
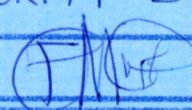


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 JUN 2019	DAY: TUESDAY
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CLERK-AT-THE-TABLE: 	

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THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
RABAI CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2018





OFFICE OF THE AUDITOR GENERAL
P. O. Box 95202, MOMBASA

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND RABAI
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 (NGCDF) RABAI
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) (hereafter referred to as the Fund) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through an Act of Parliament, the Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NG-CDF Act, 2015. At cabinet level, NG-CDF is represented by the Cabinet Secretary for Devolution, who is responsible for the general policy and strategic direction of the Fund.

Mandate

The mandate of the Fund as derived from sec (3) of NG-CDF Act, 2015 is to:

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;
- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

To provide leadership and policy direction for effective and efficient management of the Fund

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

RABAI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

(b) Key Management

The NGCDF RABAI day-to-day management is under the following key organs:

- i. National Government 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 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Flora Mutua
3.	Sub-County Accountant	Halima Abuu
4.	Chairman NGCDFC	Mariam Ali Mohammed
5.	Member NGCDFC	Rashid Saburi Champonola

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF Rabai Constituency Headquarters

NG-CDF Rabai
P.O. Box 119-80114
Mazeras

Telephone: (254) 0703 155 871
E-mail: cdfrabai@ngcdf.go.ke

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

RABAI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

III. STATEMENT OF ENTITY 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 Entity shall prepare financial statements in respect of that entity. 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 NGCDF-RABAI Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity 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 entity; (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 entity; (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 NGCDF-RABAI Constituency accepts responsibility for the NGCDF-RABAI 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 NGCDF-RABAI financial statements give a true and fair view of the state of NGCDF-RABAI transactions during the financial year ended June 30, 2018, and of the NGCDF-RABAI financial position as at that date. The Accounting Officer charge of the NGCDF-RABAI Constituency further confirms the completeness of the accounting records maintained for the NGCDF-RABAI which have been relied upon in the preparation of the NGCDF-RABAI financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF-RABAI Constituency confirms that the NGCDF-RABAI has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF-RABAI 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 NGCDF-RABAI 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-RABAI Constituency financial statements were approved and signed by the Accounting Officer on 20/9/2018 2018.



Fund Account Manager

Name: **FLORA MUTHA**



Sub-County Accountant

Name: **HARIMA ABUY**

ICPAK Member Number:

12876

REPUBLIC OF KENYA

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NAIROBI



OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Rabai Constituency set out on pages 6 to 31, 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, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Rabai 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 Constituency Development Fund Act, 2015.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Rabai 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. There were no other key audit matters to report in the year under review.

Other Matters

1.0 Budgetary Controls and Performance

1.1. Revenue Budget Analysis

According to the 2017/2018 approved budget estimates, the Fund expected to receive a total of Kshs.106,946,867 as transfers from the National Government Constituencies

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

Development Fund Board. However, the Fund received a total of Kshs.43,405,172 resulting to a shortfall of Kshs.63,541,695 or 59% of the targeted revenue.

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

1.2. Expenditure Budget Analysis

The summary statement of appropriations reflect a final budget a final budget of Kshs.106,946,867 for the financial year 2017/2018 against total actual expenditure of Kshs.43,332,438 resulting to under absorption of Kshs.63,614,429 or 59% as summarized below:

Budget line	Final Budget Kshs.	Actual Expenditure Kshs.	Unspent Balance Kshs.	% of Utilization
Compensation of Employees	2,370,686	1,696,673	674,013	72%
Use of goods and services	11,947,500	8,811,829	3,135,671	74%
Transfers to Other Government Units	33,287,468	10,163,794	23,123,674	31%
Other grants and transfers	57,276,304	22,364,142	34,912,162	39%
Acquisition of assets	395,653	296,000	99,653	75%
Other payments	1,669,256	0	1,669,256	0%
Total	106,946,867	43,332,438	63,614,429	41%

The Fund had a total under-expenditure of Kshs.63,614,429 representing 59% of the budget. Although the management has attributed the situation to delays in receiving funds from the National Government Constituencies Development Fund Board, this may affect delivery of goods and services to the residents of Rabai 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. Therefore, there is need to re-look at the budgeting mechanism with a view of focusing on priority areas with high impact in improving the standards of living for the citizens of Rabai Constituency.

