


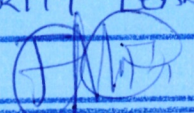
REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

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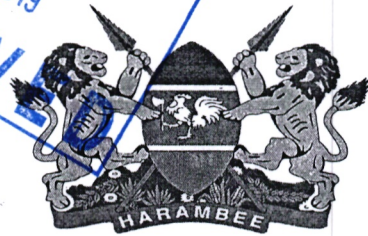
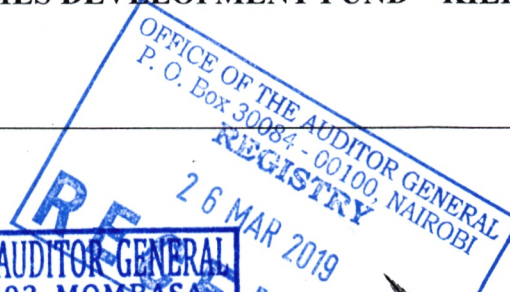
OF
THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND –
KILIFI SOUTH CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2018**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
SOUTH CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2018



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
KILIFI SOUTH CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2018**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013. The National Government 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 National Government Constituencies Development Fund. The objective of the fund to ensure that specific portion of the national annual budget is devoted to the constituencies for purposes of infrastructural development, wealth creation and in the fight against poverty at the constituency level.

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Anthony Munyao Patterson
3.	Accountant	Margret Mwanyiro

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of Kilifi South Constituency. The reports and recommendation of ARMC when adopted by the NG-CDF Board are forwarded to the National Government 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) Kilifi South National Government Constituency Development Fund
P.O. Box 1368-80108**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
SOUTH CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2018**

(f) Kilifi South NG-CDF Contacts

Telephone: +254721355958

E-mail: cdfkilifisouth@cdf.go.ke

(g) Kilifi South NG-CDF Bankers

Co-operative Bank, Mtwapa Branch

Account Name: Kilifi South National Government Constituency Development Fund,

Account Number: 01141143001500

P.O. Box 561-80109

Mtwapa

Tel: 0736306810

(h) Independent Auditors

Auditor General

Office of the 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

II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND COMMITTEE (NG-CDFC)

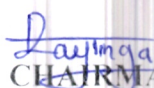
Kilifi South Constituency endeavours to be the leading constituency in effective management of Public Resources and proper utilisation of Public funds, ensuring that transparency and accountability is the guiding principles of its operations.

Kilifi South NG-CDF has been able to provide infrastructure and resources to finance development activities in education, health, water and sanitation, security, land and housing, environment and roads. The Fund has seen the initiation of new and modern secondary schools such as Mtomondoni Secondary School, Vipingo Secondary School and Ng'ombeni Girls' Secondary School that sit as the centres of excellence. Construction of administration police staff houses at Animo Police post and rehabilitation of Junju Chief's office among others have improved security in the Constituency. We have also been able to complete a fully-fledged police station at Chonyi with cells and modern offices.

Illiteracy of PMCs, political influence, increased population, increasing school enrolment and lack of proper machinery to harmonise of NG-CDF projects with the County Government projects among others pose as challenges to the implementation of NG-CDF in the constituency.

With NG-CDF we have done a lot in training this year we have been able to train our CDFC and also we have trained all the PMCS. We have invested our efforts and resources towards programs that empower children, young people, women and people with special needs. Our development trajectory and approach has always embraced the participation of people and their communities in the constituency. In doing so, we have been able to tap on every development idea that can add value to our efforts and in enhancing lives of communities.

Sign


CHAIRMAN NG-CDFC

II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NG-CDFC)

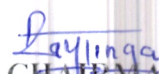
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Sign


CHAIRMAN NG-CDFC

III. STATEMENT OF NG-CDF 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 agency shall prepare financial statements in respect of that agency. 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 Kilifi South National Government Constituency Development Fund is responsible for the preparation and presentation of the Kilifi South NG-CDF financial statements, which give a true and fair view of the state of affairs of the Kilifi South NG-CDF for and as at the end of the financial year (period) ended on June 30, 2018. 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 NG-CDF; (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.

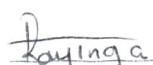
The Accounting Officer in charge of the Kilifi South NG-CDF accepts responsibility for the NG-CDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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 NG-CDF's transactions during the financial year ended June 30, 2018 and of the NG-CDF's financial position as at that date. The Accounting Officer charge of the Kilifi South 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 Kilifi South NG-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 Kilifi South NG-CDF's financial statements were approved and signed by the Accounting Officer on 21/10/2018.


