

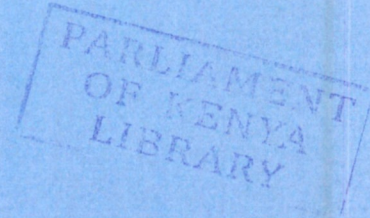
REPUBLIC OF KENYA




OFFICE OF THE AUDITOR-GENERAL



REPORT



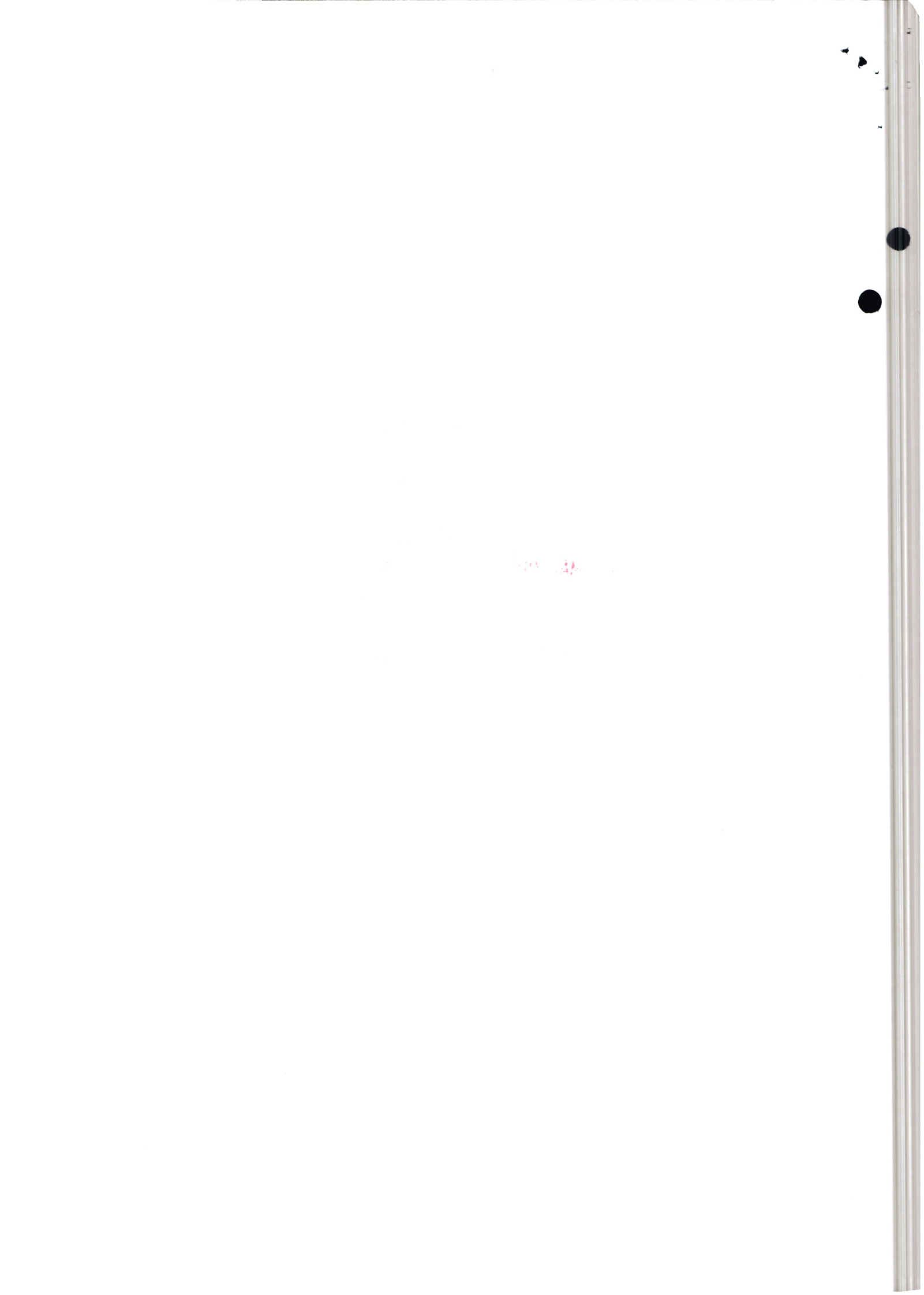
 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	21 MAR 2019
TABLED BY:	Hon. B. Washiali
CLERK-AT-THE-TABLE:	Mess Lemmas
	DAY OF Thursday

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
MWATATE CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2017



OFFICE OF THE AUDITOR GENERAL

29 JUN 2017

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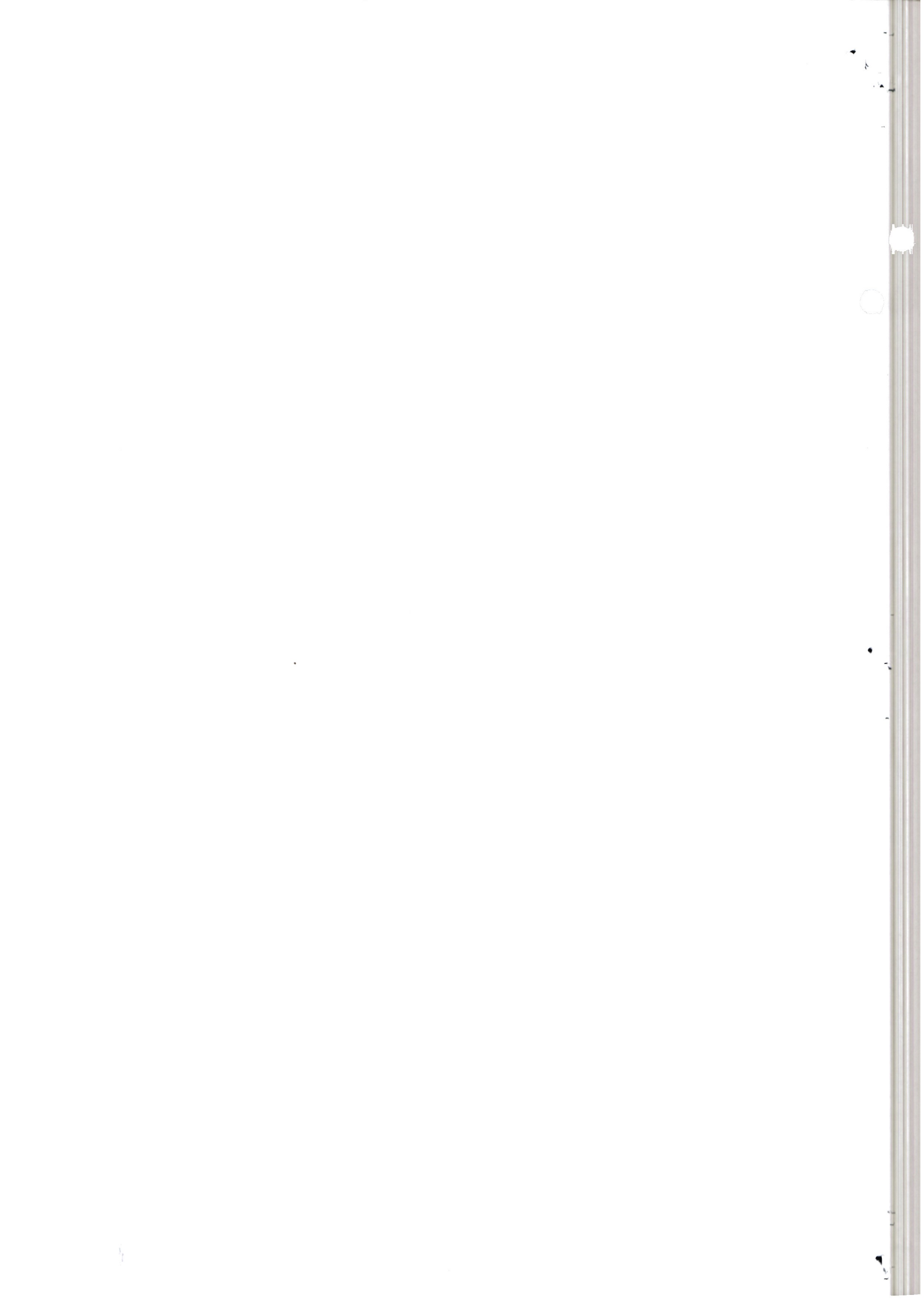


**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
MWATATE CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – MWATATE
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – MWATATE
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The Constituencies Development Fund (NGCDF) was set up under the NGCDF Act, 2003 now repealed by the NGCDF Act, 2015. 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. The objective of the fund is to ensure that specific portion of the national annual budget is devoted to the constituencies for the purposes of infrastructural development, wealth creation and in the fight against poverty at the constituency level.

(b) Key Management

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

- i. Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituency Development Fund Committee (NGCDFC)

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2017 and who had direct fiduciary responsibility were:

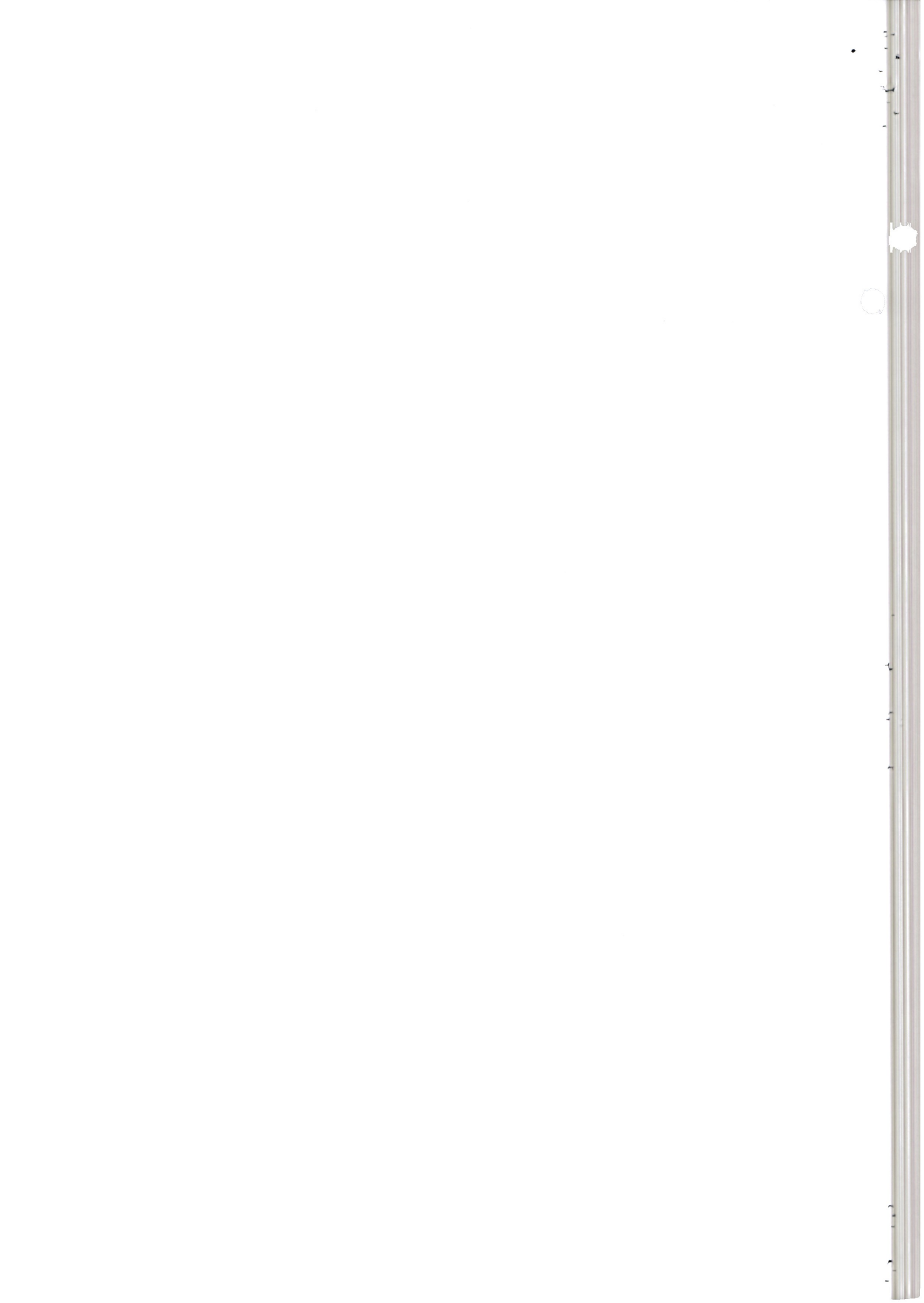
No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Amina Ali
3.	Accountant	Elijah Mwazo

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Mwatate Constituency. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND Committee (NGCDFC) for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) MWATATE NGCDF Headquarters

NGCDF office building,
P.O Box 75-80305
Mwatate.



**Reports and Financial Statements
For the year ended June 30, 2017**

(f) MWATATE NGCDF Contacts

Telephone: (254) 0727 699 611
E-mail: mwatate@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) MWATATE NGCDF Bankers

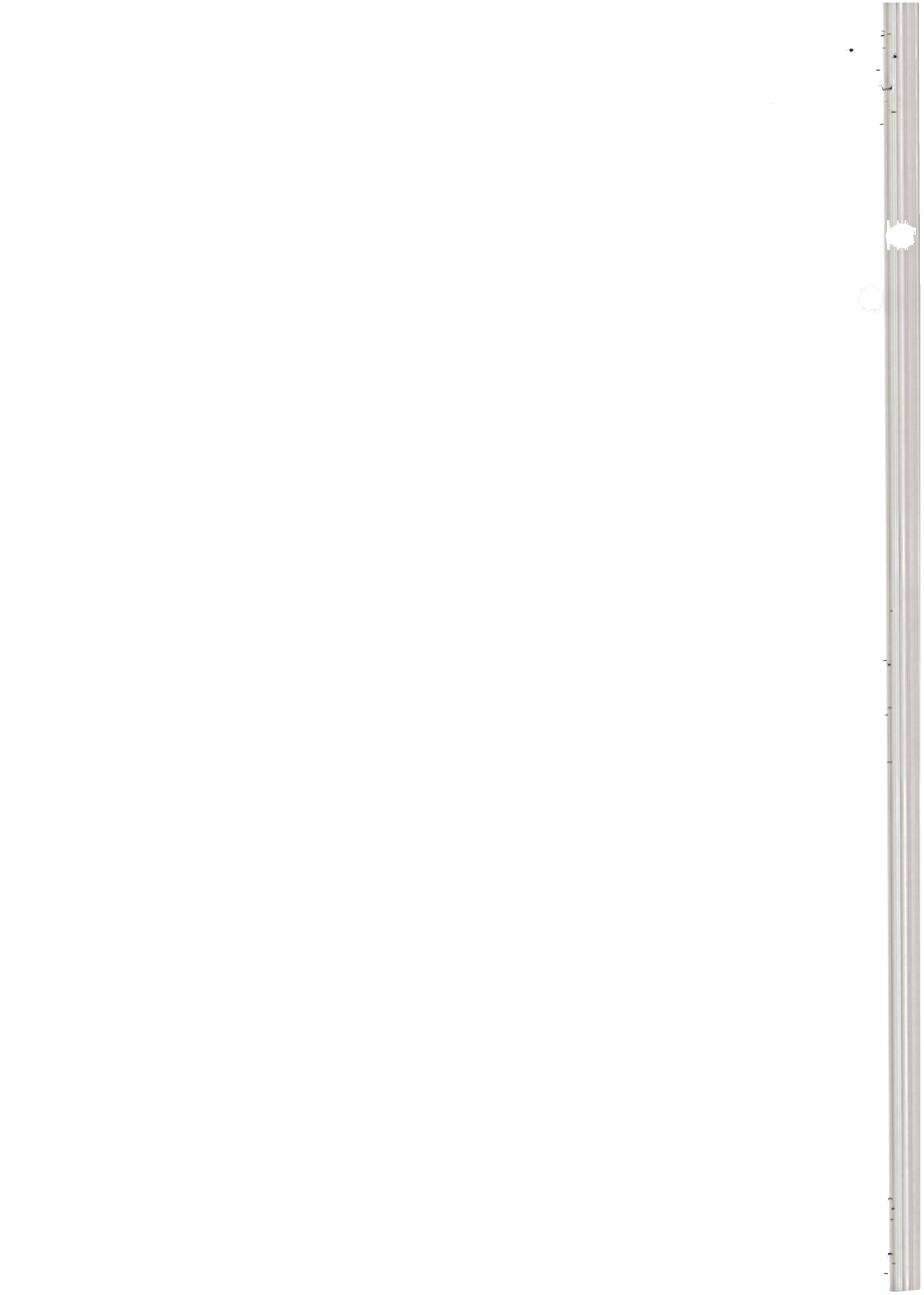
1. Kenya Commercial Bank
P.O.BOX
Wundanyi.