1.3. Project Implementation

According to the project implementation status report as at 30 June 2018, the following two (2) projects with a total budget of Kshs. 4,714,723 were not implemented during the period under review:

No.	Project name	Project Activity	Allocation	Status
1	Mugala Primary School	Construction of 3 No. classrooms	3,545,467	Not started
2	The Constituency Innovation Hub project-Mwawesa	Installation of satellite antenna, router, digital access kit and digital ruggedized	1,169,256	Not started

No.	Project name	Project Activity	Allocation	Status
		tablets, wi-fi with outdoor wireless device complete with 12U –Cabinet at Mwawesa		
	Total		4,714,723	

Non-implementation of development projects affects goods and service delivery to the public and the intended purpose of the projects may not be realized.

1.4. Project Inspection

During the year under review, seven (7) projects with a total allocation of Kshs.18,118,965 were inspected in the month of February 2019. The following state of affairs were observed:-

No.	Project Verified	Project Activity	Allocation Kshs.	Observations
1	Benyoka Primary school	Construction of 6 No. toilets	4,568,965	Cracks seen on the walls, ramp and verandah. Skirting not done on the floor as provided for in the bills of quantities
2	Vifanjoni Primary School	Construction of 3 No. toilets	700,000	Cracks seen on the floor
3	Mleji Primary School	Construction of 2 No. classrooms	2,500,000	Skirting not done on the floors No chalk rail on the blackboard
4	Ziro Primary School	Construction of 1 No. classrooms	1,300,000	Skirting not done on floors Cracks seen on the floors
5	Chang'ombe Secondary School	Construction of a twin science laboratory	3,850,000.	Cracks seen on the verandah
6	Chiferi Primary School	Construction of 3no. classrooms	3,900,000	Skirting not done on floors No chalk rail on the blackboard
7	Kinunguna Primary School	Construction of 4No. toilets at Kinunguna Primary School	1,300,000	Skirting not done on floors
		Total	18,118,965	

Although the management indicate that the contractors will make good the defects before releasing the retention monies, the above observations 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 conclusion on Lawfulness and Effectiveness in Use of Public Resources 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 thirty two (32) project management committees' bank accounts totaling Kshs.16,329,596. The annex includes balances for five (5) closed projects totaling of Kshs.478,619 and which had not been refunded to the Fund's main account. 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. The details are as below:

No.	PMC	Bank Balance (Kshs.)
1	Benyoka Primary School	140,063
2	Mbwaka Primary School	167,658
3	Assistant Chief's Office Chang'ombe	11,551
4	Chief's office Ruruma	10,269
5	Boyani Primary School	169,078
	Total	498,619

Therefore, the management was in breach of the law.

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, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

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 conclusion on Lawfulness and Effectiveness in Use of Public Resources 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 Fund's 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 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 National Government Constituencies Development Fund – Rabai Constituency'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:

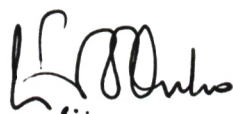
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting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


11 April 2019


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RABAI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

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

	Note	2017-2018	2016-2017
		Kshs	Kshs
RECEIPTS			
Transfers from NG-CDF board	1	43,405,172	81,896,552
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	0	0
TOTAL RECEIPTS		43,405,172	81,896,552
PAYMENTS			
Compensation of Employees	4	1,696,673	1,729,820
Use of goods and services	5	8,811,829	8,126,896
Transfers to Other Government Units	6	10,163,794	36,487,172
Other grants and transfers	7	22,364,142	48,317,574
Acquisition of Assets	8	296,000	522,697
Other Payments	9	0	0
TOTAL PAYMENTS		43,332,438	95,184,159
SURPLUS/ DEFICIT		72,734	(13,287,607)