Fund Account Manager


Chairman NG-CDFC

REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
Website: www.oagkenya.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Kilifi South Constituency set out on pages 6 to 30, which comprise the statement of assets as at 30 June 2018, 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Kilifi South Constituency as at 30 June 2018, 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 comply with National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1.0 Bank Balances

The statement of assets as at 30 June 2018 reflects Kshs.34,326,618 in respect of bank balances. However, the bank reconciliation statement reflected errors and bank charges amounting to Kshs.34,050 which had been outstanding for more than two months. Although the management indicates that the errors and bank charges were passed in the cash book in January 2019, the cashbook balance as at 30 June 2018 is still misstated to the extent of the uncorrected errors as at the same date.

In addition, included in unpresented cheques of Kshs.2,317,634, are sixty four (64) cheques which had not cleared in the bank as at the time of audit, February 2019 implying they were stale. However, the cheques had not been reversed in the cash book and the management has not clearly explained why the cashbook had not been updated.

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund – Kilifi South Constituency for the year ended 30 June 2018

Consequently, the accuracy and completeness of bank balance of Kshs.34,326,618 as at 30 June 2018 could not 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 – Kilifi South 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 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 matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matters

1.0 Budgetary Controls and Performance

1.1. Revenue Budget

According to the 2017/2018 approved budget estimates, National Constituencies Development Fund- Kilifi South Constituency expected to received Kshs.105,396,221. However, the Fund received actual total of Kshs.88,680,704 resulting to a shortfall of Kshs.16,715,517 or 16% of the targeted revenue.

This may have affected implementation of planned projects for the benefit of the residents of Kilifi South Constituency. There is need to do proper budgeting on priority basis.

1.2. Expenditure Budget

The summary statement of appropriations reflect a final budget a final expenditure budget of Kshs.105,396,221 for the financial year 2017/2018 against total expenditure of Kshs.54,491,866 resulting to under absorption of Kshs.50,904,355 or 48% as summarized below:

Budget Line	Final Budget Kshs.	Actual Expenditure Kshs.	Unspent Balance Kshs.	% of Utilization
Compensation of Employees	3,344,369	2,273,647	1,070,722	68%
Use of Goods and Services	8,101,151	4,568,100	3,533,051	38%
Transfers to Other Government Units	46,177,584	15,137,930	31,039,654	40%

Budget Line	Final Budget Kshs.	Actual Expenditure Kshs.	Unspent Balance Kshs.	% of Utilization
Other Grants and Transfers	47,673,117	32,512,189	15,160,928	74%
Acquisition of Assets	0	0	0	0%
Other Payments	100,000	0	100,000	0%
Total	105,396,221	54,491,866	50,904,355	52%

The Fund had a total under-expenditure of Kshs.50,904,355 representing 48% of the budget. This implies that public funds were lying idle at the expense of other deserving areas. Although the management has attributed the situation to delays in receiving funds from the National Government Constituencies Development Fund Board where Kshs.38,168,966 was received on 18 June 2018, this may affect delivery of goods and services to the residents of Kilifi South Constituency contrary to values and principles of public service as provided for under Article 232 (1- c) of the Constitution which requires responsive, prompt, effective, impartial and equitable provision of services.

1.3. Project Implementation Status

According to the project implementation status report as at 30 June 2018, the following four (4) projects with a total budget of Kshs.8,677,027.20 were not implemented during the period under review:

No.	Financial Year	Project name	Project Activity	Allocation	Status
1	2016/2017	Mwezang'ombe Primary School	Completion of 1 classroom	400,000.00	Not started
2	2016/2017	Mwarakaya Secondary School	Completion of laboratory	1,000,000.00	Not started
3	2017/2018	Makata Primary School	Construction of 2 No. new classrooms to completion	2,600,000.00	Not started
4	2017/2018	ICT Centre	Installation of necessary ICT equipment – in Shimo la tewa, Mtepeni, Chasimba/ Mwarakaya and Junju wards	4,677,027.20	Not started
		Total		8,677,027.20	

Although three (3) of the projects had been implemented by the time of audit in the month of January 2019, delayed implementation of projects denies residents intended benefits. In addition, non-implementation of development projects affects goods and service delivery to the public and the intended purpose of the projects may not to be realized.

