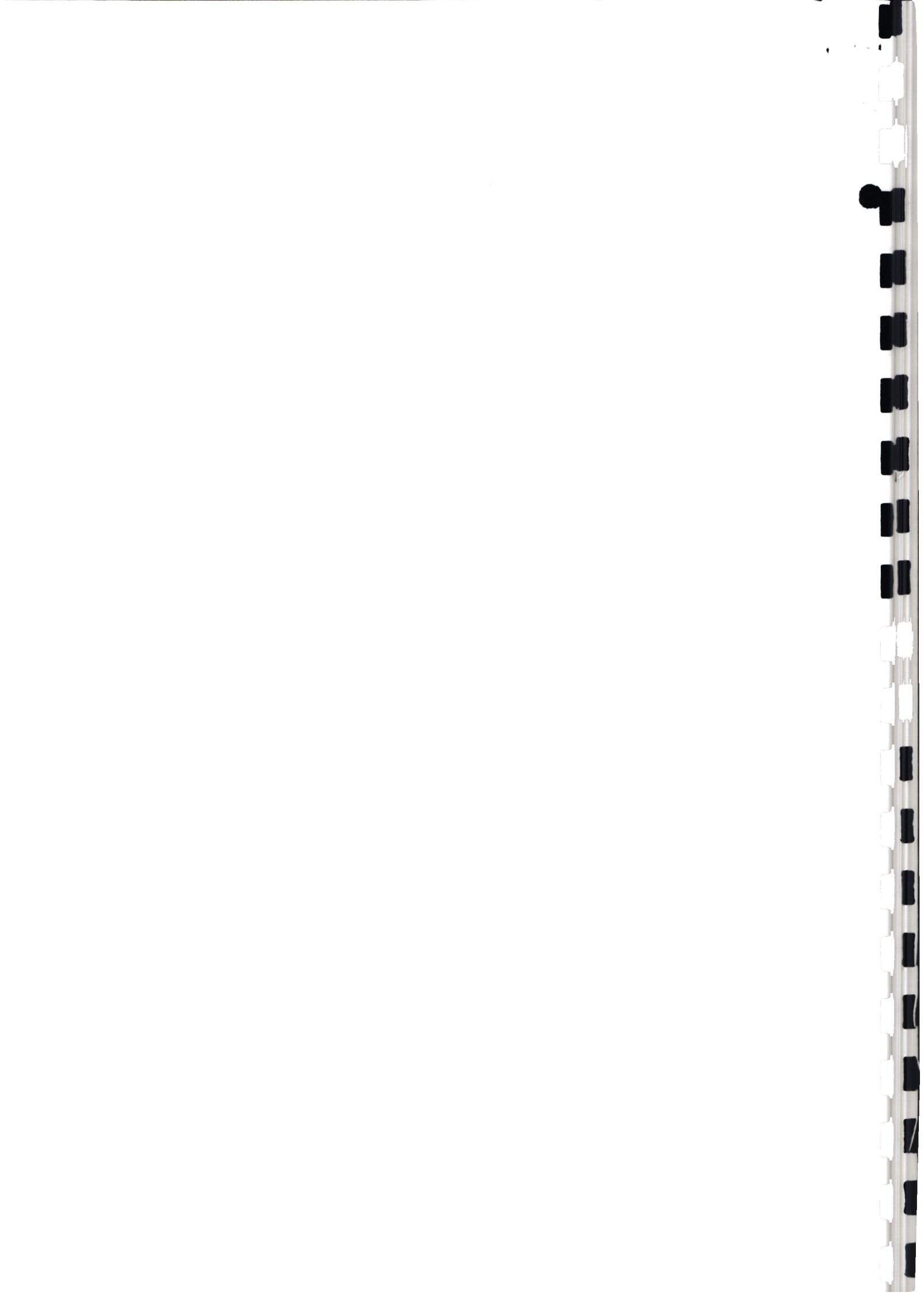
**Reports and Financial Statements**

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**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. of the External audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
NG-CDF-URIRI/2015/16/ (3)	<b>INTERNAL CONTROL WEAKNES</b>				
	Non submission of expenditure returns by PMC as required by CDF Act 2015	The management has trained the PMCs on accounting and documentation of relevant project files; from time to time they have been submitting their expenditure returns and the files are available for perusal at the same time we do liaise with the line ministries i.e DEO while approving the Bank Signatories as attached	PMC chairpersons from every project funded by NG-CDF	Resolved	-
	Failure by PMC to adhere to the Public Procurement and disposal act 2015 and Public Procurement Regulations 2006	Public works officer is involved in the development of BQs, Supervisions during the Construction works and preparation of completion certificates (find attached)	ISIAH GANGLA /Public Works Officer	Resolved	-
	Failure to involve line ministries when implementing project	Public works officer is involved in the development of BQs, Supervisions during the Construction works and preparation of completion certificates (find attached)	ISIAH GANGLA /Public Works Officer	Resolved	
	<b>ACCURACY OF FINANCIAL STATEMENTS</b>				



NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

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For the year ended June 30, 2017 (Kshs)

Reference No. on the external audit report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Pages 24 to 41 the title is indicated as 2024/15 and not 2015/16 and also ksh '000' should be amended to read Ksh.	This was a typing error which has been corrected as shown in the revised financial statement	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-
	Note 4 to the financial statement – the total is Ksh. 1,860,300 yet the statement of receipt and payments has a figure of Ksh. 1,769,100 on the corresponding item.	The auditors took the total figure of Ksh. 1, 860, 300. 00 and did not consider the segregation as indicated in both receipt and payment schedule where Ksh. 1,769,100.00 was for staff compensation and Ksh. 91,200.00 was NSSF. The management would wish to inform the Auditors that NSSF is a component of Note 4 and separate in receipt & Payment as per the template given by NG-CDF Board.	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-
	Note 5 to the financial statement shows a total of Ksh. 4,961,216.25 yet the statement of receipt and payments has indicate a blalance of Ksh. 2,205,209.55	We agree with the auditor's observations and have corrected the note 5 in the revised financial statement.	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-
	Committee expenses in the statements of receipts and payments are ksh. 2,756,006.70. this figure is	We have corrected Note 6 which is Committee Expenses and adjustments made in the	CHARLES OMOSA FUNDS ACCOUNTS	Resolved	-