The accounting policies and explanatory notes to these financial statements form an integral part of the Financial statements. The NGCDF-RABAI Constituency financial statements were approved on 2019 2018 and signed by:


Fund Account Manager
Name: **FLORA MUTYA**


Sub-County Accountant
Name: **HALIMA ABUU**
ICPAK Member Number: **12876**

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

RABAI CONSTITUENCY


Reports and Financial Statements


For the year ended June 30, 2018

V. STATEMENT OF ASSETS AS AT 30 JUNE 2018

	Note	2017-2018 Kshs.	2016-2017 Kshs.
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	10A	8,829,946	8,757,212
Cash Balances (cash at hand)	10B	-	0
Total Cash and Cash Equivalents		8,829,946	8,757,212
Current receivables - Outstanding Imprests	11	0	0
TOTAL FINANCIAL ASSETS		8,829,946	8,757,212
FINANCIAL LIABILITIES			
Account payables - Retention	12	0	0
Fund balance b/fwd 1 st July.	13	8,757,212	22,044,819
Surplus/Deficit for the year		72,734	(13,287,607)
Prior year adjustments	14	0	0
NET FINANCIAL POSITION		8,829,946	8,757,212

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-RABAI Constituency financial statements were approved on 2019/ 2018 and signed by:


 Fund Account Manager
 Name: Flora Muthira



 Sub-County Accountant
 Name: Habibul Azam
 ICPAK Member Number: 12876


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RABAI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

VI. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 2018

		2017-2018	2016-2017
		Kshs	Kshs
Receipts for operating income			
Transfers from the NG-CDF Board	1	43,405,172	81,896,552
Other Receipts	3	0	0
Payments for operating expenses		43,405,172	81,896,552
Compensation of Employees	4	1,696,673	1,729,820
Use of goods and services	5	8,811,829	8,126,896
Transfers to Other Government Units	6	10,163,794	36,487,172
Other grants and transfers	7	22,364,142	48,317,574
Other Expenses	9	0	0
		43,036,438	94,661,462
Adjusted for:			
Adjustments during the year	14	0	0
Net cash flow from operating activities (a)		368,734	-12,764,910
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	8	296,000	522,697
Net cash flows from Investing Activities (b)			
CASHFLOW FROM FINANCING ACTIVITIES			
Net cash flow from financing activities ©			
NET INCREASE/ IN CASH AND CASH EQUIVALENT (d)		72,734	(13,287,607)
Cash and cash equivalent at BEGINNING of the year (e)	13	8,757,212	22,044,819
Cash and cash equivalent at END of the year		8,829,946	8,757,212

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-RABAI Constituency financial statements were approved on 20/9/2018 2018 and signed by:


Fund Account Manager
Name: ROSA MUMA


Sub-County Accountant
Name: HALIMA ABU
ICPAK Member Number: 12876

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RABAI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE YEAR ENDED 30TH JUNE 2018


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						
Transfers from NGCDF Board	86,810,345	20,136,522	106,946,867	52,162,384	54,784,483	49%
Proceeds from Sale of Assets	0	0	0	-	-	
Other Receipts	0	0	0	-	-	
TOTALS	86,810,345	20,136,522	106,946,867	52,162,384	54,784,483	
PAYMENTS						
Compensation of Employees	1,866,918	503,768	2,370,686	1,696,673	674,013	72%
Use of goods and services	9,846,013	2,101,487	11,947,500	8,811,829	3,135,671	74%
Transfers to other Government Units	21,345,467	11,942,001	33,287,468	10,163,794	23,123,674	31%
Other grants and transfers	52,582,690	4,693,614	57,276,304	22,364,142	34,912,162	39%
Acquisition of Assets	0	395,653	395,653	296,000	99,653	75%
Other Payments	1,169,256	500,000	1,669,256	-	1,669,256	0%
TOTALS	86,810,345	20,136,522	106,946,867	43,332,438	63,614,429	41%

(a) Underutilization of funds in all the items was due to late disbursement of funds from the NG-CDF Board. The first AIE for the FY 2017/18 was received on February 2018, therefore it was not possible to utilise funds budgeted for one financial year within three months.

