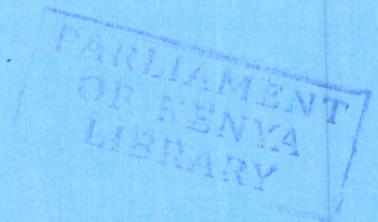


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT



OF

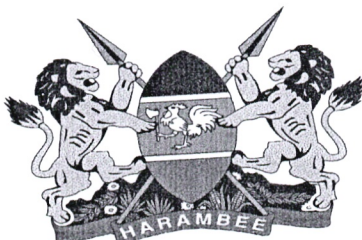
THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND –  
KABETE CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE 2018





OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
**REGISTRY**

14 JUN 2019

**RECEIVED**


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND KABETE  
CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30 JUNE, 2018**

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

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
<b>DATE:</b> 26 JUN 2019	<b>DAY:</b> Wednesday
<b>TABLED BY:</b>	Hon. Aden Duale MP (Chair)
<b>CLERK-AT THE TABLE:</b>	Halima Suliman



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

Table of Content

	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT .....	1
II. FORWARD BY THE NGCDF COMMITTEE CHAIRMAN .....	4
III. STATEMENT OF NGCDF COMMITTEE MANAGEMENT RESPONSIBILITIES .....	6
IV. STATEMENT OF RECEIPTS AND PAYMENTS .....	7
V. STATEMENT OF ASSETS AND LIABILITIES .....	8
VI. STATEMENT OF CASHFLOW .....	9
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED.....	10
VIII. SIGNIFICANT ACCOUNTING POLICIES .....	11
IX. NOTES TO THE FINANCIAL STATEMENTS.....	15



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

**KABETE CONSTITUENCY**

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

**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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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)  
KABETE CONSTITUENCY**

**Reports and Financial Statements for the year ended 30 June, 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 KABETE 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 30<sup>th</sup> June 2018 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Isabella Mwangi
3.	Sub-County Accountant	Benard Hehu
4.	Chairman NGCDFC	Paul Gitau Kinyanjui

**(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -KABETE 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 KABETE Constituency Headquarters**

P.O. Box 515-00614  
WANGIGE  
WANGIGE HEALTH CENTRE COMPOUND



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

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

**(f) NGCDF KABETE Constituency Contacts**

Telephone: (254) 0722 297710  
E-mail: kabetecdf@gmail.com  
Website: kabeteconstituency.co.ke

**(g) NGCDF KABETE Constituency Bankers**

1. FAMILY BANK  
KIKUYU BRANCH
  
2. EQUITY BANK  
WANGIGE BRANCH

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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



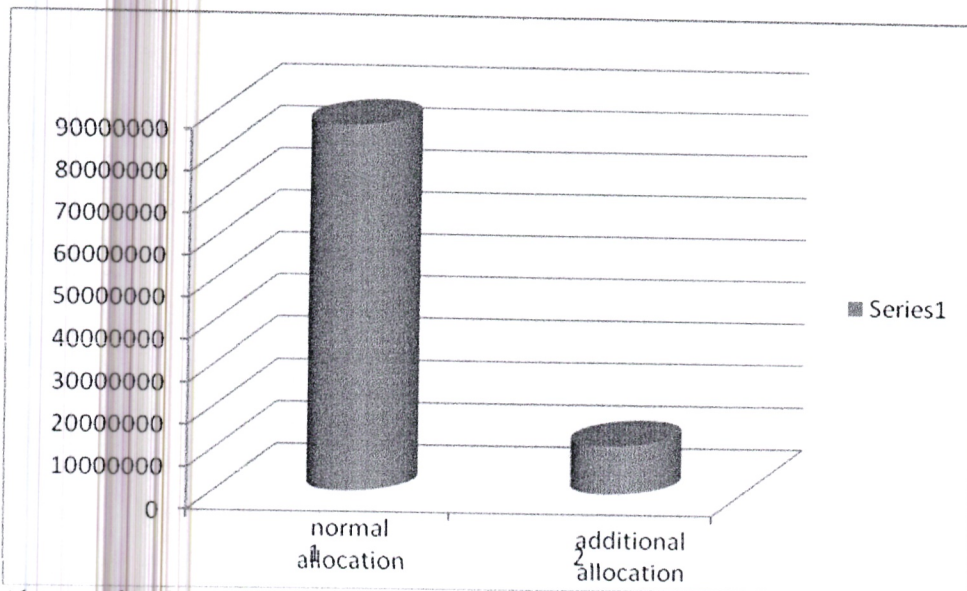
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
KABETE CONSTITUENCY**