1.4. Project Inspection

Audit inspection of five (5) projects with a total allocation of Kshs.13,937,930 during the month of January 2019 indicated the following state of affairs of the following specific projects:

No	Project Verified	Project Activity	Allocation Kshs.	Observations
1	Dindiri Secondary School	Construction of Laboratory	4,500,000	Rain water gutter, pelmet boxes and fume cupboard extract fan were not fitted. Sanitary fittings did not conform to the specifications in the bills of quantities
2	Muhomkulu Primary School	Construction of Classrooms	2,600,000	100x25mm skirting had not been done on the walls
3	Bembo Primary School	Construction of Classrooms	2,600,000	Project complete and in use. However, details of provisional sum was not availed.
4	Mwangaza Primary School	Construction of Classrooms	2,600,000	Doors and paints did not conform to the specifications in the bills of quantities 100x25mm skirting had not been done on the walls
5	Ng'ombeni Primary School	Construction of Pit Latrines	1,637,930	Roofing materials did not conform to the specifications in the bills of quantities. Padlocks, ventilators and gloss oil paint had not been done.
		Total	13,937,930	

The above observations are indication of poor workmanship which casts doubt on project supervision and value for money for public funds.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Qualified Opinion section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1.0 Bank Balances for Closed Projects

Annex 5 to the financial statements reflects bank balances in forty five (45) project management committees' bank accounts totaling Kshs.7,127,433. The annex includes

balances for four (4) closed projects totaling of Kshs.427,542 and which had not been refunded to the Fund's main account as detailed below:

No.	PMC	Bank Balance (Kshs.)
1	Pingilikani Primary School	201,620
2	Chasimba Central Primary School	192,680
3	Mtepeni Secondary School	15,167
4	Dindiriri Primary School	18,075.10
	Total	427,542.10

This was contrary to Section 12 (8) of National Government Constituencies Development Fund Act, 2015 which states that all unutilized funds of the Project Management Committee shall be returned to the constituency account. Therefore, the management was in breach of the laws.

2.0 Project Supervision

Records availed for audit verifications indicate that during period under audit, the National Government Constituencies Development Fund – Kilifi South Constituency used their own staff employed as a Clerk of works to prepare bills of quantities, drawings and supervise construction projects. This was contrary to Section 36 (1) of the National Government Constituencies Development Fund Act, 2015 which states that projects under this Act shall be implemented by the project management committee, with the assistance of the relevant department of Government. Although the management has argued that the County Works officers are constrained, the projects may not have utilized the expertise of the government officers.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7 (1) (a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Qualified Opinion section of my report, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Those Charged with Governance

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 and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, management is responsible for assessing the ability of the Fund to continue 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 liquidate or 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.

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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.

In addition to the audit of the Fund's financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the Fund's financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

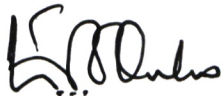
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting 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.
- 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 National Government Constituencies Development Fund – Kilifi South Constituency ability 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 the National Government Constituencies Development Fund – Kilifi South 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 the National Government Constituencies Development Fund – Kilifi South 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

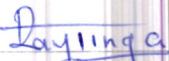
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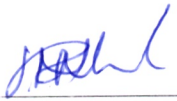
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

IV. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Note	2017 - 2018	2016- 2017
		Kshs	Kshs
RECEIPTS			
Transfers from NG-CDF board-AIEs' Received	1	81,574,139	82,396,552
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	100,000	0
TOTAL RECEIPTS		81,674,139	82,396,552
PAYMENTS			
Compensation of employees	4	2,273,647	3,378,341
Use of goods and services	5	4,568,100	7,678,829
Transfers to Other Government Units	6	15,137,930	81,205,175
Other grants and transfers	7	32,512,189	42,131,551
Acquisition of Assets	8	00.00	4,300,000
Other Payments	9	00.00	00.00
TOTAL PAYMENTS		54,491,866	138,693,896
SURPLUS/DEFICIT		27,182,273	(56,297,344)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kilifi South NG-CDF financial statements were approved on 31/10 / 2018 and signed by:


Chairman – NG-CDFC


Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
 SOUTH CONSTITUENCY
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V. STATEMENT OF ASSETS AS AT JUNE 30, 2018