(b) Change between the original and final budget is a result of reallocation of funds Kshs. 1,413,794 from “other grants and transfers” to “transfer to other Government units”

The NGCDF-RABAI Constituency financial statements were approved on 20/9/ 2018 and signed by:


Fund Account Manager
Name:


Sub-County Accountant
Name: HALIMA ABUY
ICPAK Member Number: 12876

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

NG-CDF Rabai had a total budget of Kshs.106, 946,867 in the FY 2017/18. This included Kshs.86, 810,345 allocations for in the FY 2017/18 and adjustments totalling to Kshs.20, 136,522. By 30th June 2018, the office had only received half of the allocation Kshs.43, 405,172. The half allocation was disbursed to constituency four months to the closures of the financial year.

Despite the late disbursement of funds, the NG-CDF Rabai tried to implement the approved projects. Sixteen projects that had received Kshs.18, 431,311 were almost complete by 30th June 2018.

Half of the bursary allocation amount Kshs. 14,000,000 was awarded to 1,734 needy and bright students by the closure of the financial year.

The NG-CDFC Rabai managed to prepare a five years strategic plan FY 2018/19 to FY 2022/23, a key instrumental guidance document for the Rabai constituency development agenda.

For the last few months, the NG-CDFC Rabai have been in the office, they have noticed that there is delay in disbursement of funds from the Board, causing delay in implement of projects.

Funds allocated to the constituency are not sufficient as compared to the needs of the people as was captured in the strategic plan. Poor roads especially in rain reason hinder projects implementation appropriately.

The NG-CDFC Rabai request the Board to increase the allocation of funds to the constituency and do timely disbursement.

Handwritten signature

CHAIRLADY NG-CDF COMMITTEE

(f) RABAI NG- CDF Bankers

African Banking Corporation
P.O Box 46452-00100
Nairobi
Mombasa Branch,
Account Number 003215001001384

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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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 Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the NGCDF-RABAI Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

4. Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by the Entity for all the years presented.

a) Recognition of Receipts

The Entity recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Entity.

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy is applicable to entity)

Transfers from the Exchequer

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2018, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

The Entity recognises all payments when the event occurs and the related cash has actually been paid out by the Entity.

Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

Acquisition of Fixed Assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

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SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

In-kind contributions are donations that are made to the Entity 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 Entity includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

6. 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.

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

8. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

9. 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 Entity 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.

10. Unutilized Funds

Unutilized funds consist of bank balances in the constituency account and previous year(s) balances not yet disbursed by the Board to the constituency at the beginning of the financial year. These balances are available for use in the year under review to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(1) of NGCDF Act, 2015.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2017 for the period 1st July 2017 to 30th June 2018 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

12. Comparative Figures

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

13. 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 30th June 2018,

14. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

15. Related Party Transactions

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RABAI CONSTITUENCY**
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IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

	Description	2017 - 2018	2016 - 2017
		Kshs	Kshs
CDF Board	A855986	5,500,000	4,094,828
	A892795	37,905,172	36,853,449
			40,948,275
	TOTAL	43,405,172	81,896,552

2. PROCEEDS FROM SALE OF ASSETS

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Receipts from the Sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from the Sale Plant Machinery and Equipment		
Receipts from the Sale of office and general equipment		
Total	0	0

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

3. OTHER RECEIPTS

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Sale of tender documents	0	0
Others	0	0
Total	0	0

4. COMPENSATION OF EMPLOYEES

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Basic wages of contractual employees	1,258,859	1,378,900
Basic wages of casual labour	0	0
Personal allowances paid as part of salary	0	0
Transport allowance	0	0
House allowance	0	0
Leave allowance	0	0
Other personnel payments	0	0
Gratuity	437,814	350,920
Total	1,696,673	1,729,820