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

**II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE**

These are the unaudited financial statements for Kabete Constituency for the year ended 30<sup>th</sup> June 2018. During the year, the Constituency was allocated Ksh 98,189,655.00 consisting of Ksh 86,810,345.00 as normal allocation and Ksh 11,379,310.00 as additional allocation.

During the Financial year, the constituency received 50% of the normal constituency funding equivalent to Ksh 43,405,172.00 and Ksh 1,500,000.00 for Environment activities for the Previous financial year.



Above: pie chart showing the allocation to the Constituency

The funds received were allocated to various projects with reference to priorities of the public participation meetings held across the constituency.

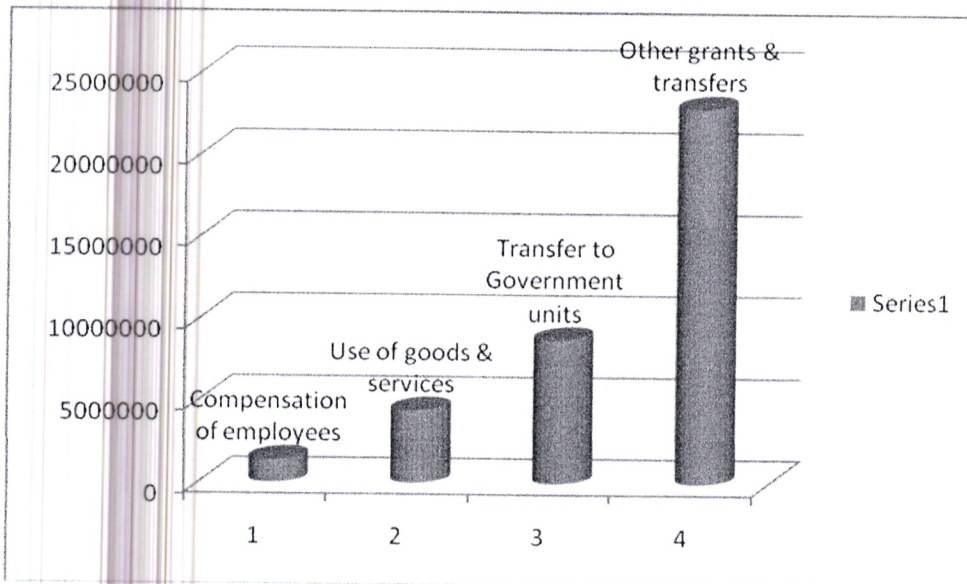
During the year a total of Ksh 18,511,465.00 was allocated towards bursary i.e. Secondary schools, Universities, Tertiary and special schools. Ksh 1,500,000 was allocated towards Environmental activities, Ksh 1,506,000.00 towards Youth and Sports activities, and security projects (re allocated from Emergency) were allocated Ksh 1,688,044.00 giving a total of Ksh 23,205,509.00 for other grants and payments.

Transfer to other Government entities i.e. Primary schools and Secondary schools amounted to Ksh 8,800,000.00

Use of goods and services took up Ksh 3,669,632.00 whereas compensation of employees took up Ksh 1,367,206.00

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

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



Above: Pie chart showing the allocation to various categories in the year

**Budgetary appropriation**

The overall budget utilisation in the financial year ended 30 June 2018 stood at 77% of the funds received.

The major activity within the period was awarding the bursaries which were an exercise that was conducted with utmost openness by the committee. It started by making proper announcements across the constituency for the members of the public to pick and fill up the bursary application forms from the NGCDF office. This exercise was given two weeks to allow for collecting, filling and returning of the bursary forms.