(h) Independent Auditors

Auditor General
Office of Auditor General
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



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – MWATATE
CONSTITUENCY**

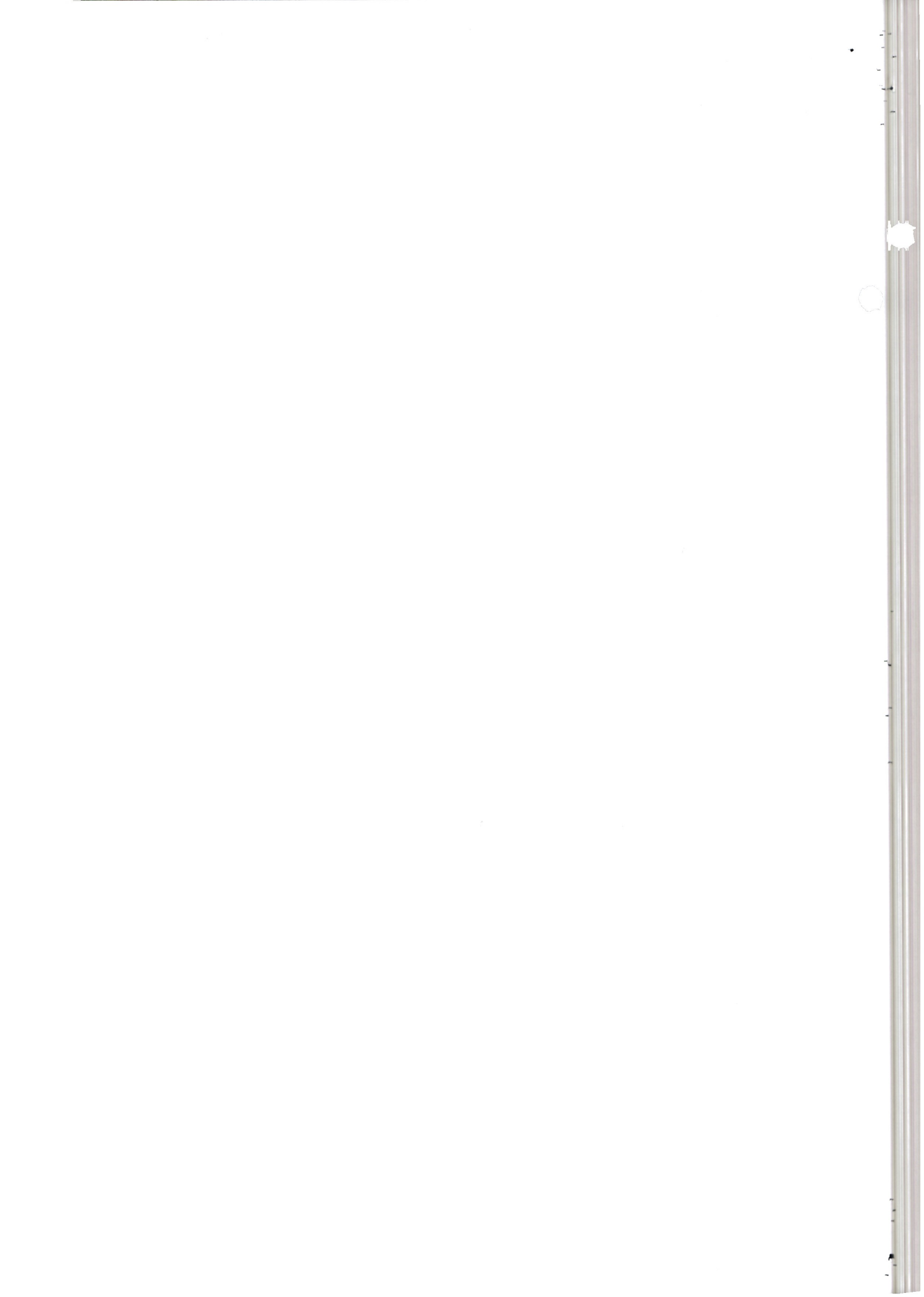
**Reports and Financial Statements
For the year ended June 30, 2017**

**II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NGCDFC)**

The NGCDFC wishes to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The NGCDF has improved the Education and Security infrastructures of MWATATE.

However there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NGCDF Projects. Other issues affecting the project implementation process is the late disbursement of funds, late approval of proposals and reallocations. The NGCDFC wishes that the issues of having a project on going for more than 2years be stopped and the NGCDF board reduce the rate of staff turnovers in Constituencies i.e. FAM transfers.


Sign.....
CHAIRMAN NGCDFC



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – MWATATE
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

III. STATEMENT OF NGCDF MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government NGCDF shall prepare financial statements in respect of that NG-CDF. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the MWATATE NG-CDF is responsible for the preparation and presentation of the NG-CDF's financial statements, which give a true and fair view of the state of affairs of the NG-CDF for and as at the end of the financial year (period) ended on June 30, 2017. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NGCDF; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the NG-CDF; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

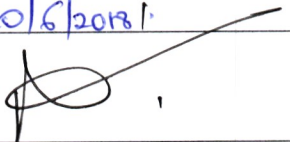
The Accounting Officer in charge of the MWATATE NG-CDF accepts responsibility for the NG-CDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the NG-CDF's financial statements give a true and fair view of the state of NGCDF's transactions during the financial year ended June 30, 2017, and of the NG-CDF's financial position as at that date. The Accounting Officer in-charge of the MWATATE NG-CDF further confirms the completeness of the accounting records maintained for the NG-CDF, which have been relied upon in the preparation of the NG-CDF's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the MWATATENG-CDF confirms that the NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG-CDF's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the NG-CDF's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF's financial statements were approved and signed by the Accounting Officer on

20/6/2018



Fund Account Manager



Chairman





REPUBLIC OF KENYA

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Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



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NAIROBI

OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Mwatate Constituency set out on pages 6 to 28, which comprise the statement of financial assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation – recurrent and development combined 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 - Mwatate 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 Accounting Standards (Cash Basis) and do not comply with the National Government Constituencies Development Fund Act, 2015.

In addition, as required by Article 229(6) 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. Irregular Funding of Projects

During the year under review, the Fund spent a total of Kshs.8,200,000 on health, agriculture and water projects as summarised below:

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

Description	Note	Amount (Kshs)
Transfers to Health Institutions	6	1,100,000
Agriculture Projects	7	2,000,000
Water Projects	7	5,700,000
Total		8,200,000

However, the projects fall under devolved functions and therefore the related expenditure is contrary to the requirement of Section 24 of the National Government Constituencies Development Fund Act, 2015 which provides that “a project under this Act shall only be in respect of works and services falling within the functions of the national government under the Constitution”.

Consequently, the expenditure of Kshs.8,200,000 for the year ended 30 June 2017 on these projects is irregular.

2. Unsupported Expenditure

The financial statements for the year ended 30 June 2017 contained unsupported expenditure amounting to Kshs.17,249,971 as detailed below:

Component	Note	Project Name	Activity	Unsupported Expenditure (Kshs.)	Anomalies Noted
Routine Maintenance – Vehicles and Other Transport Equipment	5	-	-	339,871	The expenditure was incurred on service of motor vehicle registration No.GKA033X. However, pre and post mechanical inspection reports from the Government Mechanical Engineer, log book and work tickets indicating defects were not availed for audit review.
Committee Allowances	5	-	-	2,280,100	Included in committee allowances of Kshs.4,460,600 as disclosed in the Note is Kshs.2,280,100 which is not supported with meetings attendance registers, bus/works tickets and minutes of meetings attended nor reports of monitoring and evaluation committee availed for audit verification.
Transfers to Primary Schools		Kitivo Primary School	Construction of 6 classrooms	8,100,000	The expenditure is not supported with certificates of completion nor project bank statements to confirm receipt of the funds in the project bank account and payments out of the same.
Transfers to Secondary Schools		Mwakitau Secondary School	Completion of administration complex	5,400,000	The amount was transferred vide payment voucher No.466 of 12 January 2017 for Kshs.3,000,000

Component	Note	Project Name	Activity	Unsupported Expenditure (Kshs.)	Anomalies Noted
			(roofing, plastering, ceiling board, doors and windows)		and payment voucher No.491 of 9 March 2017 for 2,400,000. However, the basis and purpose of these transfers was not explained given that the certificate of practical completion of the project was issued on 26 February, 2016, about a year earlier.
Other Projects	7	Mwatate Boda Boda	Construction of Mwatate boda boda Sheds	500,000	The expenditure was not supported with bill of quantities, cost estimate, and completion certificate
Sports Projects	7	Purchase of Footballs	Supplier for supply of ninety (90) footballs printed with office emblem.	630,000	Kshs.720,000, out of which Kshs.630,000 was paid to a supplier for supply of ninety(90) footballs printed with office emblem. However, stores ledger card (S.3) to confirm receipt and recording of the items in store before issuance and list of beneficiaries were not availed for audit review
		Total		17,249,971	

Consequently, the propriety of expenditure amounting to Kshs.17,249,971 could not be confirmed.

3. Transfers to Other Government Units

Note 6 to the financial statements for the year ended 30 June 2017 reflects transfers to tertiary institutions of Kshs.10,000,000, being counterpart funding for the construction of Mwatate Technical Training Institute whose contract sum was Kshs.53,999,168. Available records indicated that as at 30 June 2017, the Fund had spent a total of Kshs.16,500,000 on the project as detailed below:

Pv No.	Date	Payee	Activity	Amount (Kshs)
241	17.8.2015	Mwatate Technical Training Institute (MTTI)	Excavation & Grading of 5 KM Road	3,500,000
359	27.5.2016	MTTI	Excavation & Grading of 5 KM Road	3,000,000
447	23.11.2016	Coast Institute of Technology (Mentor Institute)	Construction of a workshop, lecture rooms and office	5,000,000
462	31.12.2016	MTTI	Construction of workshop, lecture rooms and office	5,000,000
TOTAL				16,500,000

However, the part or phase of the project funded was not specified, contrary to Section 25(1) of the National Government Constituencies Development Fund Act, 2015 which provides that 'Any funding under this Act shall be for a complete project or a defined phase of a project'. Further, architectural drawings, Bill of Quantities, tender advertisement, quotations, interim Engineer's certificates, site instructions by the roads department and bank statements to confirm receipt and usage of Kshs.10,000,000 transferred to the project during the year under review were not availed for audit review.

Consequently, the propriety of expenditure amounting to Kshs.10,000,000 on the construction of a workshop, lecture rooms and office for the year ended 30 June 2017 could not be confirmed.

4. Other Grants and Transfers

4.1 Emergency Projects

During the year under review, the Fund spent a total of Kshs.4,954,703 on emergency projects as disclosed in Note 7 to the financial statements. However, anomalies were noted in the expenditure as detailed below:

Project Name	Activity	Unsupported Expenditure (Kshs.)	Anomalies Noted
Mwatate Technical Training Institute	Completion of road	600,000	The expenditure is not supported with Bill of Quantities, expenditure returns and Engineer's certificate. Further, the opinion of the Constituencies Development Fund Committee was not availed for audit verification, contrary to Section 8(3) of the National Government Constituencies Development Act, 2015 which defines an emergency as an 'urgent, unforeseen need for expenditure for which it is in the opinion of the Committee cannot be delayed until the next financial year without harming the public interest of the constituents'.
Kwa Mnengwa Dispensary	-	360,000	The expenditure is not supported with bank statements to confirm receipt and usage of the funds nor opinion of the CDFC was not availed for audit verification contrary, to Section 8(3) of the National Government Constituencies Development Act, 2015 which defines an emergency as an 'urgent, unforeseen need for expenditure for which it is in the opinion of the Committee cannot be delayed until the next financial year without harming the public interest of the constituents'.
Msangachi Bridge.	Excavation/ backfilling works	1,000,000	The expenditure was not supported with Bill of Quantities, expenditure returns and Engineer's completion certificate. Further, the opinion of the CDFC was not availed for audit verification,

Project Name	Activity	Unsupported Expenditure (Kshs.)	Anomalies Noted
			contrary to Section 8(3) of the National Government Constituencies Development Act, 2015 which defines an emergency as an 'urgent, unforeseen need for expenditure for which it is in the opinion of the Committee cannot be delayed until the next financial year without harming the public interest of the constituents'. Audit inspection of the project in the month of April 2018 found out that the bridge rails had been partly vandalized. Also, the extra works purportedly undertaken were not verifiable.
Water Tanks	Supply of plastic tanks of 10,000-litres each to various sites within the Constituency	1,056,000	The expenditure is not supported with delivery notes, county receipt vouchers, stores ledger cards and counter requisition and issue vouchers. Further, opinion of the CDFC was not availed for audit review, contrary to Section 8(3) of the National Government Constituencies Development Act, 2015 which defines an emergency as an 'urgent, unforeseen need for expenditure for which it is in the opinion of the Committee cannot be delayed until the next financial year without harming the public interest of the constituents'.
Total		3,016,000	

Consequently, the regularity of expenditure amounting to Kshs.3,016,000 on emergency projects could not be confirmed.

4.2 Water Projects

Note 7 to the financial statements for the year ended 30 June 2017 reflects water projects expenditure amounting to Kshs.5,700,000. Included in this amount is Kshs.3,000,000 in respect of Mzima Spring-Mariwenyi Water Project for excavation and installation of five (5) kilometer water pipeline at a contract sum of Kshs.9,139,732.

However, the project's bank statements indicated a total of Kshs.9,036,785 as paid to the contractor as at 30 June 2017, against completion certificate figure of Kshs.5,707,539, resulting to unsupported excess payment of Kshs.3,329,246 which has not been explained nor reconciled.

Further, at the time of project site visit on 5 May 2018, a water tank had been constructed at Mariwenyi and another one including a pump house built next to Vindo Multi-purpose offices. However, the ownership documents for the parcels of land on which these water tanks and pump house were constructed were not availed for audit verification. In addition, the pipes had been laid but not connected to the water tanks and the contractor was not on site.

Consequently, the propriety and value for money for Kshs.3,000,000 spent on water projects during the year ended 30 June 2017 could not be confirmed.

4.3 Construction of Msangachi Bridge

Note 7 to the financial statements for the year ended 30 June 2017 reflects roads projects expenditure amounting to Kshs.1,200,000 on construction of Msangachi Bridge at a contract sum of Kshs.7,300,372. However, the project bill of quantities and Engineer's certificates were not availed for audit verification.

Consequently, the regularity and value for money for Kshs.1,200,000 spent on the bridge during the year could not be confirmed.

5. Bank Balance

The statement of financial assets as at 30 June 2017 reflects a bank balance of Kshs.1,416,868. The Fund's bank reconciliation statement as at 30 June 2017 reflects un-presented cheques of Kshs.3,143,965.90, out of which cheques amounting to Kshs.753,400 were stale. Further, the bank reconciliation statement reflects payments in bank statement not yet recorded in cash book of Kshs.300,000 and receipts in cash book not in bank statement of Kshs.499,049.50, being overstated balance which has been outstanding since year 2015. However, no explanation has been given for non-reversal of the stale cheques, non-recording of the payments in cash book and non-correction of the error. In addition, subsequent bank statements to confirm when cheques amounting to Kshs.2,390,565.90 were cleared by the banks were not availed for audit review.

Consequently, the accuracy, validity and completeness of bank balance of Kshs.1,416,868 could not be confirmed.

6. Cash Balance

The statement of financial assets as at 30 June 2017 reflects nil cash balance. However, the Board of Survey Report as at the same date was not availed for audit review.

Consequently, the accuracy of the nil cash balance could not be confirmed.

7. Project Management Committees Bank Balances

Annex 5 to the financial statements for the year ended 30 June 2017 reflects Project Management Committees bank balances totaling Kshs.7,940,942.80. However, this balance excludes a total of Kshs.2,778,305.55 held in Kenya Commercial Bank Ltd account for four (4) projects as detailed below:

Project Name	Bank Account No.	Amount as per Bank Certificate (Kshs.)
Mengo Primary School	1204810181	1,198,885.00
Msinenyi Primary School	1178731014	276,598.00
Mwatate Technical Training Institute	1171174055	903,387.55
Mwandisha Primary School	1208054562	399,435.00
Total		2,778,305.55

Further, bank certificates of balances amounting to Kshs.7,940,942.80 for thirty-five (35) PMC bank accounts were not availed for audit verification.

Consequently, the accuracy and completeness of Project Management Committees bank balances totaling Kshs.7,940,942.80 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituency Development Fund - Mwatate 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 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 of my report, I have determined that there are no other Key Audit Matters to communicate in my report.

Other Matter

1. Budgetary Controls and Performance

During the year under review, the Fund had a final budget of Kshs.129,338,213 and spent Kshs.120,483,405 or 93.2%, resulting to under expenditure of Kshs.8,854,798 or 3.2% as shown below:

Expenditure	Final Budget (Kshs.)	Actual Expenditure (Kshs.)	Under Absorption (Kshs.)	Under Absorption (%)
Compensation of Employees	2,931,799	2,931,799	-	-
Use of Goods and Services	11,456,503	11,456,503	-	-
Transfers to Other Government Units	69,698,000	69,698,000	-	-
Other Grants and Transfers	45,251,911	36,397,103	8,854,808	19.6
Total	129,338,213	120,483,405	8,854,798	6.8

The under expenditure of Kshs.8,854,798 or 6.8% indicates non-compliance with the provisions of Section 220 (1) of the Constitution of Kenya which requires budgets of national government to contain estimates of revenue and expenditure, differentiating between recurrent and development and proposals for financing any budget deficit for the period to which they apply. Further, it is contrary to Section 35(1) of the Public Finance Management Act, 2012 which requires the budget process for the national Government to comprise among other things integrated long term and medium term planning, and determining financial and economic policies and priorities at the national level over the medium term and implementing the budget.