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RABAI CONSTITUENCY**

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Utilities, supplies and services	2,009,240	2,257,818
Office rent	0	0
Communication, supplies and services	0	0
Domestic travel and subsistence	0	0
Printing, advertising and information supplies & services	0	0
Rentals of produced assets	0	0
Training expenses	882,000	0
Hospitality supplies and services	0	0
Insurance costs	209,740	209,740
Specialised materials and services	0	0
Office and general supplies and services	0	0
Fuel ,oil & lubricants	398,939	399,493
Other operating expenses	0	0
Routine maintenance – vehicles and other transport equipment	201,010	342,445
Routine maintenance – other assets	0	0
Committee expenses	1,356,900	4,917,400
Strategic plan	3,754,000	0
Total	8,811,829	8,126,896

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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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 primary schools	5,063,794	23,487,172
Transfers to secondary schools	5,100,000	13,000,000
Transfers to Tertiary institutions	0	0
Transfers to Health institutions	0	0
TOTAL	10,163,794	36,487,172

7. OTHER GRANTS AND OTHER PAYMENTS

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Bursary –Secondary	7,286,825	18,386,119
Bursary –Tertiary	6,809,800	13,738,100
Bursary-Special schools	0	0
Mocks & CAT	0	0
Water projects	0	0
Agriculture projects	0	0
Electricity	0	0
Security	3,021,311	3,600,000
Roads	0	0
Sports	0	3,558,095
Environment projects	836,206	1,637,930
Emergency Projects	4,410,000	7,397,330
Other grants to Multipurpose Hall	0	0
Total	22,364,142	48,317,574

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

8. ACQUISITION OF ASSETS

Non-Financial Assets	2017-2018	2016-2017
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	216,000	1,900,000
Purchase of Vehicles	0	0
Purchase of Bicycles & Motorcycles	0	0
Overhaul of Vehicles	0	0
Purchase of office furniture and fittings	0	501,073
Purchase of computers ,printers and other IT equipments	80,000	146,000
Purchase of photocopier	0	150,800
Purchase of other office equipments	0	0
Purchase of soft ware	0	0
Acquisition of Land	0	0
	0	0
Total	296,000	2,697,873

9. OTHER PAYMENTS

	2017 - 2018	2016 - 2017
	Kshs	Kshs
	0	0
Total	0	0

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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Reports and Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	Amount in bank account currency	2017-2018 Kshs	2016-2017 Kshs
African Banking Corporation Ltd	Kes	8,829,946	8,757,212
Total		8,829,946	8,757,212

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RABAI CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Nil		0	0	0

12. RETENTION

	2017-2018 Kshs.	2016-2017 Kshs.
Nil	0	0

13. BALANCES BROUGHT FORWARD

	2017-2018 Kshs.	2016-2017 Kshs.
Bank accounts	8,757,212	22,044,819
Cash in hand	0	0
Imprest	0	0
Total	8,757,212	22,044,819

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

	2017-2018 Kshs.	2016-2017 Kshs.
Bank accounts	0	0
Cash in hand	0	0
Imprest	0	0
Total	0	0

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2017-2018 Kshs.	2016-2017 Kshs.
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services		
Total	0	0

15.2: PENDING STAFF PAYABLES (See Annex 2)

	2017-2018 Kshs.	2016-2017 Kshs.
Gratuity	250,443	291,876
Total	250,443	291,876

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

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

15.3: UNUTILIZED FUNDS (See Annex 3)

	2017-2018 Kshs.	2016-2017 Kshs.
Compensation of employees	674,013	503,768
Use of goods and services	1,731,188	1,319,349
Amounts due to other Government entities (see attached list)	0	1,913,794
Amounts due to other grants and other transfers (see attached list)	5,825,092	4,124,648
Acquisition of assets	99,653	395,653
Other payments	500,000	500,000
Total	8,829,946	8,757,212

15.4: SUMMARY OF FIXED ASSET REGISTER (Annex 4)

Asset class	Historical Cost (Kshs) 2017/18	Additional Cost Kshs 2017/18	Disposal Cost Kshs 2017/18	Historical Cost (Kshs) 2016/17
Buildings and structures	17,498,279	216,000	0	17,282,279
Transport equipment	7,162,747	0	0	7,162,747
ICT Equipment, Software and Other ICT Assets	1,173,593	0	0	1,173,593
Other Machinery and Equipment	967,454	80,000	0	887,454
Total	26,802,073	296,000	0	26,506,073