	Note	2017 - 2018 Kshs	2016 - 2017 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	34,326,618	7,106,565
Cash Balances (cash at hand)	10B	0	00
Outstanding Imprests	11	0	00
TOTAL FINANCIAL ASSETS		<u>34,326,618</u>	<u>7,106,565</u>
REPRESENTED BY			
Retention	12	0	0
Fund balance b/fwd 1st July...	13	7,106,565	63,403,909
Surplus/Deficit for the year		27,182,273	(56,297,344)
Prior year adjustments	14	37,780	0
NET LIABILITIES		<u>34,326,618</u>	<u>7,106,565</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kilifi South NG- CDF financial statements were approved on 31/10/2018 and signed by:

Layinga
 Chairman – NG-CDFC

[Signature]
 Fund Account Manager

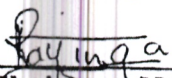


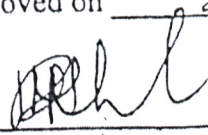
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
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VI. STATEMENT OF CASHFLOW FOR THE YEAR ENDED JUNE 30, 2018

		2017 - 2018	2016 - 2017
Receipts for operating income			
Transfers from NG-CDF Board	1	81,574,139	82,396,552
Other Receipts	3	100,000	0
		81,674,139	82,396,552
Payments for operating expenses			
Compensation of Employees	4	2,273,647	3,378,341
Use of goods and services	5	4,568,100	7,678,829
Transfers to Other Government Units	6	15,137,930	81,205,175
Other grants and transfers	7	32,512,189	42,131,551
Other Payments	9		0
Adjusted for:			
Adjustments during the year	14	37,780	0
Net cash flow from operating activities		27,220,053	(51,997,344)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2		0
Acquisition of Assets	8		4,300,000
Net cash flows from Investing Activities			(4,300,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		27,220,053	(56,297,344)
Cash and cash equivalent at BEGINNING of the year	13	7,106,565	63,403,909
Cash and cash equivalent at END of the year		<u>34,326,618</u>	<u>7,106,565</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kilifi South NG-CDF financial statements were approved on 30/10/2018 and signed by:


Chairman NG-CDF


Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KILIFI SOUTH CONSTITUENCY
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VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS				88,680,704	16,615,517	84%
Transfers from CDF Board	86,810,345	18,485,879	105,296,224	0	0	0.00%
Proceeds from Sale of Assets	0	0	0	0	0	0.00%
Other Receipts	0	100,000	100,000	0	0	0.00%
TOTAL RECEIPTS	86,810,345	18,585,876	105,396,221	88,680,704	16,715,517	84%
PAYMENTS				2,273,647	1,070,722	68%
Compensation of Employees	2,290,975	1,053,394	3,344,369	4,568,100	3,533,051	56%
Use of goods and services	5,521,955	2,579,196	8,101,151	15,137,930	31,039,654	33%
Transfers to Other Government Units	38,800,000	7,377,584	46,177,584	32,512,189	15,160,928	68%
Other grants and transfers	40,197,415	7,475,702	47,673,117	0	100,000	0%
AIA	0	100,000	100,000	0	0	0%
TOTALS	86,810,345	18,585,876	105,396,221	54,491,866	50,904,355	52%

The Kilifi South NG- CDF financial statements were approved on 30/1/18 2018 and signed by:

Rudina
 Chairman NG- CDF

[Signature]
 Fund Account Manager

VIII. 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.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
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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 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, 2018.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
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IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
AIE NO A825963		500,000
AIE NO A829606		4,094,828
AIE NO. A855037		36,853,449
AIE NO. A855735		40,948,275
AIE NO. A855864	5,500,000	
AIE NO.A892771	37,905,172	
AIE NO. A896886	38,168,967	
TOTAL	81,574,139	82,396,552

2. PROCEEDS FROM SALE OF ASSETS

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Receipts from sale of Buildings	00	00
Receipts from the Sale of Vehicles and Transport Equipment	00	00
Receipts from sale of office and general equipment	00	00
Receipts from the Sale Plant Machinery and Equipment	00	00
Total	00	00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2017- 2018	2016 - 2017
	Kshs	Kshs
Interest Received	00	00
Rents	00	00
Receipts from Sale of tender documents	100,000	00
Other Receipts Not Classified Elsewhere	00	00
Total	100,000	00