As such, delivery of goods and services to residents of Mwatate Constituency may have been curtailed and the accuracy of the financial statements could not be confirmed.

2. Staff Recruitment

During the year under review, the Constituency Committee recruited seven (7) employees comprising three (3) security guards, two (2) support staff, a driver and a secretary/receptionist. However, evidence of advertisement of the positions was not availed for audit review. It was therefore not possible determine how the staff were identified, shortlisted, interviewed and appointed to the positions.

Further, the Committee did not employ Clerk of Works who has knowledge in construction and an IT staff, contrary to Section 45 (1) of the National Government Constituencies Development Fund Act, 2015 which provides that 'the Constituency Committee may engage such staff as may be necessary for execution of its functions including persons with knowledge in information and communications technology, construction and basic accounting'. Further, appointment letters of the three guards were not availed for audit review.

Without Clerk of Works, the Fund's projects may not be properly supervised and implemented as per specifications while the failure to recruit IT staff may impact negatively on project data processing. On the other hand, the validity of appointment of the guards, could not be ascertained without appointment letters.

3. Projects Verification

During the year under review, sixteen (16) projects which received disbursements amounting to Kshs.46,915,000 were inspected in the month of April 2017 and anomalies noted in four (4) of them which received Kshs.11,600,000 as detailed below:

S/No	Payee/ Project	Activity	Amount (Kshs)	Anomalies
1.	St. John's Mwema Secondary	Completion of laboratory (plastering, gas piping)	4,500,000	At the time of audit inspection, there was no evidence of additional work given that the gas chamber had not been constructed. This was the finding during last year's audit inspection of the project.
2.	Mwakitau Secondary School	Completion of administration complex (plastering, roofing, ceiling, door, windows)	5,400,000	At the time of projects audit verification, the project was complete and handed over but ceiling board was coming off while plumbing works including water closets were not working.
3.	Ngangu Secondary School	Completion of administration block(roofing, plastering, doors and windows	700,000	At the time of project audit visit, work was going on but the building is partitioned with plywood which is not specified in the Bill of Quantities.
4.	Mwatate Day Secondary School	Construction of classrooms and furniture	1,000,000	At the time of project audit visit, no work had been done nor the furniture availed for audit verification.
	Total		11,600,000	

Consequently, the propriety and value for money for Kshs.11,600,000 spent on the four (4) projects during the year ended 30 June 2017 could not be confirmed.

4. Projects Implementation Status

The Fund's projects implementation status report as at 30 June 2017 availed for audit review indicated approved budgetary allocation of Kshs.18,550,000 for twelve (12) projects, all of which was disbursed to the projects. Further, the report showed cumulative disbursements of Kshs.22,250,000 and cumulative expenditure of Kshs.12,186,995 or 54.8% of the disbursements, resulting in unspent balance of Kshs.10,063,005 or 45.2% as detailed below:

No	Name of project	Details of the project	Amount of Allocation	Disbursements in 2016/2017	Cumulative Disbursements to 30 June 2017	Cumulative Expenditure as at 30 June 2017	Unspent Disbursements	Complete
			(Kshs)	(Kshs.)	(Kshs)	(Kshs.)	(Kshs)	%
1	Kidaya Saghaighu Primary School	Completion of 2 No. classroom (roofing, plastering, doors and windows)	1,600,000	1,600,000	2,600,000	2,083,153	516,847	90
2	Kishamba Primary School	Construction of 2 No. classroom	2,600,000	2,600,000	2,600,000	1,689,375	910,625	90
3	Kitivo Primary School	Construction of 6 No. classroom	6,600,000	6,600,000	8,100,000	3,162,003	4,937,997	90
4	Kongoni Primary School	Construction of 1 No. classroom and partitioning)	700,000	700,000	700,000	698,000	2,000	90
5	Mnamu Primary School	construction of 4 door toilet	700,000	700,000	700,000	-	700,000	70
6	Nyolo Primary School	Renovation of 5 No Classrooms (re-roofing)	1,000,000	1,000,000	1,000,000	900,000	100,000	90
7	St. John Mwema Secondary School	Completion of 1No. Science Laboratory (plastering and gas piping)	2,300,000	2,300,000	2,500,000	2,436,951	63,049	95
8	Ngangu Sec School	Completion of an administration block (roofing, plastering, doors and windows)	700,000	700,000	700,000	626,400	73,600	80
9	Mzwanenyi Secondary School	Completion of 1No. Classroom (roofing, plastering, doors and windows)	750,000	750,000	750,000	131,113	618,887	90
10	Mwangoji Secondary School	Renovation of 2No. Classroom (plastering,	450,000	450,000	1,450,000	460,000	990,000	80

No	Name of project	Details of the project	Amount of Allocation	Disbursements in 2016/2017	Cumulative Disbursements to 30 June 2017	Cumulative Expenditure as at 30 June 2017	Unspent Disbursements	Complete
			(Kshs)	(Kshs.)	(Kshs)	(Kshs.)	(Kshs)	%
		flooring, doors and windows)						
11	Mlamba High School	Construction of 4 No. Door toilet	750,000	750,000	750,000	-	750,000	50
12	Josa Primary School	Renovation of 7 classroom and workshop	400,000	400,000	400,000	-	400,000	30
		Total	18,550,000	18,550,000	22,250,000	12,186,995	10,063,005	45.2

In addition, the table indicates percentages of completion for projects at Mlamba High School and Josa Primary School as 50% and 30% respectively yet no expenditure had been incurred on the same as at 30 June 2017.

Consequently, the figures presented in the table appear inaccurate. Further, it has not been possible to confirm whether the projects were implemented as per the approved budget and whether the residents of Mwatate Constituency received value for money for goods and services received during the year under review.

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 National Government Constituencies Development Fund - Mwatate Constituency's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to cease operations or have no realistic alternative but to do so.

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 National Government Constituencies Development Fund - Mwatate Constituency'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 National Government Constituencies Development Fund - Mwatate Constituency ability to continue to sustain its services. 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 National Government Constituencies Development Fund - Mwatate Constituency to cease to continue 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 and business activities of National Government Constituencies Development Fund - Mwatate Constituency 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.

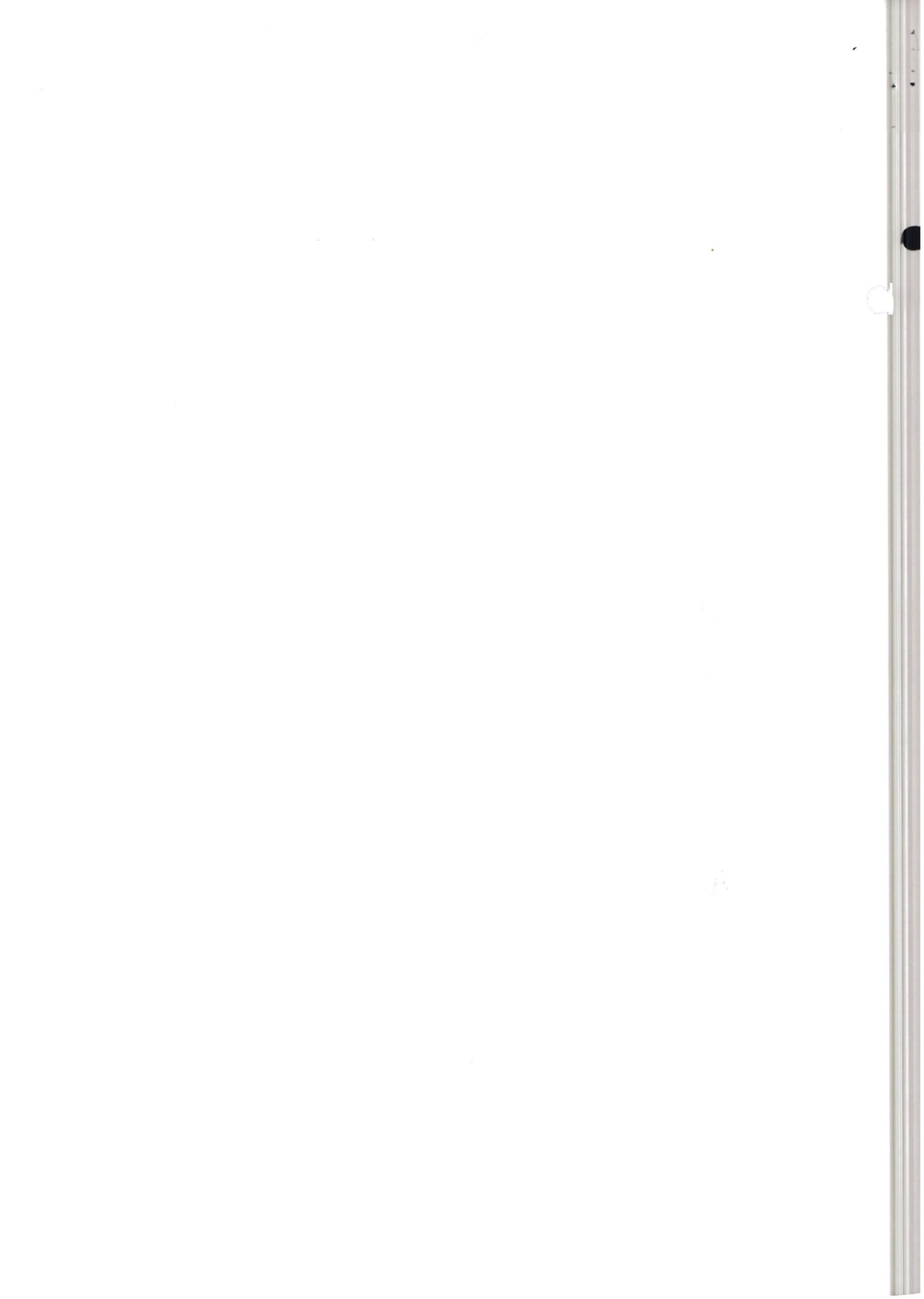
I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



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

Nairobi

06 November 2018



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – MWATATE
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

**V. STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 30TH JUNE, 2017**

	Note	2016-2017	2015-2016
		kshs.	Kshs
RECEIPTS			
Transfers from Other Government Entities	1	74,458,621	158,766,247
Proceeds from Sale of Assets	2		-
Other Receipts	3		-
TOTAL RECEIPTS		74,458,621	158,766,247
PAYMENTS			
Compensation of Employees	4	2,931,799	1,664,328
Use of goods and services	5	11,456,503	12,975,804
Transfers to Other Government Units	6	69,698,000	33,827,448
Other grants and transfers	7	36,397,103	68,827,202
Acquisition of Assets	8		
Other Payments	9		
TOTAL PAYMENTS		120,483,405	117,794,782
SURPLUS/(DEFICIT)		(46,024,784)	40,971,465

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MWATATENG-CDF financial statements were approved on 20/6/2018 and signed by:

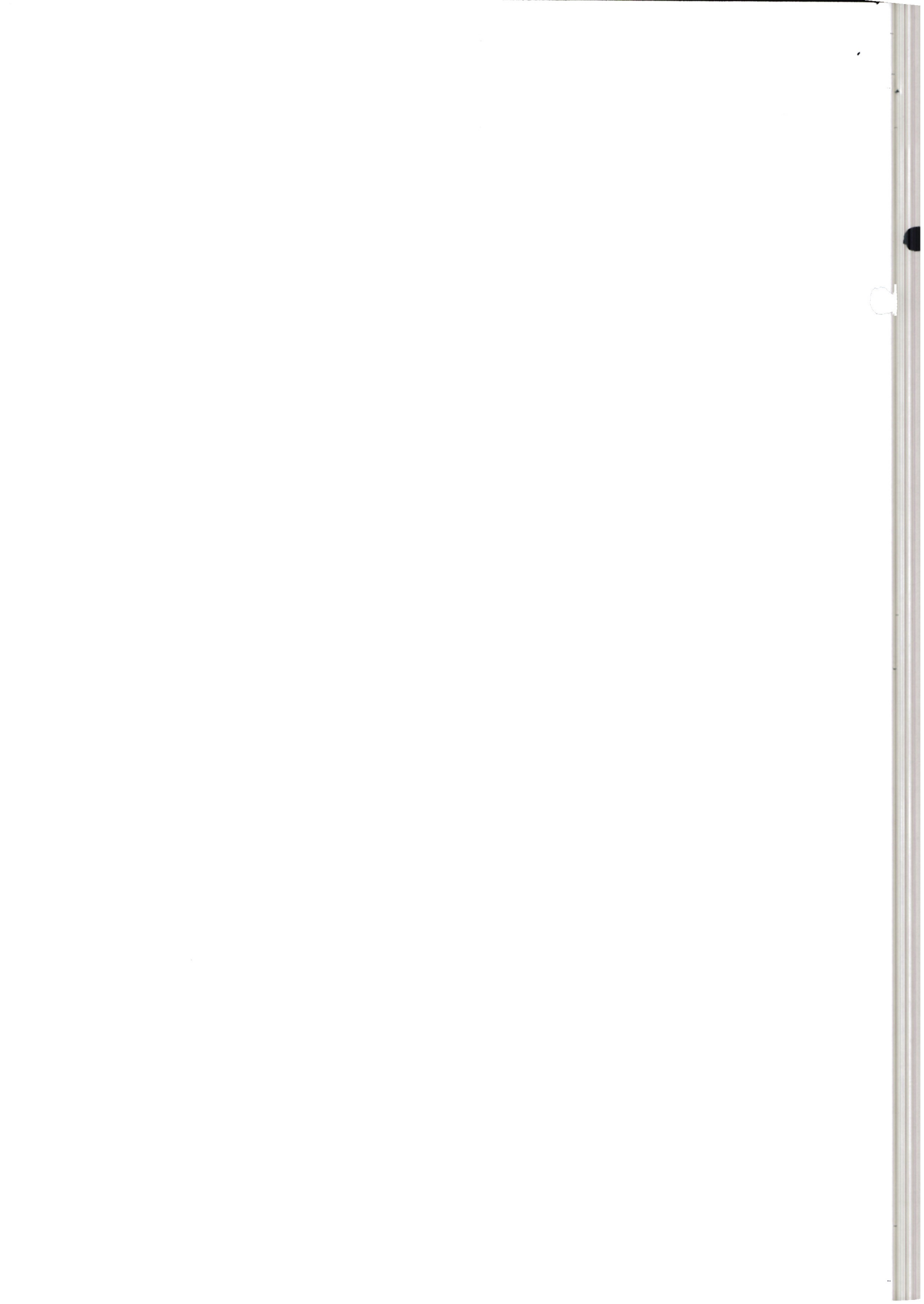


Fund Account Manager



Chairperson – NG-CDFC





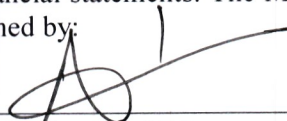
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – MWATATE
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**


**VI. STATEMENT OF FINANCIAL ASSETS
AS AT 30TH JUNE, 2017**

	Note	2016-2017	2015-2016
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	10 A	1,416,868	47,441,652
Cash Balances (cash at hand)	10 B	-	-
Outstanding Imprests	11		
TOTAL FINANCIAL ASSETS		1,416,868	47,441,652
REPRESENTED BY			
Retention	12		-
Fund balance b/fwd 1 st July, 2016	13	47,441,652	6,470,187
Surplus/Deficit for the year		(46,024,784)	40,971,465
Prior year adjustments	14	-	-
NET FINANCIAL POSITION		1,416,868	47,441,652

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MWATATE NG-CDF financial statements were approved on 20/6/2018 and signed by:



Fund Account Manager



Chairperson – NG-CDFC





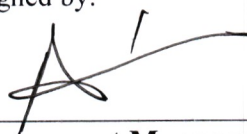
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – MWATATE
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

**VII. STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2017**

		2016-2017	2015-2016
Receipts for operating income			
Transfers from Other Government Entities	1	74,458,621	158,766,247
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
		74,458,621	158,766,247
Payments for operating expenses			
Compensation of Employees	4	(2,931,799)	(1,664,328)
Use of goods and services	5	(11,456,503)	(12,975,804)
Transfers to Other Government Units	6	(69,698,000)	(34,327,448)
Other grants and transfers	7	(36,397,103)	(68,827,202)
Other Payments	9		
Total cash outflow from operating activities		(120,483,405)	(117,794,782)
Adjusted for:			
Adjustments during the year			
Net cash flow from operating activities		(46,024,784)	40,971,465
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2		
Acquisition of Assets	8	-	
Net cash flows from financing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		(46,024,784)	40,971,465
Cash and cash equivalent at BEGINNING of the year	10A	47,441,652	6,470,187
Cash and cash equivalent at END of the year	10A	1,416,868	47,441,652