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

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

15.5: PMC account balances (See Annex 5)

	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	16,329,596	4,832,242
Total	16,329,596	4,832,242

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2017	Comments
	A	b	c	d=a-c		
Construction of buildings				0	0	
Sub-Total						
Construction of civil works				0	0	
Sub-Total						
Supply of goods				0	0	
Sub-Total						
Supply of services				0	0	
Sub-Total						
Grand Total				0	0	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RABAI CONSTITUENCY
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For the year ended June 30, 2018)

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2017	Comments
Gratuity		A	b	c	d=a-c		
George K.Tsuma		42,129		0	42,129	62,000	
May Mgeni Tsuma		42,129		0	42,129	57,040	
Margaret Mwaka		29,951		0	29,951	37,200	
Munga Nzaka		27,167		0	27,167	32,240	
Serah Hilai		25,873		0	25,873	31,000	
Ndenge Mwaringa		25,873		0	25,873	31,000	
Ali Mcharo		57,321		0	57,321	41,396	
Total		250,443			250,443	291,876	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RABAI CONSTITUENCY
Reports and Financial Statements
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ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees		674,013	503,768	
Use of goods & services		1,731,188	1,319,349	
Amounts due to other Government entities		0		
Sub-Total			0	
Amounts due to other grants and other transfers				
Bursary Secondary Schools		498,300	94,926	
Emergency		161,391	2,425	
Pangani Chiefs office		520,000	0	
Rabai sports tournament		645,401	27,297	
National Police land		4,000,000	4,000,000	
Mwawesa Water project			1,413,794	
Sub-Total		5,825,092	5,538,442	
Acquisition of assets		99,653	395,653	
Sub-Total		99,653	395,653	
Others (specify)				
Audit fees		500,000	1000,000	
Sub-Total		500,000	500,000	
Grand Total		8,829,946	8,757,212	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

RABAI CONSTITUENCY

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ANNEX-4 FIXED ASSETS REGISTER

	Description	Date of purchase	Serial No.	2017/18 (Ksh)	2016/17 (Ksh)
1.	Cdf Office Rabai	2014/15		15,382,279	15,382,279
2.	Fixing of metal grill, chained linked fencing and purchase water tank	2015/16		1,900,000	1,900,000
3.	Office curtains 17pcs	12/07/2018		216,000	0
				17,498,279	17,282,279
	Office Vehicles				
1.	Motorbike	28/03/2014	3TT-206869	420,964	420,964
2.	Cdf vehicle	23/01/2015		6,741,783	6,741,783
	Sub total			7,162,747	7,162,747
	Office Furniture				
1.	Office executive chair	26/11/2013	1	21,000	21,000
2.	H/Leather office chair executive	“	1	32,000	32,000
3.	Office HB chair fabric	“	1	8,300	8,300
4.	Executive office table	“	2	119,990	119,990
5.	Conference table executive 35MTS	“	1	109,995	109,995
6.	Office visitors chair	“	12	84,000	84,000
7.	Office table ID1680 (44)	“	2	33,190	33,190
8.	Pedestal fixed 4d2w IDFP-4D	“	2	14,800	14,800
9.	Office table set WMB221.8MTS (vs.)	“	1	44,995	44,995
10.	Counter top executive 1201.2MTS (vs.)	“	1	5,795	5,795
11.	Lina chair YD- B104 4 Pax (AN31)	“	2	45,990	45,990
12.	Executive Chair	28/09/2016	1	28,495	28,495
13.	Executive Table	“	1	65,995	65,995
14.	Conference Table	“	1	54,995	54,995
15.	Small Office table	“	1	11,995	11,995
16.	Conference Chairs	“	1	7,495	7,495
17.	Conference Chairs	“	11	82,445	82,445
18.	Visitors' Chairs	“	4	29,980	29,980
19.	Conference Table small	“	1	24,995	24,995
20.	Orthopaedic Chair	“	1	21,995	21,995
21.	Side Wall unit shelve	“	1	36,995	36,995
22.	Office Chairs	“	2	16,790	16,790
23.	Office tables big	“	2	42,980	42,980
24.	Filling cabinet	“	2	27,998	27,998
25.	Ordinary office chairs	“	16	47,920	47,920