4. COMPENSATION OF EMPLOYEES

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Basic wages of contractual employees	1,130,845	3,378,341
Basic wages of casual labour	00	00
Personal allowances paid as part of salary		
House allowance	00	00
Transport allowance	00	00
Leave allowance	00	00
Gratuity	1,066,266	00
Other personnel payments	00	00
Social Security Benefits		
Employer contribution to NSSF	76,536	00
Total	2,273,647	3,378,341

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Committee Expenses		
Committee allowances	2,136,500	3,587,000
Utilities, supplies and services	1750	70,700
Communication, supplies and services	186,041	755,893
Domestic travel and subsistence	237,600	229,800
Printing, advertising and information supplies & services	00	268,000
Rentals of produced assets	355,000	360,000
Training expenses	411,000	00
Hospitality supplies and services	00	00
Insurance costs	00	00
Specialized materials and services	00	00
Fuel, oil and lubricants	600,000	356,000
Office and general supplies and services	340,550	467,000
Other operating expenses	00	00
Routine maintenance – vehicles and other transport equipment	299,659	1,584,436
Routine maintenance – other assets	00	00
Total	4,568,100	7,678,829

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Transfers to National Government entities	00	00
Transfers to primary schools	8,337,930	40,700,000
Transfers to secondary schools	6,800,000	38,800,000
Transfers to tertiary institutions	00	1,705,175
Transfers to health institutions	00	00
TOTAL	15,137,930	81,205,175

7. OTHER GRANTS AND OTHER PAYMENTS

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Bursary – secondary schools	10,606,038	13,937,736
Bursary – tertiary institutions	6,769,945	7,399,011
Bursary – special schools	00	00
Mock & CAT	00	00
Water projects	00	00
Agriculture projects	00	00
Electricity projects	00	00
Security projects	13,400,000	4,400,000
Roads projects	00	7,000,000
Sports projects	1,736,206	1,637,930
Environment projects	00	2,000,000
Emergency projects	00	5,756,874
Resource Centre and Social hall	00	00
Total	32,512,189	42,131,551

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2017 - 2018	2016 - 2017
	Kshs	Kshs
Purchase of Buildings	00	00
Construction of Buildings	00	4,300,000
Refurbishment of Buildings	00	00
Purchase of Vehicles and Other Transport Equipment	00	00
Overhaul of Vehicles and Other Transport Equipment	00	00
Purchase of Household Furniture and Institutional Equipment	00	00
Purchase of Office Furniture and General Equipment	00	00
Purchase of ICT Equipment, Software and Other ICT Assets	00	00
Purchase of Specialized Plant, Equipment and Machinery	00	00
Rehabilitation and Renovation of Plant, Machinery and Equip.	00	00
Acquisition of Land	00	00
Acquisition of Intangible Assets	00	00
Total	00	4,300,000

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

	2017 - 2018	2016 - 2017
	Kshs	Kshs
ICT Hubs	00	00
Total	<u>00</u>	<u>00</u>

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2017 - 2018	2016 - 2017
	Kshs	Kshs
<i>Co-operative Bank, Account No. 01141143001500</i>	34,326,617.95	7,106,565
Total	34,326,617.95	7,106,565

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10B: CASH IN HAND

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Cash	00	00
Other Locations	00	00
Total	00	00

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				00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. RETENTION

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Supplier 1	00	00
Supplier 2	00	00
Supplier 3	00	00
Total	00	00

13. BALANCES BROUGHT FORWARD

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Bank accounts	00	63,359,909
Cash in hand	00	00
Imprest	00	44,000
Total	00	63,403,909

14. PRIOR YEAR ADJUSTMENTS

	2017- 2018	2016 - 2017
	Kshs	Kshs
Bank accounts	37,780	00
Cash in hand	00	00
Imprest	00	00
Total	37,780	00

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15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2017- 2018	2016 - 2017
	Kshs	Kshs
Construction of buildings	00	00
Construction of civil works	00	00
Supply of goods	00	00
Supply of services	00	00
	00	00

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	00	00
Middle management	00	00
Unionisable employees	00	00
Others (<i>gratuity</i>)	00	00
	00	00

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	16,267,398	
Amounts due to other grants and other transfers (see attached list)	18,059,219	1,637,930
Others (<i>specify</i>)	00	00
	34,326,618	1,637,930

15.4: PMC account balances (See Annex 5)