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MWATATENG-CDF financial statements were approved on 20/6/2018 and signed by:



Fund Account Manager



Chairperson NG-CDFC



11 MAY 1961
U.S. AIR FORCE
HONOLULU, HAWAII

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017

**VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED
 FOR THE YEAR ENDED 30TH JUNE, 2017**

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 %
RECEIPTS						
Transfers from CDF Board	81,896,552	47,441,652	129,338,204	74,458,621	54,879,583	94
Other Receipts						
Total	81,896,552	47,441,652	129,338,204	74,458,621	54,879,583	94
PAYMENTS						
Compensation of Employees	1,971,600	960,190	2,931,799	2,931,798.80	-	100
Use of goods and services	4,399,089	7,057,414	11,456,503	11,456,503	0	100
Transfers to Other Government Units	41,250,000	28,448,000	69,698,000	69,698,000	0	100
Other grants and transfers	34,275,863	10,976,048	45,251,911	36,397,103	8,854,808	80
Acquisition of Assets	-	-	-	-	-	
Other Payments	-	-	-	-	-	0
TOTALS	81,896,552	47,441,652	129,338,204	120,483,405	8,854,799	92

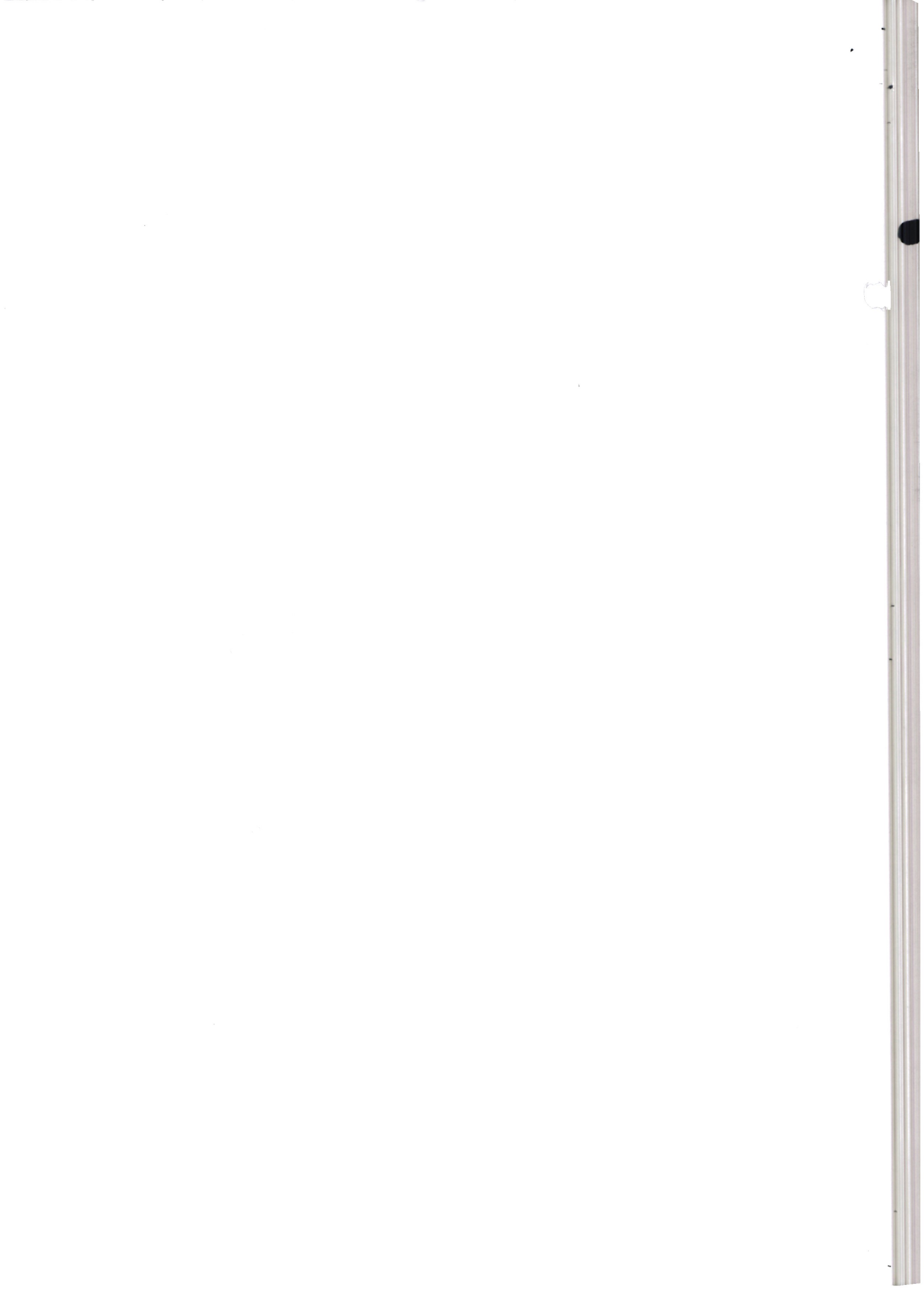
The Mwatate NGCDF financial statements were approved on 30/6/2018 and signed by:



Fund Account Manager



Chairperson NG-CDFC



IX. 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 *NG-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 *NG-CDF*.

2. Recognition of revenue and expenses

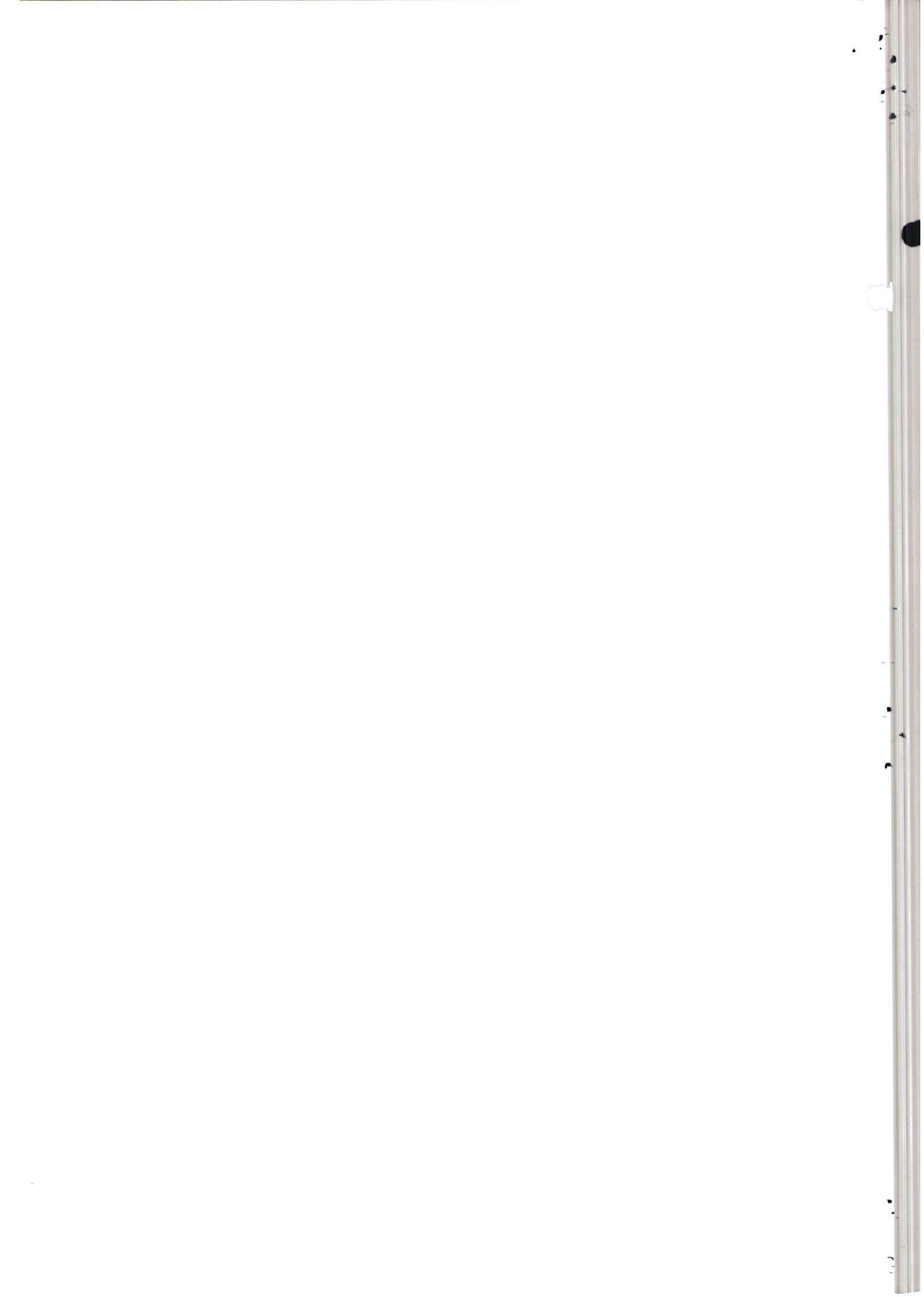
The *NG-CDF* recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the *NG-CDF*. In addition, the *NG-CDF* recognises all expenses when the event occurs and the related cash has actually been paid out by the *NG-CDF*.

3. In-kind contributions

In-kind contributions are donations that are made to the *NG-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 *NG-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 – MWATATE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

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 *NG-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

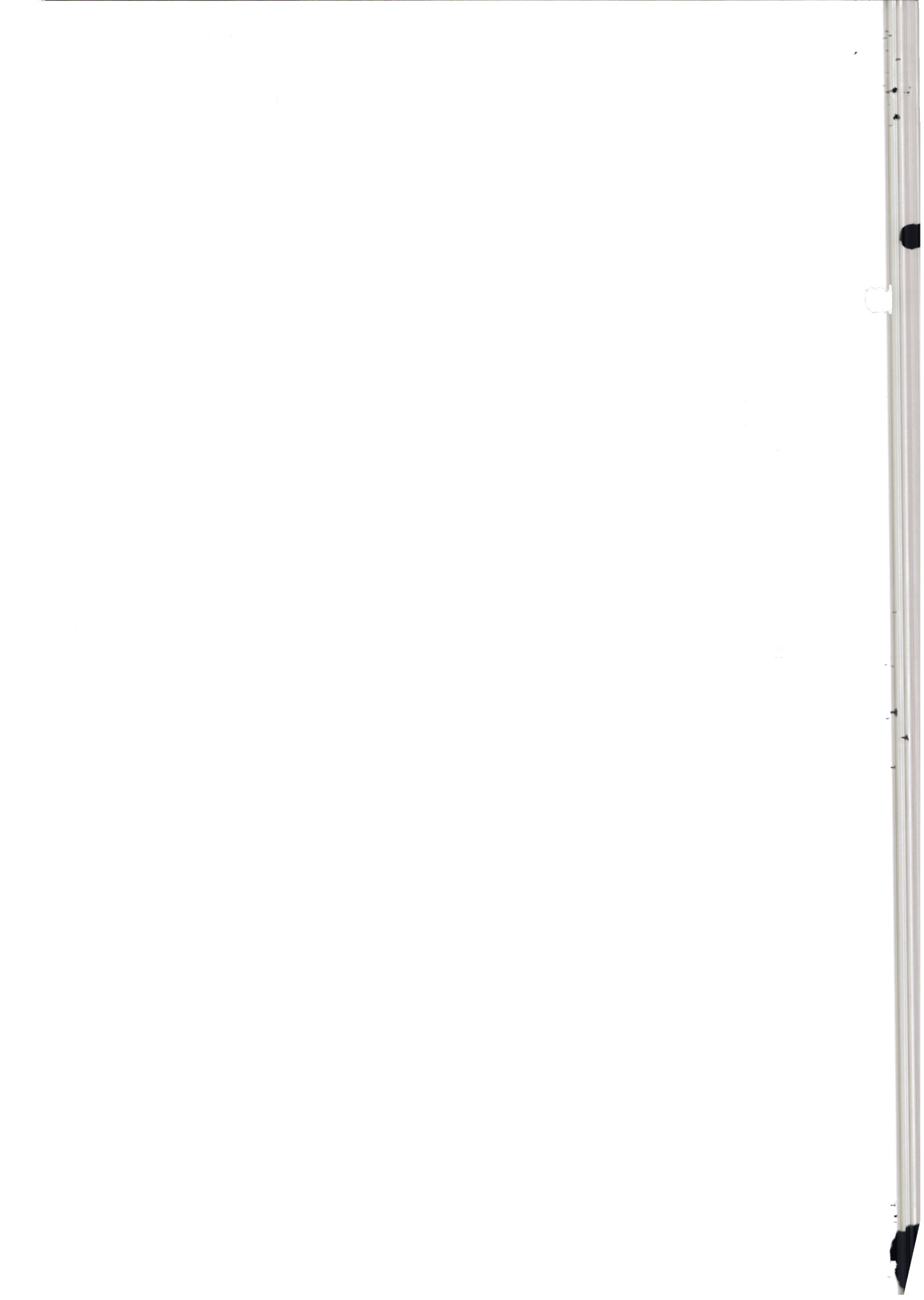
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *NG-CDF's* budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the *NG-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 – MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017

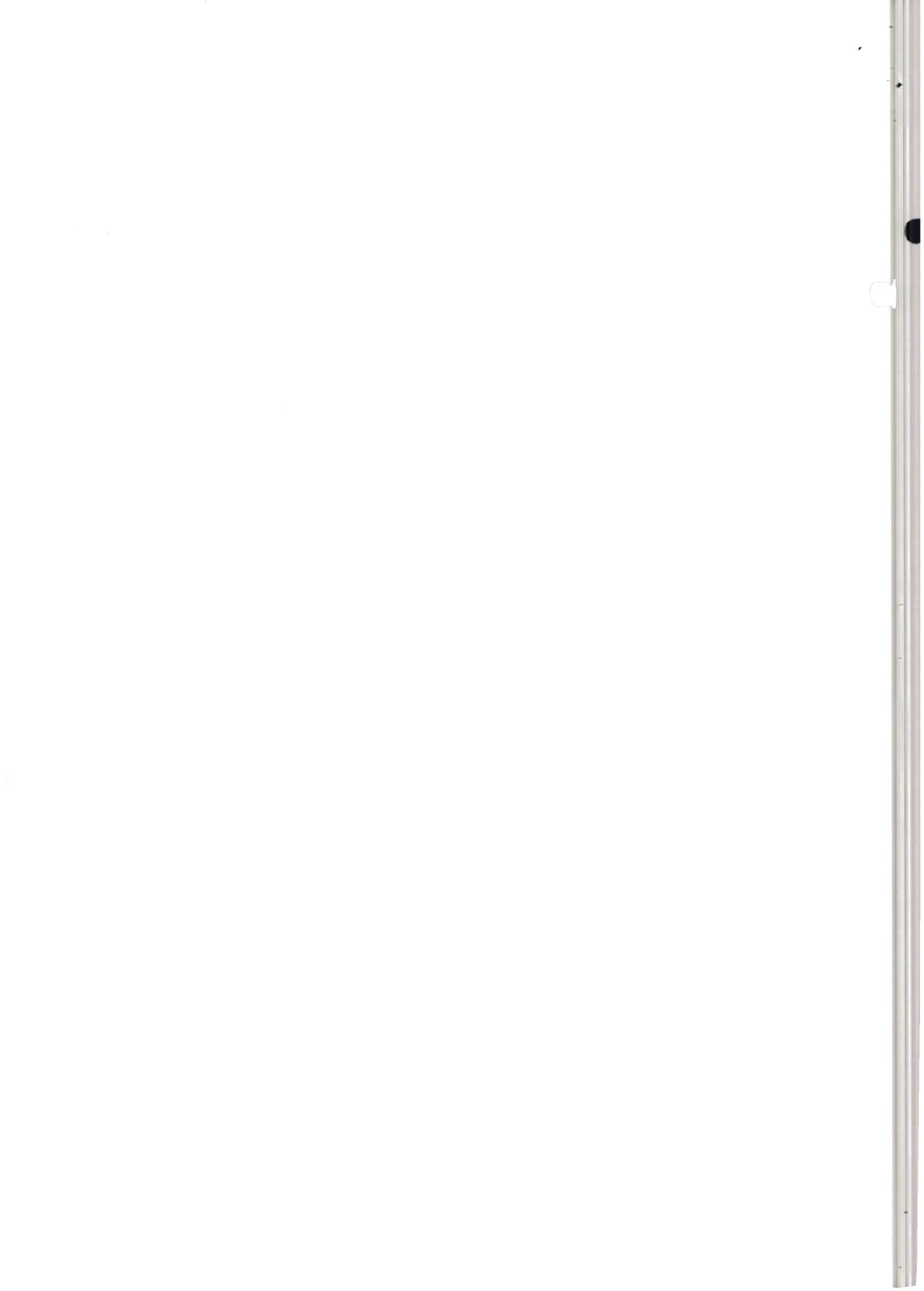
X. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	A.I.E No.	2016 - 2017	2015 - 2016
		Kshs	Kshs
Normal allocation			
	A829945	4,094,828	10,000,000
	A855128	36,853,449	24,634,059
	A855629	33,510,344	14,634,059
		-	20,000,000
		-	20,000,000
		-	12,000,000
		-	2,973,257
		-	48,344,872
TOTAL		74,458,621	152,586,247