This was followed by open vetting per ward by a ward bursary subcommittee that consisted of the religious leaders in the ward, Education stakeholders in the ward and the respected elders in that ward. The vetting process per ward yielded very good results as everyone who had applied for the bursary turned up to confirm the filled up details in person.

The bursary managed to benefit 2,786 needy students in secondary schools, 541 in tertiary colleges, 356 in Universities and 99 in special schools.

**Emerging issues and suggested solutions**

Despite the impressive performance of the fund, the committee has noted a few challenges in the projects implementation and management of the fund.

These are like limited technical support staff i.e. public works officers to provide the Bill of Quantities in a timely manner and offer the technical supervision as often as its needed.

Another challenge is the capacity of Project Management Committees in the implementation of projects.

The NGCDF Committee engaged a clerk of Works to bridge the gap caused by lack of technical officers and the committee has also undertaken a training program to enhance the capacity of the Project Management Committees.

Sign -----  ----- **CHAIRMAN NGCDF COMMITTEE**



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

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

**III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES**

Section 81 (1) of the Public Finance Management Act, 2013 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 by the Public Sector Accounting Standards Board of Kenya from time to time.

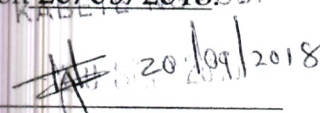
The Accounting Officer in charge of the NGCDF-KABETE Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2018. 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-KABETE Constituency accepts responsibility for the entity'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 *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2018, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-KABETE Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

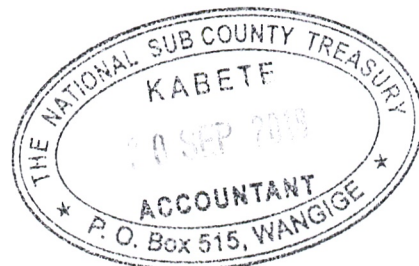
The Accounting Officer in charge of the NGCDF-KABETE Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible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

**Approval of the financial statements**

The NGCDF-KABETE Constituency financial statements were approved and signed by the Accounting Officer on 20/09/2018.

  
Fund Account Manager  
Name: ISABELLA N. MWANGI  
P. O. Box 515, WANGIGE

  
Sub-County Accountant  
Name: BENARD HEHU  
ICPAK Member Number: 14229





# REPUBLIC OF KENYA

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P.O. Box 30084-00100  
NAIROBI



## OFFICE OF THE AUDITOR-GENERAL

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

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#### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Kabete Constituency set out on pages 7 to 24, which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flow and summary statement of appropriation-recurrent and development 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 effects 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 – Kabete 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 the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

#### Basis for Qualified Opinion

##### 1. Cash and Cash Equivalents

The statement of assets and liabilities as at 30 June 2018 reflects cash and cash equivalents balance of Kshs.13,493,799 comprising bank balances as disclosed in Note 10A to the financial statements. However, the following unsatisfactory matters have been noted:

##### 1.1 Stale Cheques

Bank reconciliation statement as at 30 June 2018 reflects unrepresented cheques totalling Kshs.3,661,916 which include stale cheques amounting to Kshs.130,792. However, no explanation was given for failure to reverse the stale cheques in the cash book.

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



## **1.2 Unconfirmed Bank Balance**

Project Management Committee bank balance of Kshs.801,654 held at Jamii Bora Bank as of 30 June 2018 was not supported by a bank statement and certificate of the bank balance as at 30 June 2018.

## **1.3 Unaccounted for Cash Withdrawals**

Examination of bank statements for the account maintained at Family Bank revealed that Kabete NG-CDF management withdrew cash from PMC Account – Kshs.1,169,070 and Main Account – Kshs.1,449,819 for various unsupported purposes and payments.

## **1.4 Irregular Payment of Suppliers through Cash**

Examination of the payment schedules revealed that various suppliers were irregularly paid through cash a total of Kshs.976,820.