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RABAI CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

26.	Safe	02/08/2016	1	25,995	25,995
27.	Filling Cabinet with 4 drawers	“	1	23,995	23,995
28.	Reception table	“	1	37,480	37,480
29.	Wooden Cabinet	“	1	40,000	40,000
30.	Computer Tables	“	4	24,995	24,995
	Sub total			1,173,593	1,173,593
	Other Machinery and equipments				
1.	Desktop computer (DELL) S/NO:BKZ3PV1	26/11/2013	1	70,000	70,000
2.	Laptop computer (HP) S/NO:5CD3294MIR	“	1	60,000	60,000
3.	Printer laser jet pro 100 MI75NW S/NO:CND8F67867	“	1	50,000	50,000
4.	Ramtons water Dispenser RM/419	27/11/2014	1	16,497	16,497
5.	Filling cabinet sliding doors	23/09/2015	1	23,925	23,925
6.	Photocopy Machine	28/09/2015	1	150,800	150,800
7.	Desktop computer HP 300	12/06/2016	1	98,000	98,000
8.	Laser jet Printer HP 1102 PRO 200	“	1	48,000	48,000
9.	Telecommunication gadgets	02/08/2016	7	168,340	168,340
10.	Laptop-HP	23/05/2017	1	89,700	89,700
11.	40 inch Samsung Tv-5 series HD 1080P	“	1	44,995	44,995
12.	Vehicle tools kitty	“	10 items	67,197	67,197
13.	Digital Camera D5300 BK set	08/06/2018	1	80,000	80,000
	Sub total			967,454	887,454
	TOTAL			26,802,073	26,506,073

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RABAI CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

ANNEX 5–PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Ziro Primary School	African Banking Corporation	003215001003903	631,412	0
Benyoka Rimary School	African Banking Corporation	003215001002347	140,063	182,465
Chiferi Secondary School	African Banking Corporation	003215001004395	1,688,450	583,461
Asst. Chiefs Office Chang'ombe	African Banking Corporation	003215001003930	11,551	0
Jeuri Primary School	African Banking Corporation	003215001004791	1,169,445	0
Chonyi Primary School	African Banking Corporation	003215001004851	2,999,555	51,217
Chang'ombe Secondary School	African Banking Corporation	003215001004790	1,589,105	0
Mgumo Wa Patsa Ass Chiefs Office	African Banking Corporation	003215001004795	681,445	0
Mbwaka Primary School	African Banking Corporation	003215001004434	490,411	129,038
Kaoyeni Primary School	African Banking Corporation	003215001004785	167,658	0
Kinung'una Primary School	African Banking Corporation	003215001004794	481,445	0
Kajiwe Secondary School	African Banking Corporation	003215001003090	1,581,020	0
Kambe Assistant Chiefs Office	African Banking Corporation	003215001004787	878,445	0
Muleji Primary School	African Banking Corporation	003215001004789	1,275,115	0
Kanyumbuni Primary School	African Banking Corporation	003215001004788	699,239	0
Vifanjoni Primary School	African Banking Corporation	003215001004783	687,445	0
Boyani Primary School	African Banking Corporation	003215001003899	169,078	0
Ribe Assistant & Chiefs Office	African Banking Corporation	003215001004784	978,445	0
Chiefs office Ruruma	African Banking Corporation	003215001002318	10,269	0
Kasidi Secondary School	African Banking Corporation	003215001003150	0	12,425