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	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

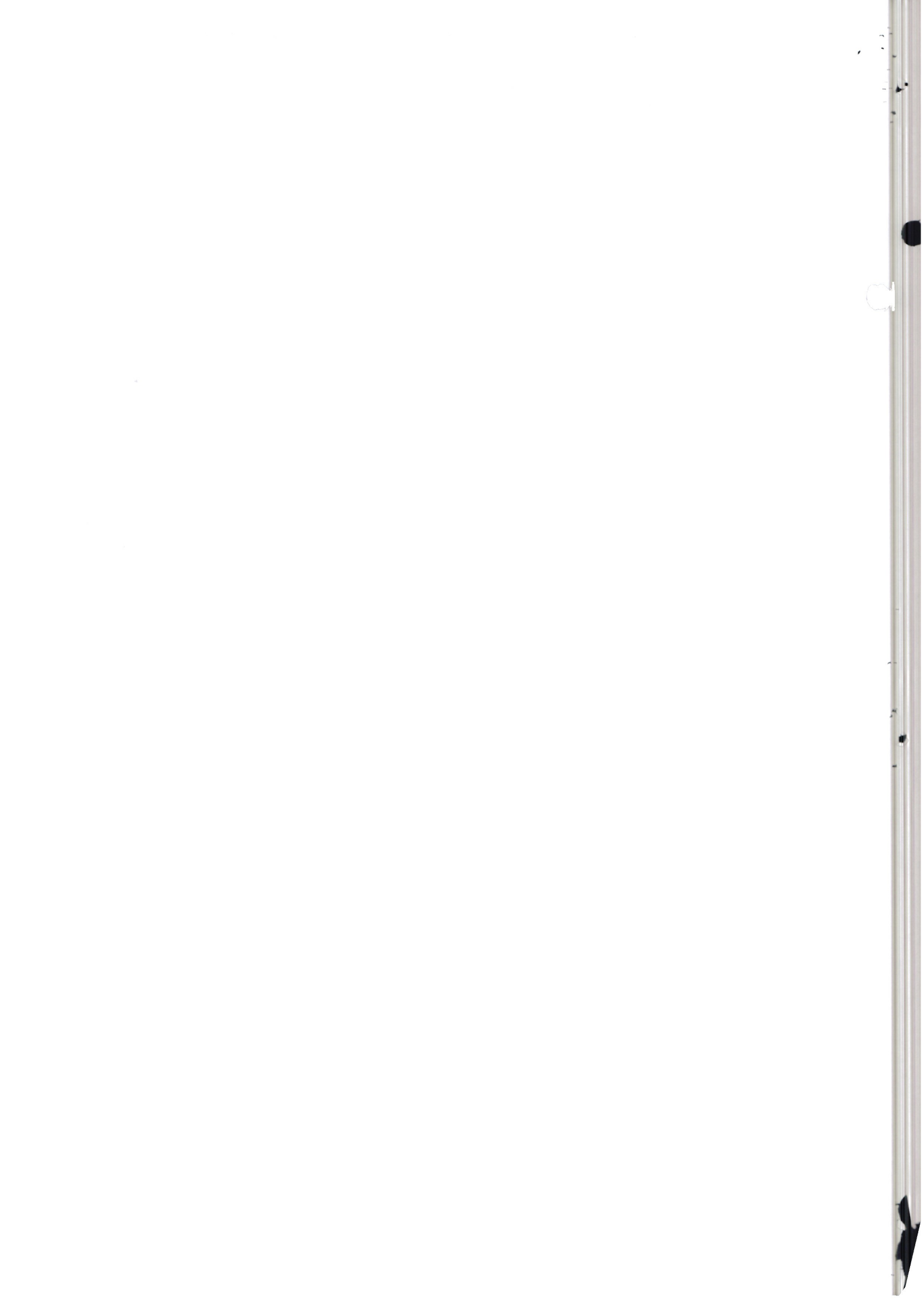


CONSTITUENCIES DEVELOPMENT FUND – MWATATE CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***3. OTHER RECEIPTS**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

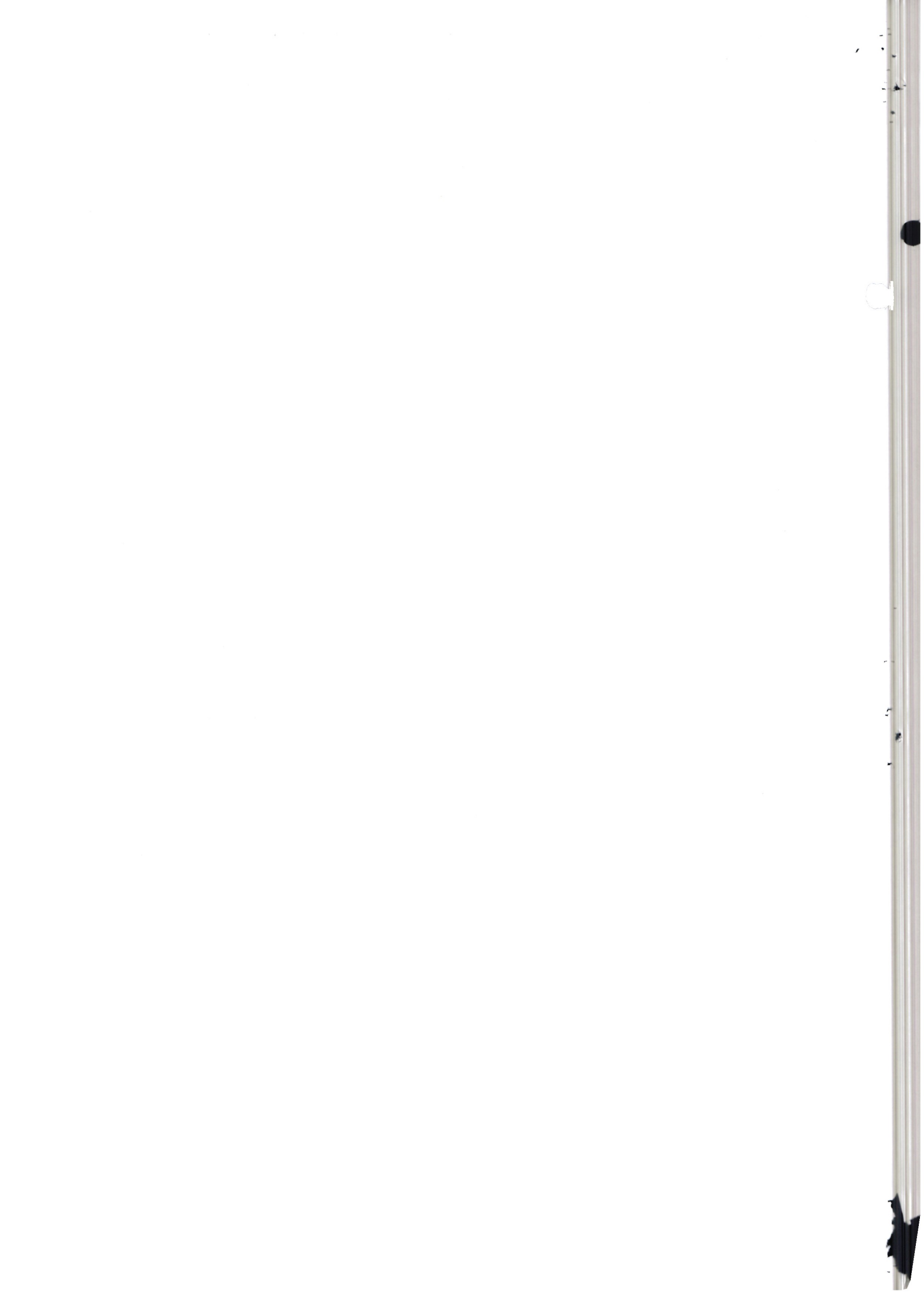
4. COMPENSATION OF EMPLOYEES

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Basic wages of contractual employees	1,757,297	1,547,388
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance		
Gratuity	1,040,112	-
Other personnel payments NHIF	17,750	81,900
Employer contribution to NSSF	116,640	35,040
	-	-
Total	2,931,799	1,664,328



CONSTITUENCIES DEVELOPMENT FUND – MWATATE CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***5. USE OF GOODS AND SERVICES**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Utilities, supplies and services	788,115	249,780
Communication, supplies and services	-	-
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services		
Rentals of produced assets	-	
Training expenses		-
Hospitality supplies and services	-	
Insurance costs	-	
Fuel ,oil and lubricants		-
Office and general supplies and services		-
Other operating expenses		1,600,000
Routine maintenance – vehicles and other transport equipment	339,871	-
Routine maintenance – other assets		1,123,926
Other committee expenses		
Committee allowances	10,328,517	10,002,098
Total	11,456,503	12,975,804

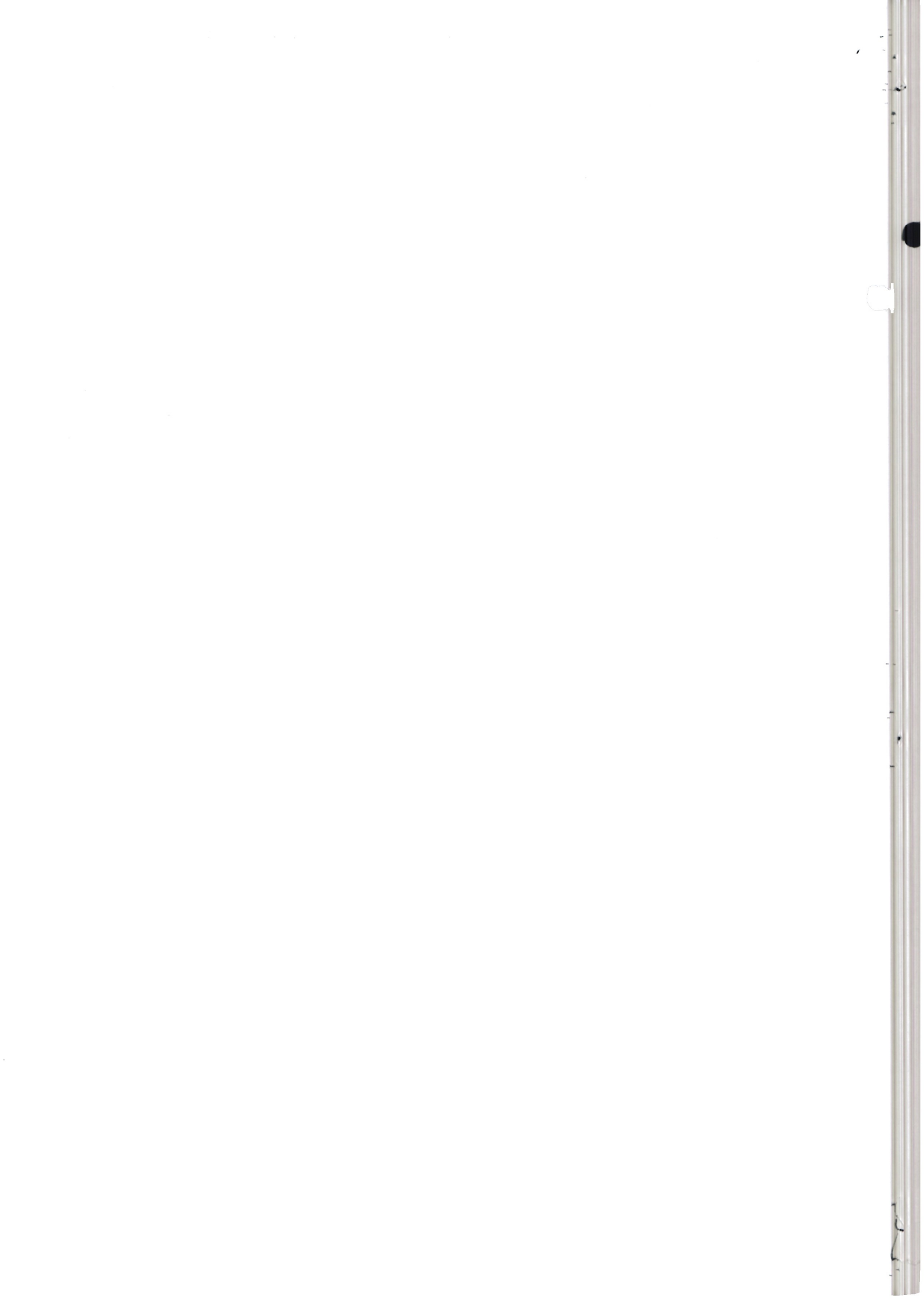


CONSTITUENCIES DEVELOPMENT FUND – MWATATE CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***6. TRANSFERS TO OTHER GOVERNMENT UNITS**

Description	2016- 2017	2015- 2016
	Kshs	Kshs
Transfers to primary schools	35,315,000	12,452,931
Transfers to secondary schools	23,283,000	14,792,000
Transfers to tertiary institutions	10,000,000	
Transfers to health institutions	1,100,000	6,582,517
TOTAL	69,698,000	33,827,448

7. OTHER GRANTS AND TRANSFERS

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bursary – secondary schools	14,388,600	15,810,400
Bursary – tertiary institutions	6,833,800	8,190,500
Bursary – special schools	-	
Mock & CAT	-	
Water projects	5,700,000	18,280,000
Agriculture projects	2,000,000	
Electricity projects	-	7,000,000
Security projects	100,000	
Roads projects	1,200,000	10,956,577
Sports projects	720,000	2,597,000
Environment projects		1,850,724
Other Projects	500,000	1,600,000
Emergency projects	4,954,703	1,042,000
Total	36,397,103	68,927,201

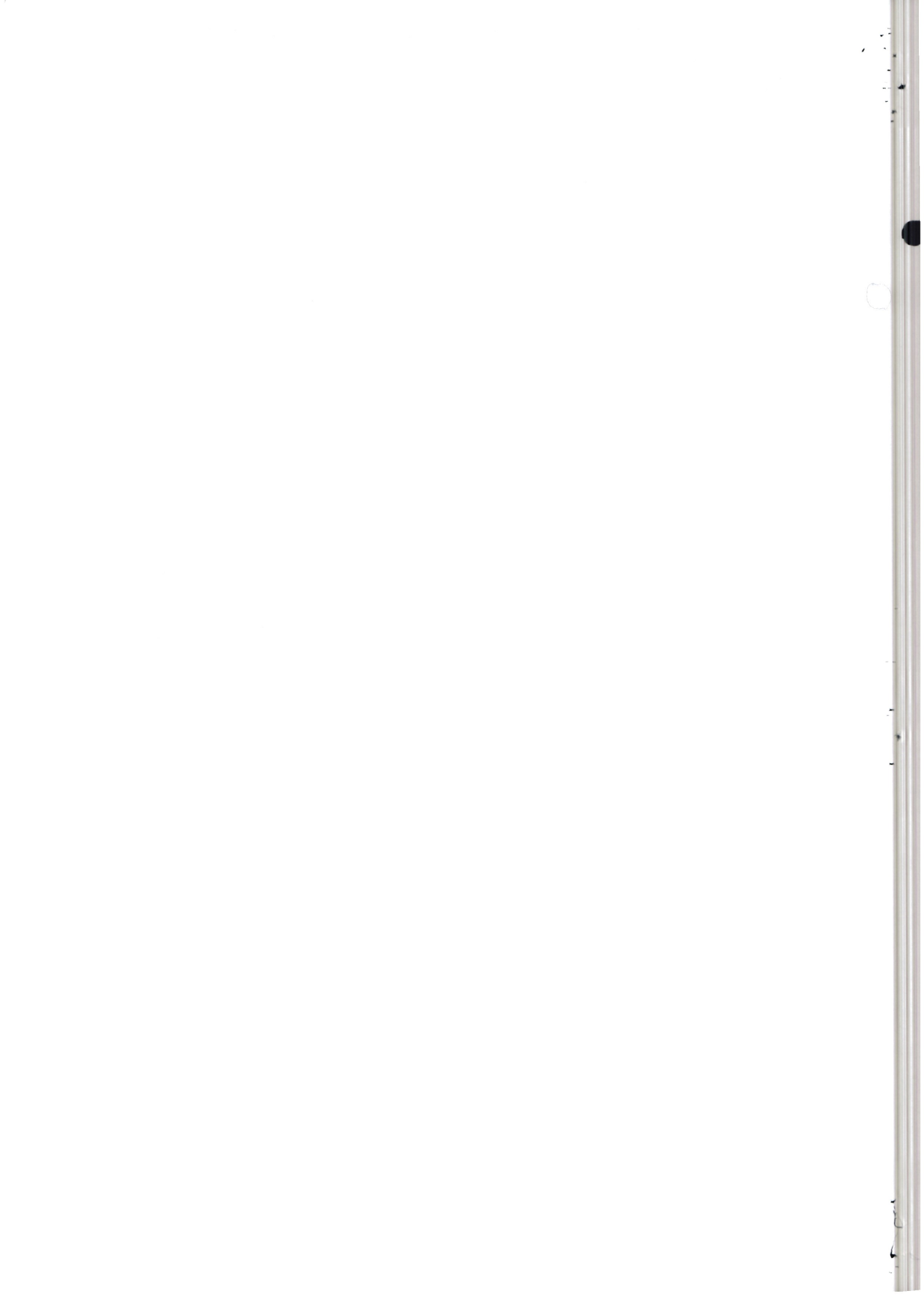


CONSTITUENCIES DEVELOPMENT FUND – MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets	2016 - 2017	2015 - 2016
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets		
Purchase of Specialized Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Acquisition of Land		
Acquisition of Intangible Assets		
Total	-	-