	Kshs	Kshs
PMC account Balances (see attached list)	7,127,433	461,957
	7,127,433	461,957

15.5: AMOUNT DUE FROM THE BOARD

	Kshs	Kshs
Due from NG-CDF Board	00	00
	00	00

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstandi ng Balance 2017	Outstandi ng Balance 2016	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						

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	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						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI SOUTH CONSTITUENCY

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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 2017	Outstanding Balance 2016	Comments
		a	b	c	d=a-c		
Amounts due to other Government entities							
1. Primary Schools					9,241,379		
2. Secondary Schools					7,026,019		
	Sub-Total				16,267,398		
Amounts due to other grants and other transfers							
Bursary Secondary					9,357,000		
Bursary Tertiary					3,448,987		
DCC Office					660,000		
Sub-county Education Office					400,000		
Kilifi South Environment					1,236,206		
ICT Hub					757,027		
Strategic Plan					2,200,000		
	Sub-Total						
	Sub-Total				18,059,200		
Others (specify)							
3.							
4.							
5.							
	Sub-Total						
	Grand Total				34,326,618		

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2017/18	Historical Cost (Kshs) 2016/17
<u>FURNITURE AND FITTINGS</u>	48,000	
1. Filling Cabinet metallic (3)		48,000
2. Reception desk (1)	11,600	11,600
3. Visitors (office) chairs (3)	12,600	12,600
4. Office desks (1)	18,363	18,363
5. Office chair (1)	7,000	7,000
6. Executive chair(1)	24,569	24,569
7. Office Benches (2)	4,600	4,600
<u>PROPERTY, PLANT AND EQUIPMENT</u>	499,800	
8. Photocopier-Sharp (1)-Working		499,800
9. Photocopier-Kyocera KM 3035 (1) –Not working	580,000	580,000
10. Desktop Computer (Monitor HP)-(1)	15,000	15,000
11. UPS-HP Compaq-Not working (1)	5,500	5,500
12. CPU (PCM POWERCOM) –(1)	65,000	65,000
13. Desk top computer (Monitor)-Digitek-(1)	20,000	20,000
14. CPU-HP Compaq (1)	35,000	35,000
15. Motorcycle (Suzuki 200cc)-(1)	400,000	400,000
16. Printer HP Laserjet Pro1005 (1)	32,500	32,500
17. Printer HP Laserjet Pro 400 (1)	NG-CDF Board	NG-CDF Board
18. Office tray (1)-Not working	850	850

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI SOUTH CONSTITUENCY

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Asset class	Historical Cost	Historical Cost
	(Kshs)	(Kshs)
	2017/18	2016/17
19. Motor Vehicle Toyota Landcruiser GKA 836V-(1)	4,400,000	4,400,000
20. Water dispenser-(1)-Not working	16,800	16,800
21. Fire resistant Filling cabinet GODREJ 92 (1)	198,650	198,650
22. Sonny TV 32'' flat sceen (1)	38,995	38,995
23. Sony DVD Player (1)	4,700	4,700
24. DSTV Set (1)	22,000	22,000
25. Computer table (1)	30,000	30,000
26. Pedestal mobile 4DRW-Not working (1)	28,000	28,000
27. Office chair 512 haux	42,000	42,000
28. Visitors Executive chairs (2)	70,000	70,000
29. Filling cabinet wooden-(1)	60,000	60,000
30. Office MB Chair	35,200	35,200
31. Conference table Rectangle (2)	153,600	153,600
32. Conference chairs (10)	70,000	70,000
33. Ken plastic chairs-silver (6)	34,800	34,800
34. Office funs (8)	30,000	30,000
35. NG-CDF Office	4,300,000	4,300,000
36. HP Scan jet 5590 Scanner (1)	NG-CDF Board	NG-CDF Board
TOTAL	11,315,127	11,315,127