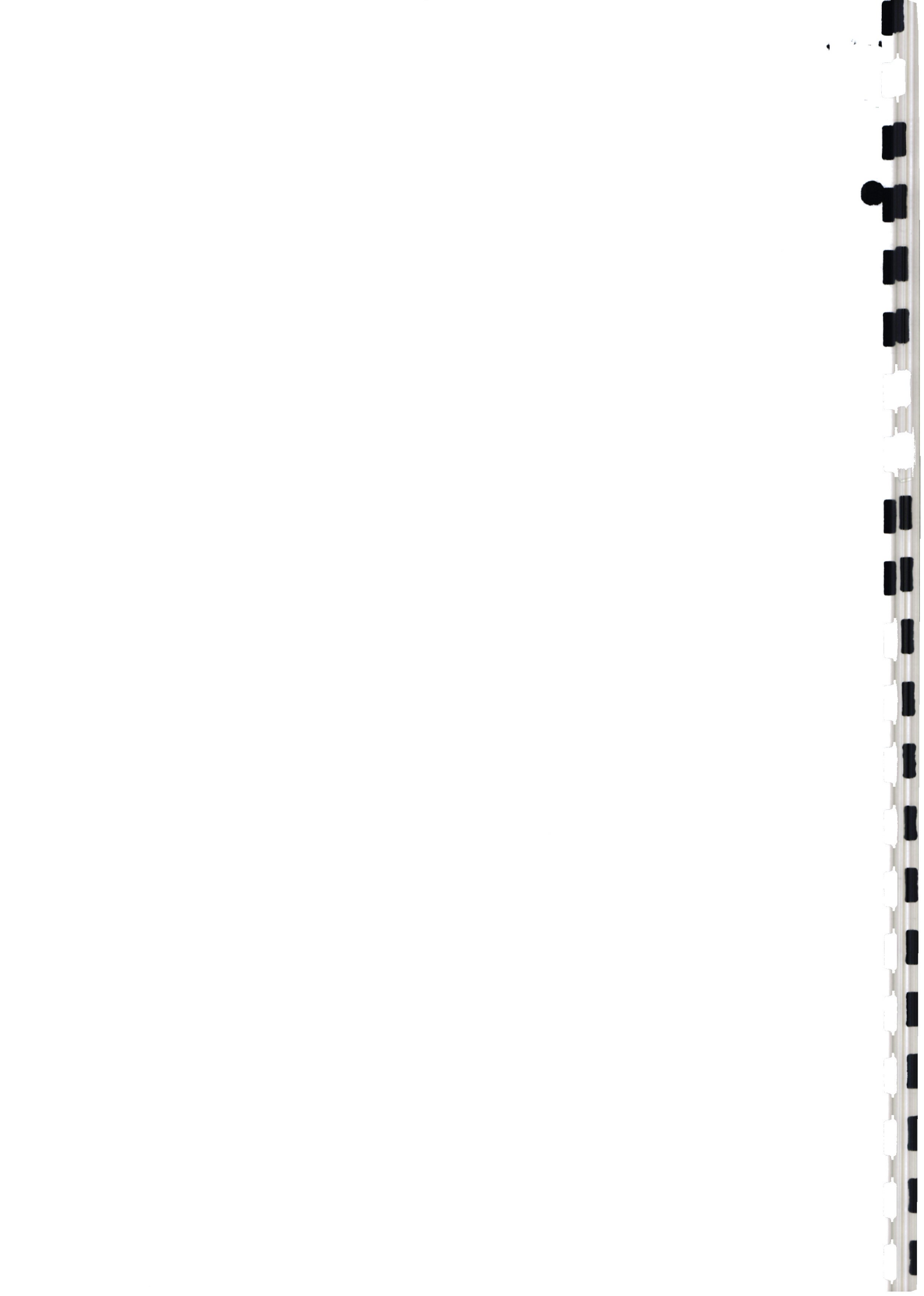


**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**

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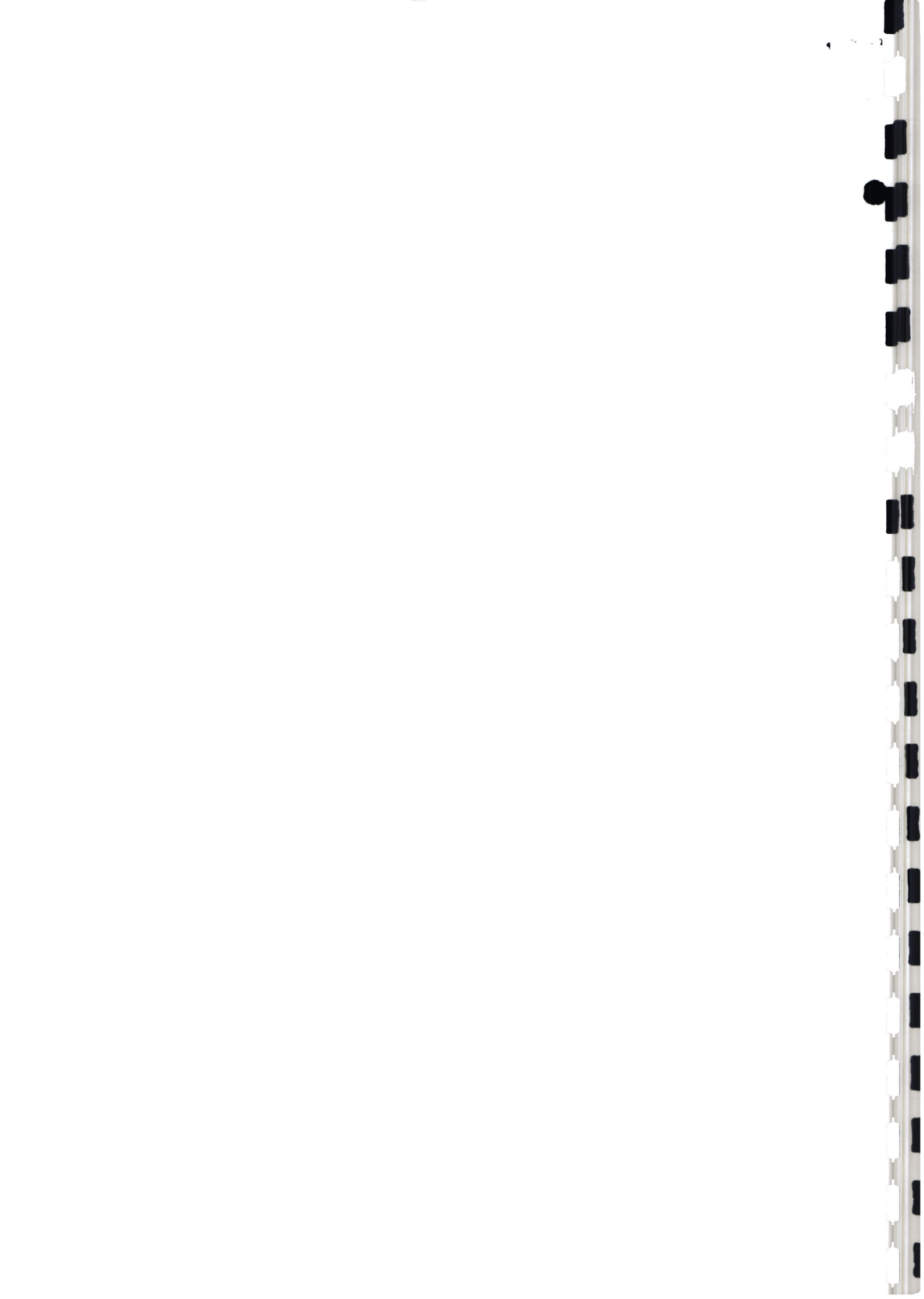
**For the year ended June 30, 2017 (Kshs)**