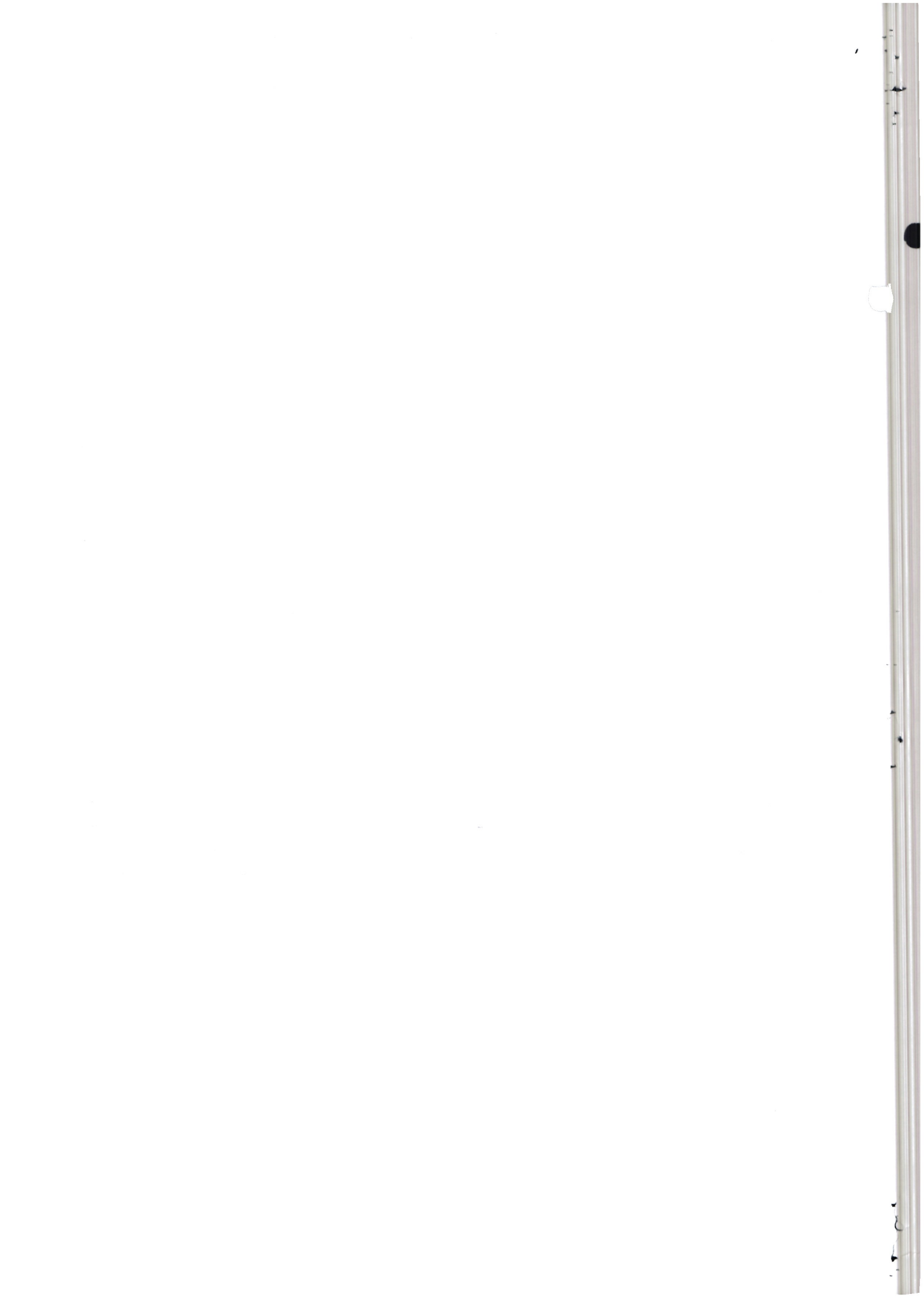


CONSTITUENCIES DEVELOPMENT FUND – MWATATE CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***9. OTHER PAYMENTS**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
		-
Total		

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2016- 2017	2015 - 2016
	Kshs	Kshs
<i>Kenya Commercial Bank A/C 110927838</i>	1,416,867.98	47,441,651.58
Total	1,416,868	47,441,652



CONSTITUENCIES DEVELOPMENT FUND – MWATATE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10B: CASH IN HAND

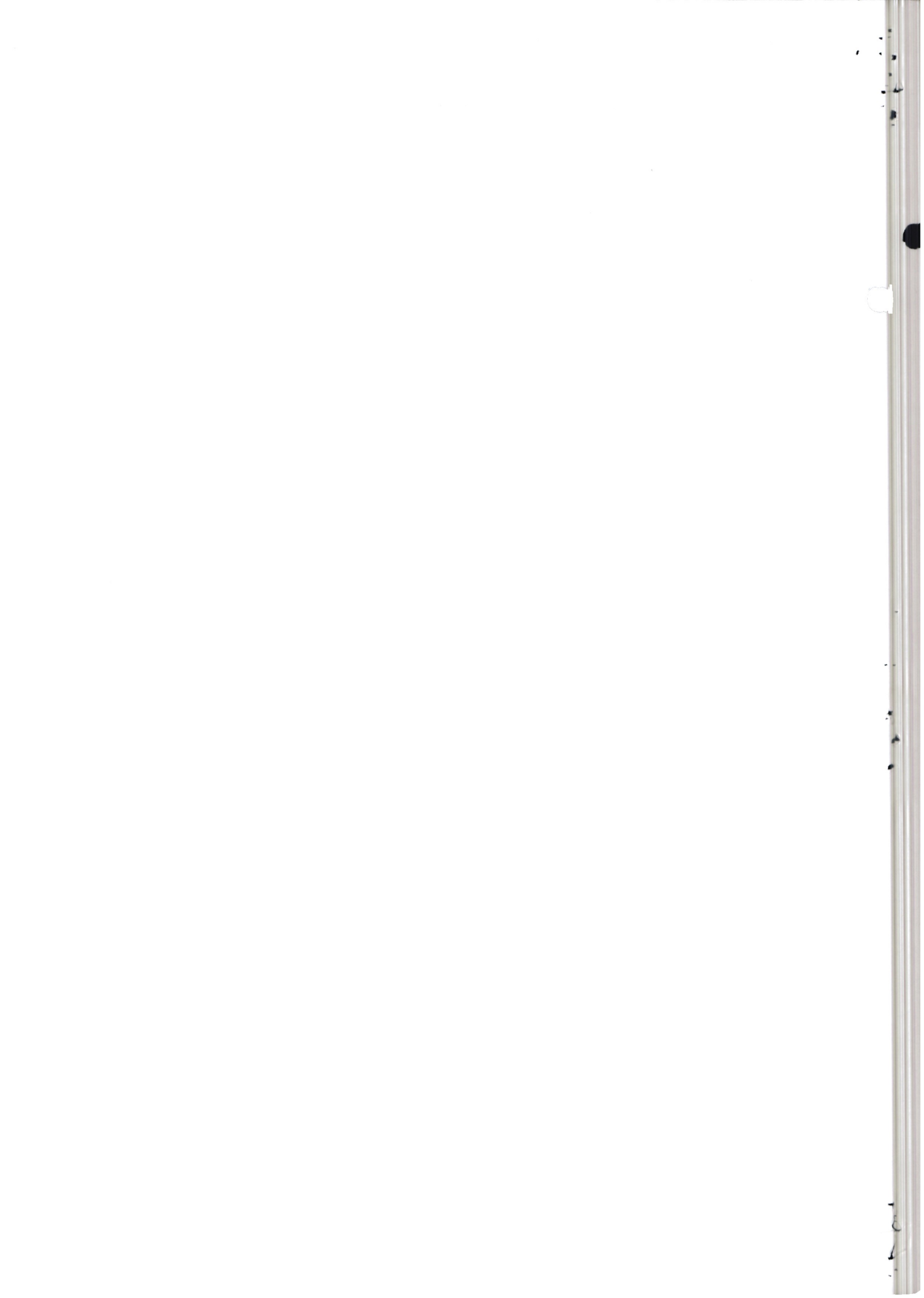
	2016 - 2017 Kshs	2015 - 2016 Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-

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>
			-	
			-	-
Total				

12. Retention

<i>Supplier / Contractor</i>	<i>PV No.</i>	2016-2017	2015-2016
		<i>Kshs</i>	<i>Kshs</i>
		-	-
Total			

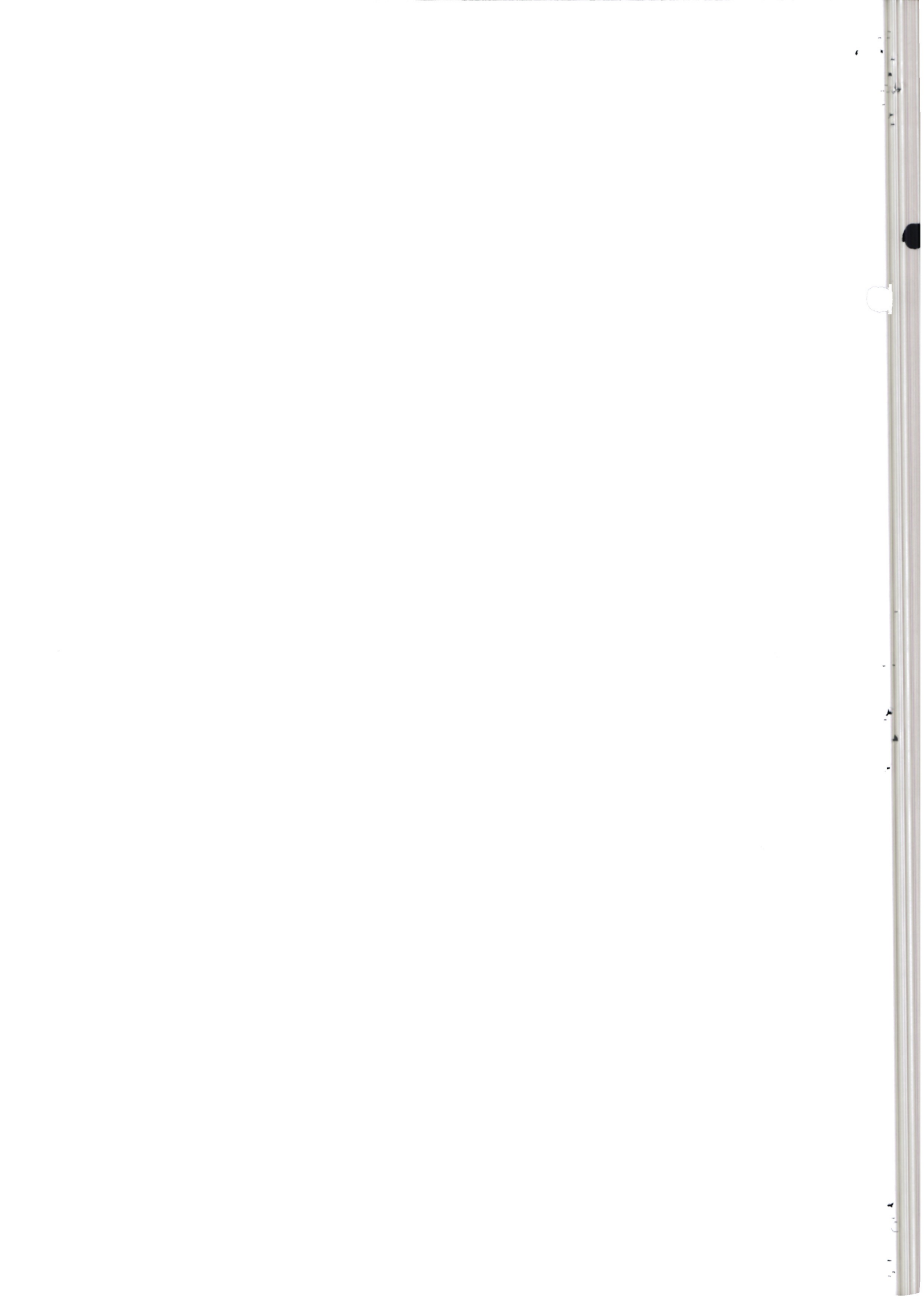


CONSTITUENCIES DEVELOPMENT FUND – MWATATE CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***13. BALANCES BROUGHT FORWARD**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bank accounts	47,441,652	5,700,187
Cash in hand	-	-
Imprest		770,000
Total	47,441,652	6,470,187

14. PRIOR YEAR ADJUSTMENTS

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	-	-



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

XI. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2016 - 2017 Kshs	2015 - 2016 Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

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

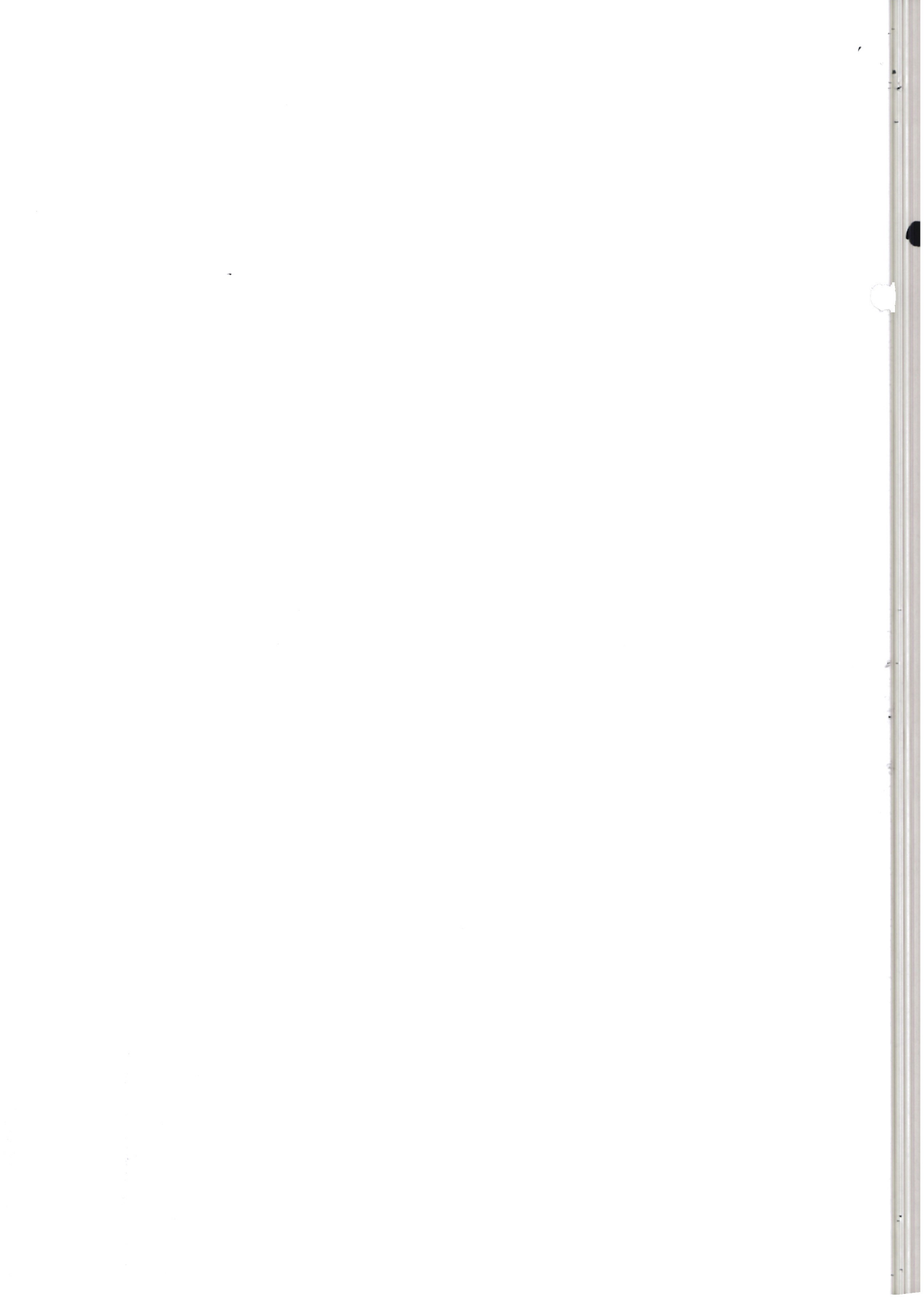
15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	-	-
Amounts due to other grants and other transfers (see attached list)	-	-
Others (<i>Audit fee</i>)	-	500,000
	-	500,000