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2017

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
1. Tunzanani Primary School	Co-operative Bank	01139142957700		3,421
2. Ushindi Primary School	Co-operative Bank	01139144192900		529
3. Mwezang'ombe Primary School	Co-operative Bank	01141143014400		2,047
4. Pingilikani Primary School	Co-operative Bank	01141143315100		201,620
5. Dzitsoni Primary School	Co-operative Bank	01141143612900		2,210
6. Ngamani Primary School	Co-operative Bank	01139143957900		2,937
7. Gongoni Primary School	Co-operative Bank	01141143598000		1,067
8. Mapawa Primary School	Co-operative Bank	01141143585100		2,905
9. Junju Primary School	Co-operative Bank	01139143995000		1,060
10. warakaya Primary School	Co-operative Bank	01139143978100		1,203
11. Chengoni Primary School	Co-operative Bank	01139143985600		3,567
12. Chasimba Central Primary School	Co-operative Bank	01139143396700		192,680
13. Kolongoni Primary School	Co-operative Bank	01139143967600		1,910
14. Mbomboni Primary School	Co-operative Bank	01141143612900		2,720
15. Pingilikani Chief's Office	Co-operative Bank	01141143315100		1,450
16. Sirini Primary School	Co-operative Bank	01141143500000		2,070
17. Kolewa Primary School	Co-operative Bank	01139143985500		1,290

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI SOUTH CONSTITUENCY

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For the year ended June 30, 2018

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
18. Mtepeni Primary School	Co-operative Bank	01141143549300		820
19. Barani Primary School	Co-operative Bank	01141143315500		1,562
20. Vwevvesi Primary School	Co-operative Bank	01141144097900		1,203
21. Kireme Primary School	Co-operative Bank	01141144102100		2,510
22. Shariani Primary School	Co-operative Bank	01141143208900		701
23. Bungu Primary School	Co-operative Bank	01141144111600		1,330
24. Mtomondoni Primary School	Co-operative Bank	01139142935300		1,090
25. Mtomondoni Secondary School	Co-operative Bank	01139143985400		2,438
26. Mtepeni Secondary School	Co-operative Bank	01141143549300		15,167
27. Dzitsoni Secondary School	Co-operative Bank	01141143929500		3,290
28. Bundacho Secondary School	Co-operative Bank	01141143638100		1,502
29. Msumarini Secondary School	Co-operative Bank	01141143615000		1,033
30. Lutsangani Secondary School	Co-operative Bank	01139143985300		3,635
31. Vwevvesi Polytechnic Social hall	Co-operative Bank	01141143291600		987
32. Chonyi Police Station	Co-operative Bank	01141143937900		2940
33. Dindiri secondary school	Co-operative Bank	01141144545400	3,999,325	
34. dindiri primary school	Co-operative Bank	01141143577700	18,075.10	
35. ng'ombeni girls secondary school	Co-operative Bank	01141143179300	605	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KILIFI SOUTH CONSTITUENCY

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PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
36. vipingo secondary school	Co-operative Bank	01141143339100	1,935	
37. bembo primary school	Co-operative Bank	01141144530000	2,199,325	
38. mwangaza primary school	Co-operative Bank	01141143053000	2,500,338	
39. vwevvesi primary school	Co-operative Bank	01141144097900	425	
40. muhomkulu primary school	Co-operative Bank	01141144529400	1,999,325	
41. makata primary school	Co-operative Bank	01141143765100	4,106	
42. primary school desks	Co-operative Bank	01141143766900	3,557	
43. kilifi sub county education	Co-operative Bank	01141144603600	0	
44. mtomondoni secondary school	Co-operative Bank	01141142935400	417	
45. m'buyuni primary school	Co-operative Bank	01141144576100	00	
Total			7,127,433.1	461,957

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)
1.0	Budget control and performance: -Under-expenditure	Under-expenditure was as a result of disbursement of funds by NG-CDF Board in phases.	Anthony Patterson Munyao-Fund Account Manager	Resolved	
2.0	Project Implementation- delay in implementation of project.	Delay attributed to disbursement of funds by NG-CDF Board in phases	Anthony Patterson Munyao-Fund Account Manager	Resolved	
3.0	Project inspection -Baharini Primary School classrooms not branded -Mtwapa Health Centre paediatric ward not branded -Vipingo Central Primary School pit latrines not branded	-Contractors instructed to do branding before being paid retention.	Noah Mbui-Clerk of works	Resolved	

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NOTE:

1. COMPENSATION OF EMPLOYEES

The employees were hired after the end of the financial year.

2. USE OF GOODS AND SERVICES

The funding was done towards the end of the financial year.

3. TRANSFER TO OTHER GOVERNMENT UNITS

The funding was done towards the end of the financial year and there was limited time to disburse the funds.

4. OTHER GRANTS AND TRANSFERS

The funding was done towards the end of the financial year and there was limited time to disburse the funds.