Reference No. on the external audit report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	not in agreement with note 6 to the financial statement where the figure has been referenced. Social Security Benefits note 9 is also not supported by notes to the financial statements.	revised financial statement	MANAGER		
	Notes to the financial statement were wrongly referenced	We have corrected the numbering of the financial statement as indicated	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-
	Notes 9A,9B and 9C are indicated in the statement of receipt and payment as 12A,12B and 12C	These errors are noted and corrected	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-
	Note 10 is wrongly indicated as note 13 in the statement of assets	Note 10 corrected as advised	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-
	The statement of assets balance brought forward is shown as Ksh. 26,999.15 instead of Ksh. 32,055,050.64	As shown in the revised 2015/2016 financial statement; the figure in question ksh. 32,055,050.64 was the closing Balance for the financial year	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-



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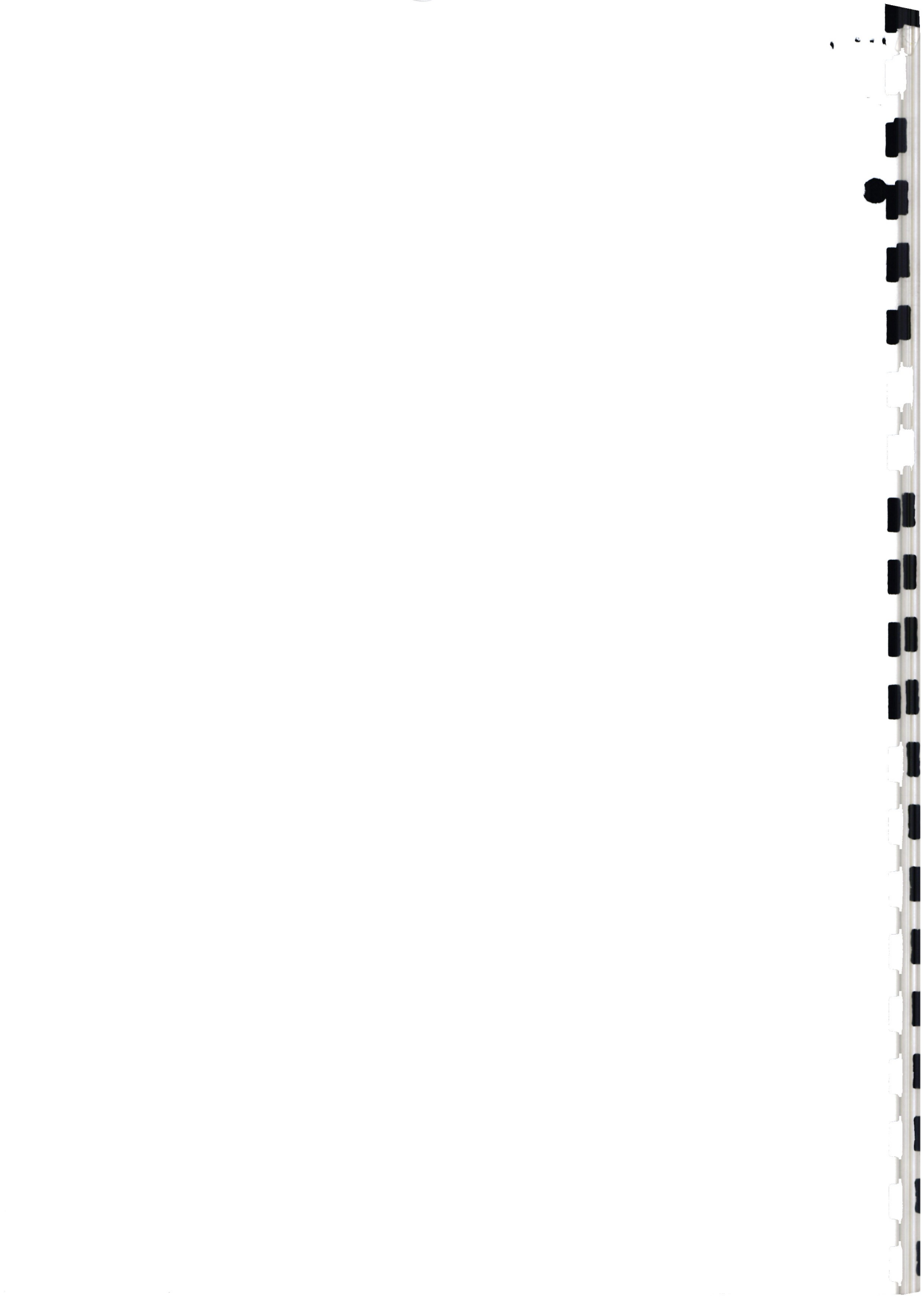
Reference No. on the external audit report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		2013/2014. On this regard it was the opening balance for the financial year 2014/2015. During the comparison of statements in the year 2015/2016 the figure was wrongly indicated as the closing balance of the year 2014/2015. Please find attached a copy of financial Cash flow for the year 2014/2015 to ascertain the same.			
	Statement of Actual and Budget on comparable basis shows receipts of Ksh. 141,065,860.95 instead of Ksh.141,038,861.80 in the statement of receipt and payments.	This was a double addition both in the adjustment and final budget we have however corrected it.	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-
	<b>CASH AND CASH EQUIVALENT</b>				
	Included in the Cash equivalent of Ksh. 6,545,341.65 disclosed in the financial statement for the year under review is an amount of ksh. 4,714,948.00 in respect of Bank Balance as at 30 <sup>th</sup> June 2016. However , the cash	There was an overstatement of Ksh. 77,000 in the cash book. However this had been corrected as shown.	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-