15.4: PMC account balances (See Annex 5)

	Kshs	Kshs
PMC account Balances (see attached list)	7,940,943	5,105,243
	7,940,943	5,105,243

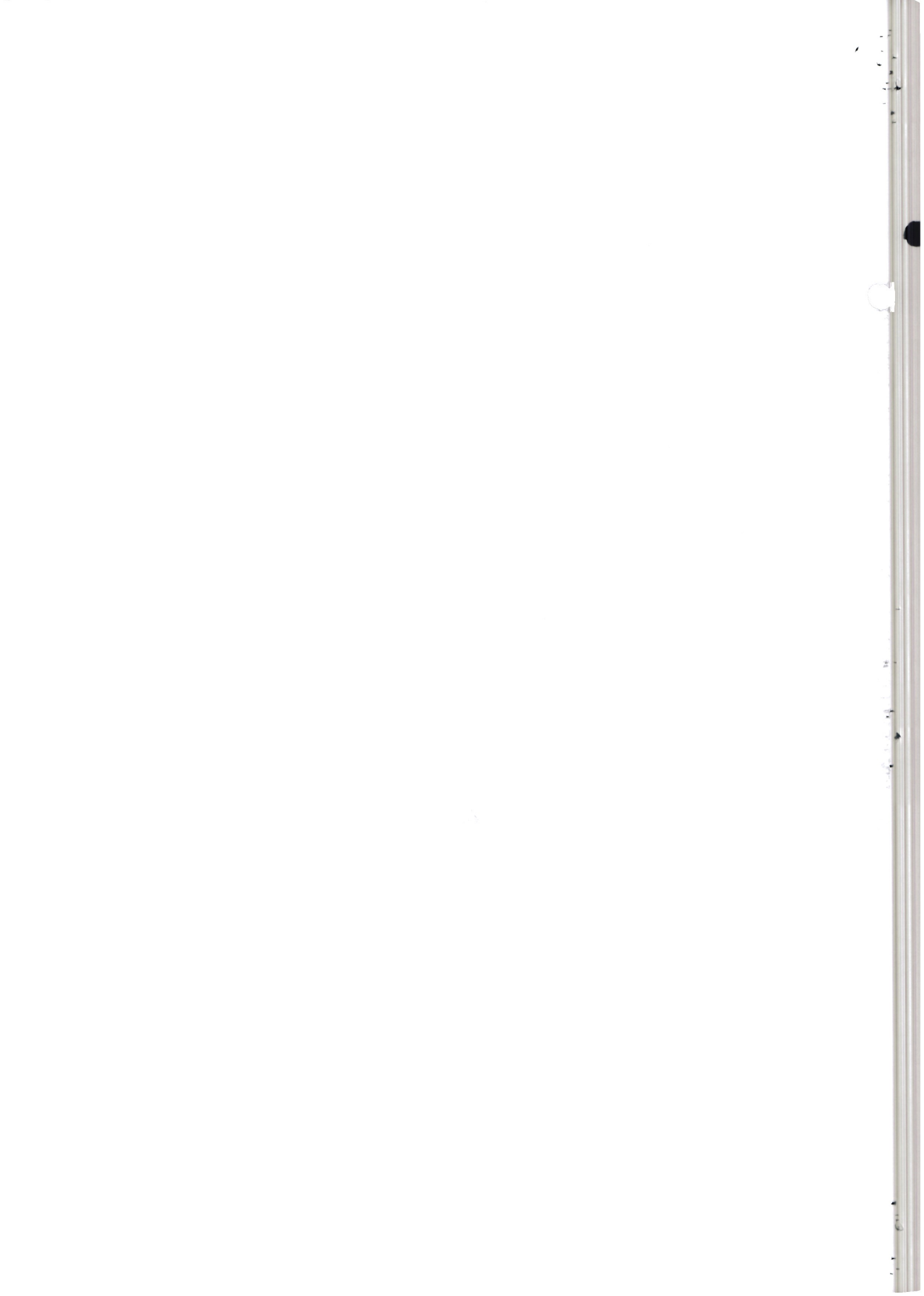
15.5: Amount due from the Board(6,800,000)



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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 2015	Comments
	a	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						



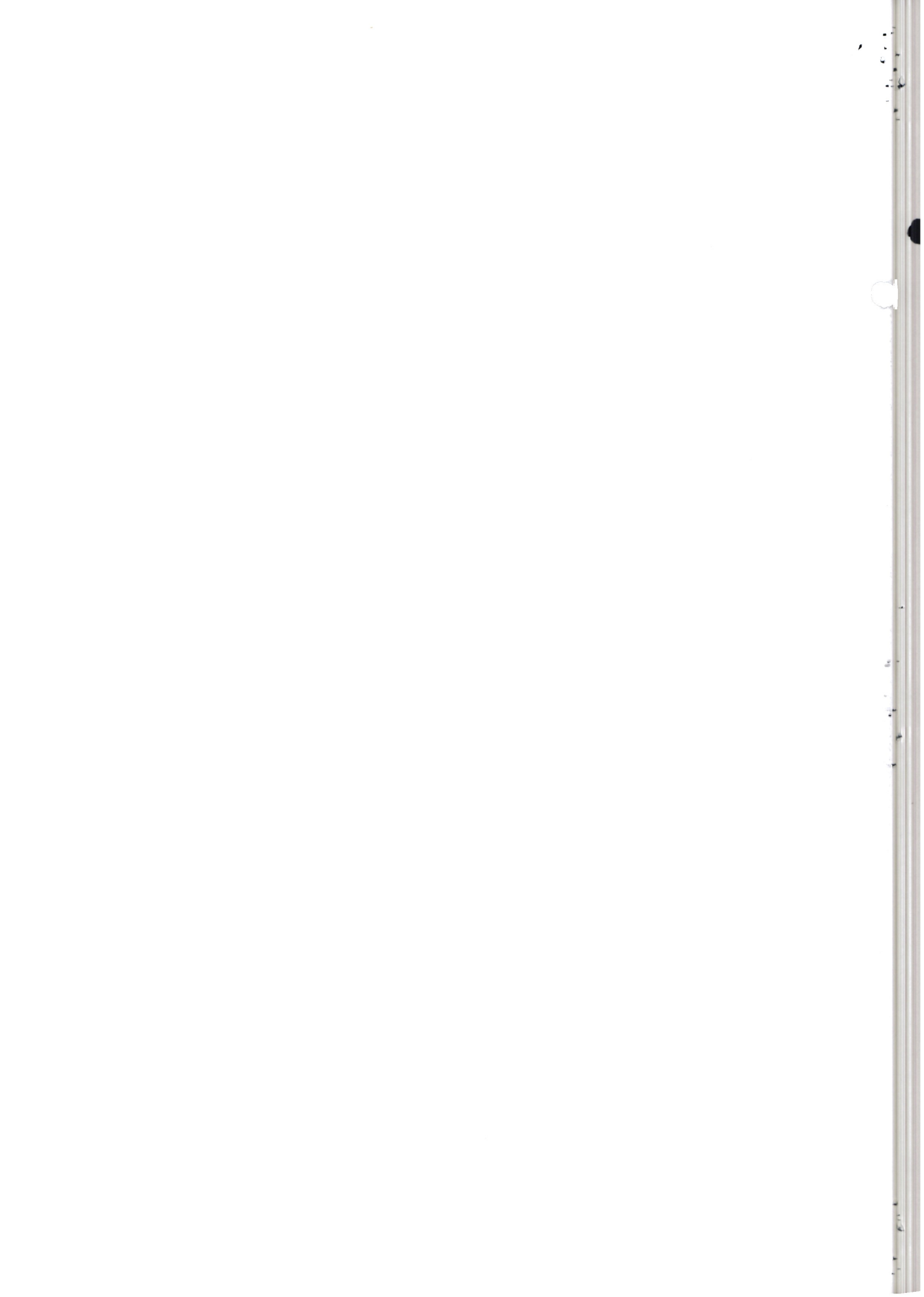
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

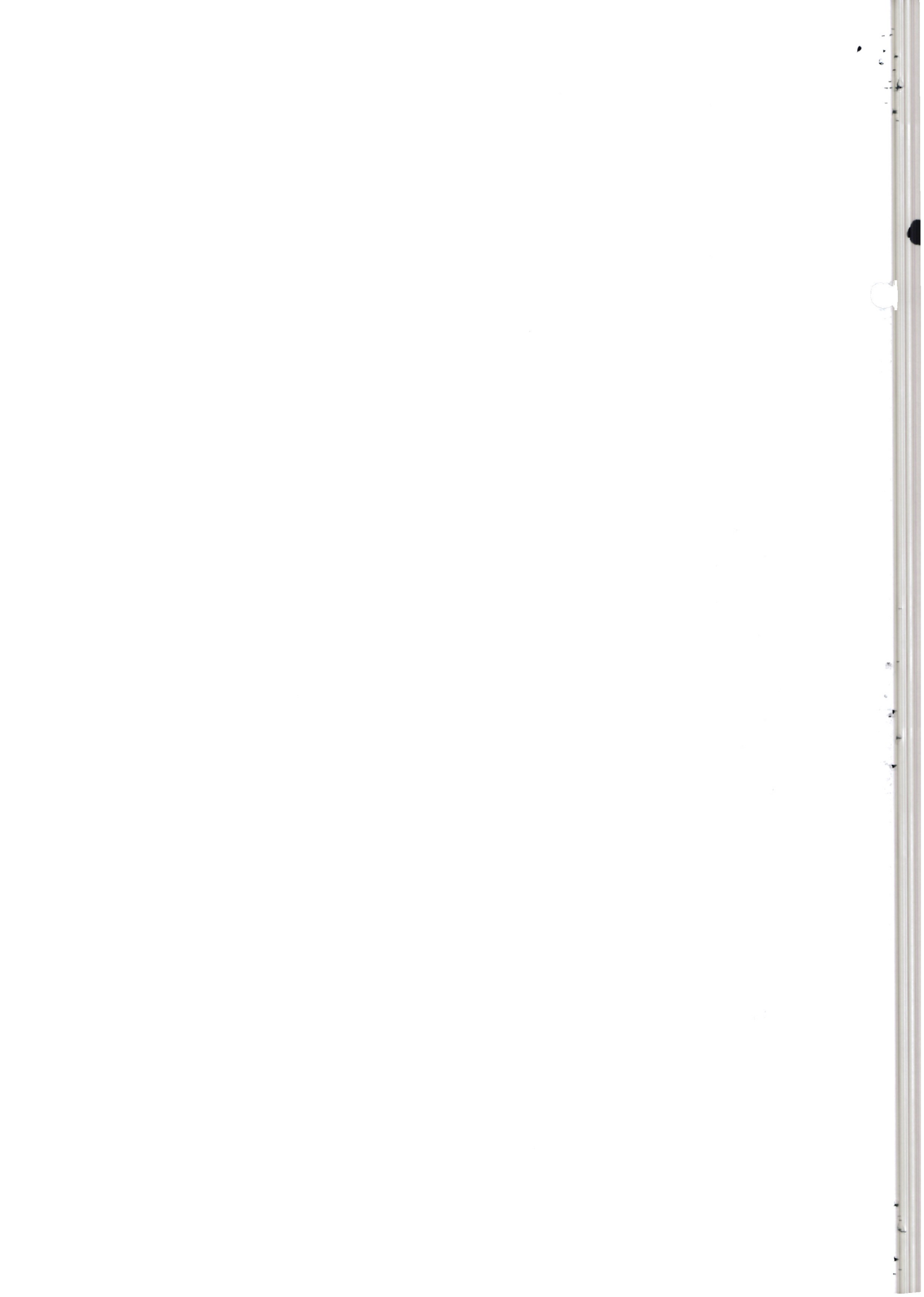
Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
		A	b	c	d=a-c		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total							



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ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

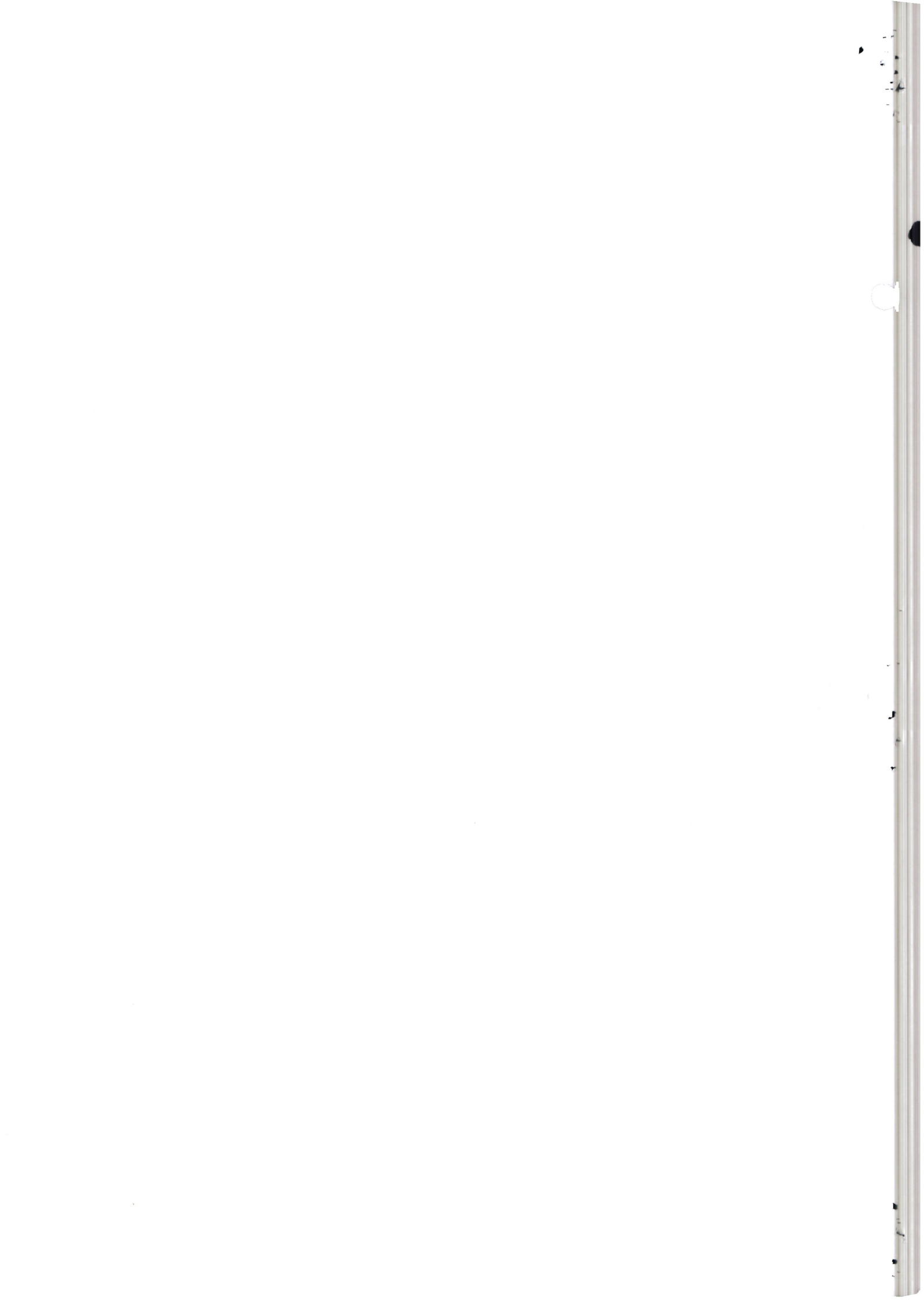
Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
		A	b	c	d=a-c		
Amounts due to other Government entities							
1.	Audit fee	500,000	-	-	500,000		
2.							
3.							
	Sub-Total						
Amounts due to other grants and other transfers							
4.							
5.							
6.							
	Sub-Total						
	Sub-Total						
Others (specify)							
7.							
8.							
9.							
	Sub-Total						
	Grand Total						



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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/2017	Historical Cost (Kshs) 2015/2016
Land	-	-
Buildings and structures	750,000	750,000
Transport equipment and overhaul of vehicles	984,214	984,214
Refurbishment of Buildings	2,700,000	2,700,000
Office equipment, furniture and fittings	20,000	20,000
ICT Equipment, Software and Other ICT Assets	-	-
Other Machinery and Equipment	-	-
Heritage and cultural assets	-	-
Intangible assets		
Total	4,454,214	4,454,214