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Kambe Secondary School	African Banking Corporation	003215001004393	0	12,773
Gandani Primary School	African Banking Corporation	003215001003881	0	392,055
Kambe Chiefs Office	African Banking Corporation	003215001003883	0	4,477
Chiefs Office Pangani African	African Banking Corporation	003215001003893	0	71,478
Mwele Primary School	Co-operative Bank	01141254631900	0	1,430,469
Pangani Primary School	Co-operative Bank	01141254646900	0	284,885
Kajiwe Primary School	Co-operative Bank	01141254627700	0	307,816
Ruruma Chiefs Office	Co-operative Bank	01141252752900	0	212,125
Buni Primary School	Co-operative Bank	01141252073400	0	232,329
Isaac Nyondo Pri. School	Co-operative Bank	01141254632800	0	263,079
Kambe/ Ribe ACCs Office	Co-operative Bank	01141254643800	0	536,325
Mikahani Chiefs office	Co-operative Bank	01141254626400	0	125,825
Total			16,329,596	4,832,242

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RABAI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

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)
MSA/RABAI NG-CDF/2016-17(3)	<p>1.Presentation of the financial statements The financial statements for the year ended 30th June 2017 and which were presented for audit verification were not signed on all pages 3,4,5,6,7and 8. The validity of the report and financial statements could not be ascertained. As a result, the financial statements presented do not conform to the recommended International Sector Accounting Standards as prescribed by the Public Accounting Standards Board.</p>	<p>Qualified opinion. Financial Statements for the year ended 30th June 2017 were signed by on pages 3,4,5,6,7and 8 by both Fund Account Manager and NG-CDFC chairperson and submitted to the office Auditor General</p>	<p>Fund Account Manager and NG- CDF Chairperson</p>	<p>Resolved.</p>	
	<p>2. Other pending payables According to Note 15.3 to the financial statement, other pending payables were Kshs. 6,538,442 as at June 2017. Included in the other pending payables of Kshs. 6,538,442 as at 30 June 2017 as detailed at Annex 3 to the financial statements is Kshs.4,000,000/= for</p>	<p>NGCDF Rabai constituency allocated Kshs. 4 million for purchase of land for construction of Rabai</p>	<p>NG-CDFC Rabai and Fund Account Manager</p>	<p>Resolved The Kshs. 4,000,000/= funds allocated for purchase of National Police land service – Rabai Sub-county were re-</p>	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RABAI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

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)
	<p>the purchase of land for National Police service –Rabai Sub County. Audit verification revealed that as at the time of audit (May,2018) the funds were still lying in the National Government Constituencies Development Fund Committees bank account since October 2016 when the funds were transferred to the bank account. Information available indicates that the ownership of the earmarked land was in disputes is subject of an on –going court case. It is not clear why the funds had not been reallocated to other projects. In the circumstances, value for money had not been realized and the public may take longer to benefit from the project.</p>	<p>National Police service office. The land had not been purchased as at 30 June 2017 because of the pending succession case. The issue is still pending in court and NGCDF will convene a meeting and consider identifying another land or re-allocate the funds to benefit another project as per the auditor advice</p>		<p>allocated to construct 2no. Classrooms and 1no. Classrooms at Rev canon Kuri and Mbararani Secondary schools respectively. This is per Ng-CDF minute reference NG-CDF/RABAI/240/2018/RE-ALLOCATION OF FUNDS dated 11th July 2018</p>	

NATIONAL ASSEMBLY

OFFICIAL REPORT

Tuesday, 11th June 2019

PAPERS LAID

Hon. Aden Duale (Garissa Township, JP):

1. The Reports of the Auditor-General and Financial Statements in respect of the following constituencies for the year ended 30th June, 2018, and the certificates therein:

1. Thika Town Constituency.
2. Dagoretti South Constituency.
3. Westlands Constituency.
4. Kilifi South Constituency.
5. Kilifi North Constituency.
6. Changamwe Constituency.
7. Matuga Constituency.
8. Rabai Constituency.
9. Msambweni Constituency, and
10. Mvita Constituency.

Hon. Joash Nyamoko (North Mugirango, JP): Chairman of the Committee on Parliamentary Broadcasting and Library.

1. The Report of the Committee on Parliamentary Broadcasting and Library on Visit to the National Broadcasters Show held in Las Vegas Nevada from 6th to 12th April 2019.

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