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Reference No. on the external audit report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	book book shows a balance of Ksh.4,791,948.00				
	Also included in the Cash and Cash Equivalent was an outstanding imprest register and schedules to support a balance	URIRI NG_CDF has been spending imprest using Warrant Register. The Warrants were available for perusal. However, find attached copies of the same.	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-
	In addition, among the un-presented cheques of Ksh. 24,340,502 as at 30 <sup>th</sup> June 2016, are cheques amounting to Ksh. 609,993 that had not been presented for more than 6 months	Un- presented cheques could not be reversed as we were waiting for proper report as to why they could not be cashed to act on them. Hence before reversal, they were forming part of Cash and Cash equivalent	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-
	<b>OTHER GRANTS AND TRANSFERS</b>				
	Included in Other Grants and Transfers Balance of Ksh. 79,278,083.00 are payments total to Ksh. 46,000,000.00 for maintenance of various Roads. However, procurement procedures for three roads amounting to Ksh. 24,500,000.00 contradicted the	We have observed the recommendations from the Auditors and agree that we shall put in place all the procurement procedures on the table for audit review. However all our PMCs files are available in the office but due to their bulky ness we are not in a position to carry them to	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-



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Reference No. on the external audit report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	procurement and disposal act 2015.	KENAO office. We are keen to invite you for cross examination of our files to prove that we are following procurement procedures.			
	The management should in future adhere to the approved budget. The CDF management should account for Ksh. 1,686,000	On the figure of Ksh. 1,686,000.00 which was indicated in the management letter by the auditors cannot be responded to because we don't know how the figure is arrived at. We would wish that further clarifications be made on the same so that we can have a chance to respond.	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-
	<b>TRANSFER TO OTHER GOVERNMENT UNITS</b>				
	Included in the transfer to Other Government units figure of Ksh. 46,320,919.90 as at 30 <sup>th</sup> June 2016 are transfers amounting to Ksh. 15,500,000.00 which had anomalies	We as the management have always ensured that both of us do manage proper filing system. During the audit review we provided every file needed but it seems the auditors did not find time to verify them. Meanwhile find attached documents from different PMC files e.g. Minutes	CHARLES OMOSA FUNDS ACCOUNTS MANAGER	Resolved	-



**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**  
**Reports and Financial Statements**  
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Reference No. on the external audit report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		authorizing Payments, Site inspection report, Completion Certificate ,Request for Payment from various contractors attached			