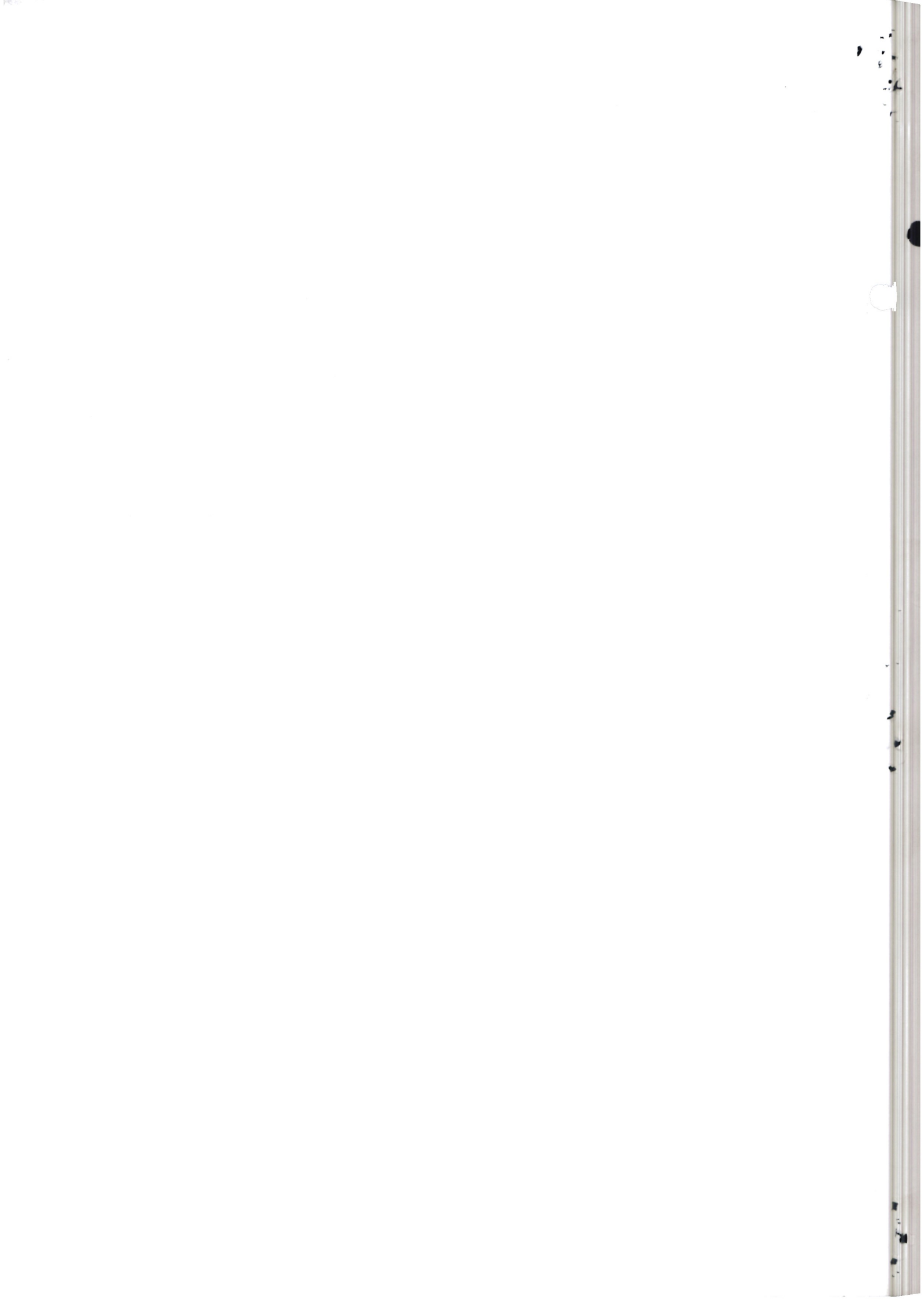


**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – MWATATE
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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2017

PMC	Bank	Account number	Bank balance 2016-2017	Bank balance 2015-2016
KIDAYA SAGHAIGHU PRIMARY	BARCLAYS	0661058080	523,534.00	0.00
KISHAMBA PRIMARY SCHOOL	EQUITY	0790267168349	4,600.00	962,998.00
KITIVO PRIMARY SCHOOL	KCB	1183979606	4,937,997.00	0.00
MARIWENYI PRIMARY SCHOOL	KCB	1207199915	76,485.00	0.00
NYOLO PRIMARY SCHOOL	KCB	1101078098	4.85	100,685.00
MWATUNGE PRIMARY SCHOOL	EQUITY	0790262611336	6,394.80	62,303.80
MWAMBOTA PRIMARY SCHOOL	EQUITY	0790264750972	77,216.00	525,456.00
MWAVUNYU PRIMARY SCHOOL	KCB	12090066243	1,435.00	0.00
KIGHOMBO PRIMARY SCHOOL	KCB	1208412043	6,439.00	0.00
ZARE PRIMARY SCHOOL	KCB	1176597256	31,844.75	98,318.75
MRUGHUA PRIMARY SCHOOL	KCB	1118978234	0.00	2,000.00
MWEMBA PRIMARY SCHOOL	KCB	1176706683	117,739.00	22,831.00
KONGONI PRIMARY SCHOOL	KCB	1204954984	1,500.00	0.00
MANOA PRIMARY SCHOOL	KCB	1176836714	26,533.15	1,224,690.10
JOSA PRIMARY SCHOOL	KCB	112771000	400,114.50	795.00
MAZOLA PRIMARY SCHOOL	KCB	1208555154	31,965.00	0.00
MWAWACHE PRIMARY SCHOOL	KCB	1134778813	1,425.00	1,425.00
MNAMU PRIMARY SCHOOL	EQUITY	07902974333273	686.00	466.00
MGENO PRIMARY SCHOOL	EQUITY	0790293408297		
CHAKALERI PRE SCHOOL	CO-OPERATIVE	01139220307500	7,081.00	81,787.00
MWACHABO PRIMARY SCHOOL	KCB	1109443536	1,468.00	126,630.00
KWATEKA PRIMARY SCHOOL	KCB	1119861888	1,200.00	1200.00
CHONGONYI PRE SCHOOL	KCB	1115380397	300,946.00	946.00
KWAMONE PRE SCHOOL	EQUITY	0263540409	820.60	160.60
KISHAU PRIMARY SCHOOL	KCB	1135939071	224.50	340.00
MENGO PRIMARY SCHOOL				
MWAMBOTA PRIMARY SCHOOL	EQUITY	0790264750972	77,216.00	525,456.00
LAGHONYI SECONDARY	EQUITY	0790297606691	45,138.30	45,138.30

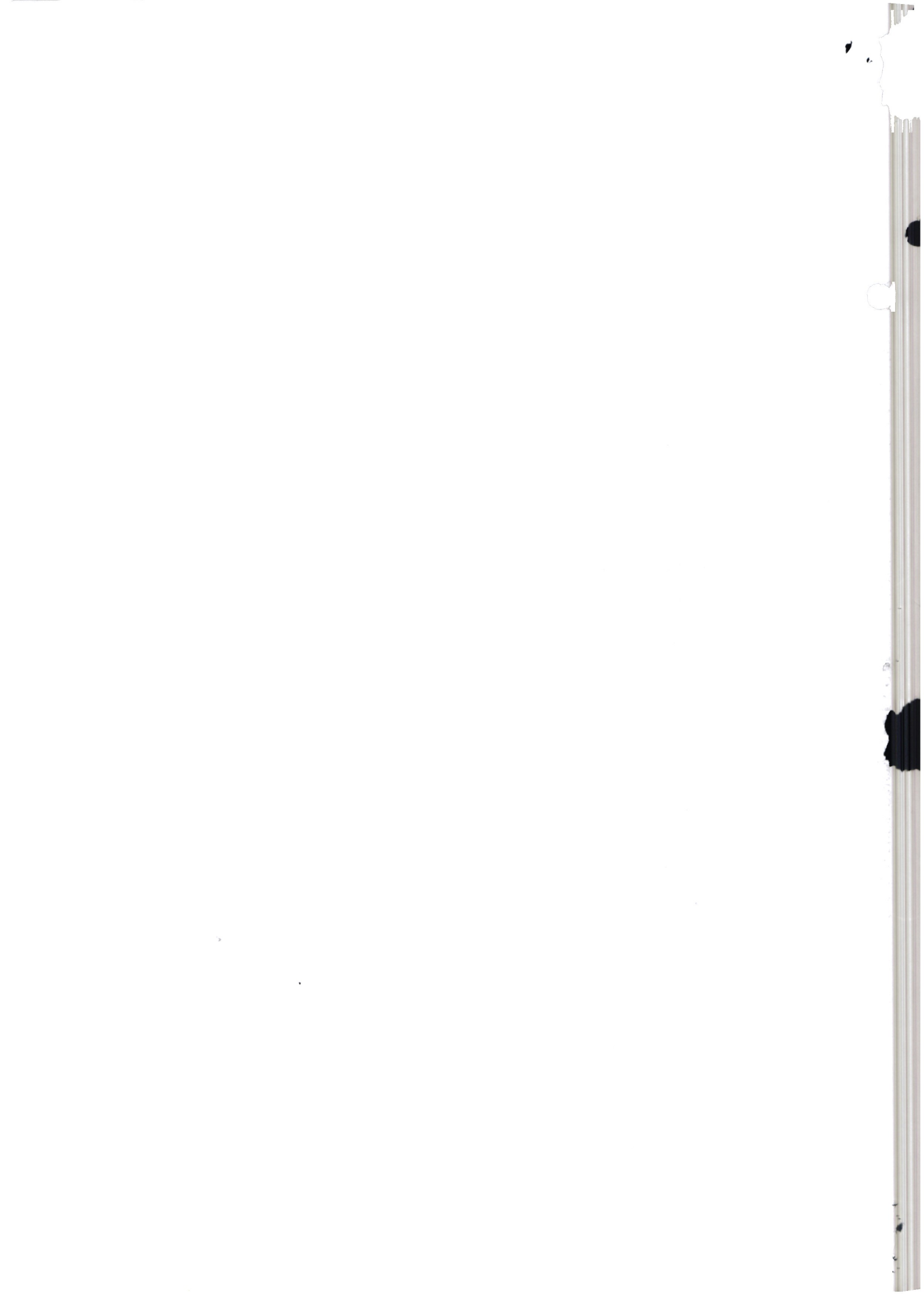


**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - MWATATE
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SCHOOL				
ZARE SECONDARY SCHOOL	CO-OPERATIVE	01139220327700	2,545.00	448,487.00
MWEMA SECONDARY SCHOOL	KCB	294686784	63,048.95	0.00
ST JOSEPHS SECONDARY SCHOOL	KCB	1207666718	1,085.00	0.00
MWATATE SECONDARY SCHOOL	CO-OPERATIVE	01134220137400	75,579.75	3,561.75
KOMBOLIO SECONDARY SCHOOL	CO-OPERATIVE	01134220282000	53,475.00	53,525
MWAKITAU SECONDARY SCHOOL	KCB	1135306478	115,115.00	115,115.00
KITUMA SECONDARY SCHOOL	CO-OPERATIVE	0790299882033	67,891.50	72,931.50
MWANGOJI SECONDARY SCHOOL	KCB	294760718	8,021.90	18,021.90
MWANDANGO SECONDARY SCHOOL	KCB	223687337	15,000.00	0.00
NGANGU SECONDARY SCHOOL	KCB	1120851556	174,494.25	100,894.25
MZWANENYI SECONDARY SCHOOL	KCB	294686646	618,887.00	6,787.90
MWANYAMBO SECONDARY SCHOOL	CO-OPERATIVE	01139220315300	80,792.00	502,292.00
Total			7,940,942.80	5,105,242.85



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – MWATATE CONSTITUENCY

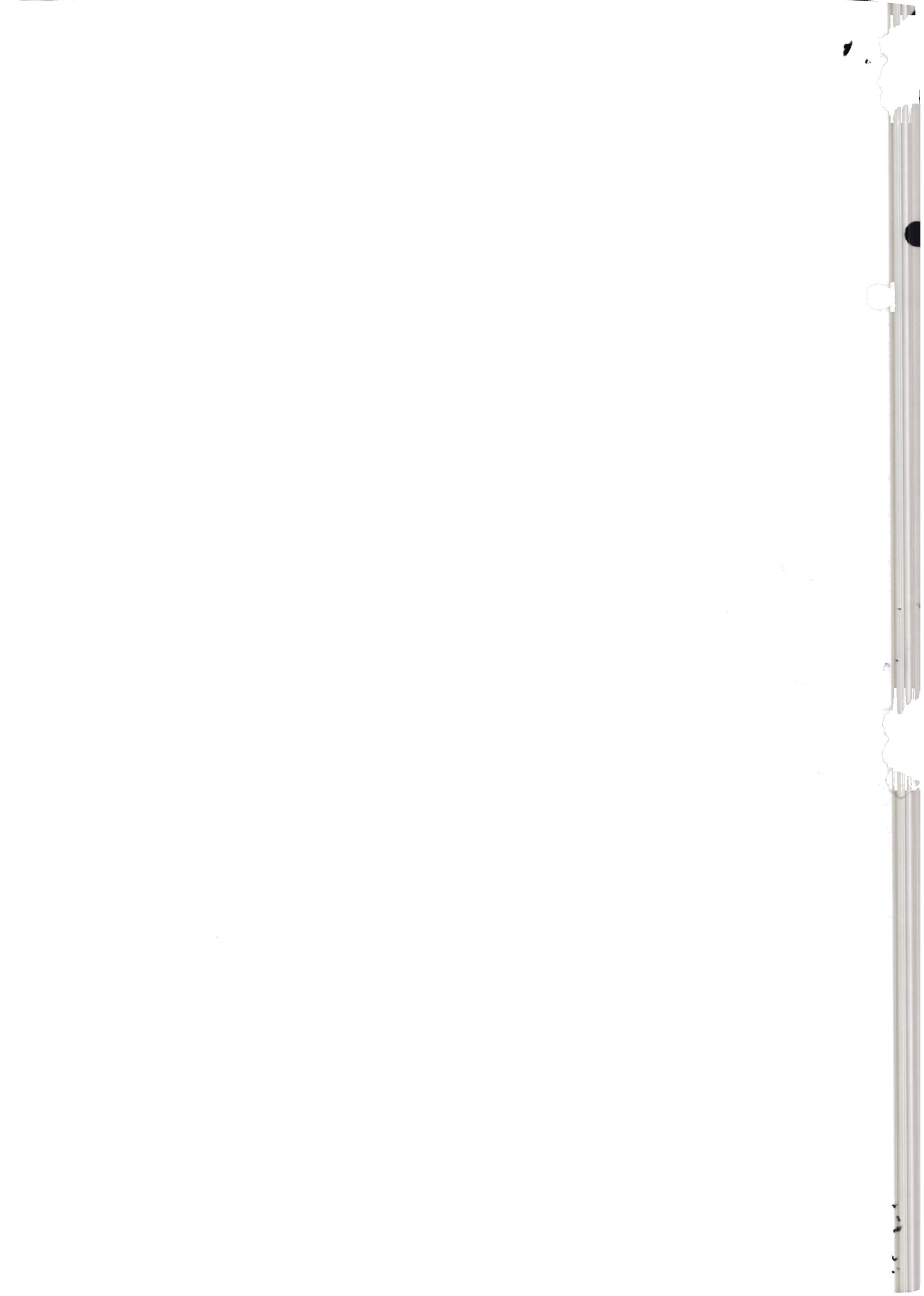
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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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. 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)
Budget Implementation and Performance		The underutilized funds were as results of projects not being fully prepared for the funding for example some did not have bank accounts. However CDFC made sure that they got ready for the funding by opening the accounts among others requirements and they were eventually funded in the following financial year.	Fund Account Manager (Amina Ali)	Resolved	
Unaccounted For Fuel:Kshs.500,000	A Mwatate based Service Station was paid Kshs.500,000 to supply 6757 litres of Diesel to the CDF Office, at a pump price of Kshs.74. However the fuel, meant for the Mwatate CDF vehicle Registration No.GK A033X, and which was invoiced for a day after the order was made was not receipted. No delivery notes have been availed as evidence of receipt of the fuel and no fuel register was availed as a way of control of	The fuel register was in place, which is the tool that was being used to control drawing of fuel however as at the time of the audit it had been misplaced and we are doing our best to establish where it is and then forward it for your review.	Fund Account Manager (Amina Ali)	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)
	consumption of the diesel. Payment was also made two days later, a period within which it would not be practically possible to have exhausted the fuel since the office does not have storage facility for the diesel.				
Transfers to Schools					
Mwashoti Primary School	Kshs.900,000 was approved for this project and the basis of transferring the extra Kshs.1,500,000 has not been explained. The project file did not also have details of receipts and expenditure of these funds. No work was observed to have been started. Bank statements were also not in the file and the movement of funds could not be verified.	The transfers were meant for the construction of classrooms, the committee has since communicated to the project to submit the expenditure returns for the works going on.	Fund Account Manager (Amina Ali)	Resolved	
Ngangu secondary School	Kshs.1,400,000 had been transferred for construction of 2 classrooms. However, there was sign of poor workmanship on windows (weak window frames) such that window glass was coming off.	Action has been put in place to ensure that the poor workmanship has been corrected.	Fund Account Manager (Amina Ali)	Resolved	