In view of the matters highlighted above, the accuracy and completeness of cash and cash equivalents balance of Kshs.13,493,799 as at 30 June 2018 could not be confirmed.

## **2. Net Financial Position**

The statement of assets and liabilities as at 30 June 2018 reflects total financial assets of Kshs.13,493,799 and nil liabilities. However, contrary to the guidelines issued by the Public Sector Accounting Standards Board, the net financial position of Kshs.13,493,799 has instead been presented as net liabilities.

## **3. Use of Goods and Services**

The statement of receipts and payments reflects an expenditure of Kshs.3,669,632 in respect of use of goods and services in 2017/2018 financial year. However, documentary evidence in support of the expenditure amounting to Kshs.1,266,118 in respect of use of goods and services was not provided for audit review. Consequently, the validity and propriety of the expenditure of Kshs.1,266,118 could not be ascertained.

## **4. Compensation of Employees**

Examination of Kabete NG-CDF payroll for 2017/2018 revealed that during the year under review there four members of staff. These employees were paid salaries and other personal allowances paid as part of salaries totalling Kshs.1,367,206 as reflected in the financial statements. However, payment vouchers relating to the same indicates payments totalling Kshs.727,428. The resulting difference of Kshs.639,778 between these records was not explained.

## **5. Fixed Assets Register**

The summary of fixed assets register attached to the financial statements as Annex4 reflects assets with historical costs totalling Kshs. 2,957,467 as at 30 June 2018. This figure however differs with the fixed assets register balance of Kshs.3,442,363. The resulting variance of Kshs.484,896 was not explained or reconciled.



The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Kabete 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 qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections, I have determined that there are no key audit matters to communicate in my report.

## **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 and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections 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. Budget Performance**

Kabete NG-CDF had budgeted to spend Kshs.105,320,629 but the actual expenditure was Kshs.37,042,574 or 35%, resulting in under expenditure of Kshs.68,278,055 or 65% of the total budget which was not explained satisfactorily. The under expenditure is an indication that some approved projects and programmes were not fully implemented and which in turn impacted negatively on efficient and effective delivery of services to the constituents.

#### **2. Procurement of Goods, Services and Works**

##### **2.1 Documents Not Provided for Audit**

Examination of payment vouchers, project files and other records revealed Kabete NG-CDF transferred an amount of Kshs.8,800,000 as grants to various primary and secondary schools for construction of facilities such ablution blocks and dining hall. However, documents in support of the construction contracts were not provided for audit review. As a result, it was not possible to confirm that the rates submitted by the contractors were commensurate with quality and quantity of works awarded, and that the awards of these contracts were done using a system which is fair, equitable, transparent, competitive and cost effective as required under Article 227(1) of the Constitution.



## **2.2 Direct Procurement**

Examination of contracts under use of goods and services revealed that the management procured directly from various contractors' services such as insurance – Kshs.39,402,050.9, security – Kshs.156,464 and cleaning – Kshs.23,155 contrary to Section 60(1) Public Procurement and Asset Disposal Act, 2015.

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 and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

#### **Basis for Conclusion**

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 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 maintaining effective internal controls 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 National Government Constituencies Development Fund – Kabete Constituency to sustain services, disclosing and as applicable matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to cease operations, or have no realistic alternative but to do so.

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

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 entity 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 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 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 Fund's 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 Fund to cease sustaining 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 - Kabete 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**

**22 May 2019**

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

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

**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2017-2018	2016-2017
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	1	44,905,172	82,896,552
<b>TOTAL RECEIPTS</b>		<b>44,905,172</b>	<b>82,896,552</b>
<b>PAYMENTS</b>			
Compensation of employees	2	1,367,206	1,304,576
Use of goods and services	3	3,669,632	11,224,736
Transfers to Other Government Units	4	8,800,000	67,856,532
Other grants and transfers	5	23,205,509	39,045,316
<b>TOTAL PAYMENTS</b>		<b>37,042,347</b>	<b>119,431,160</b>
<b>SURPLUS/DEFICIT</b>		<b>7,862,825</b>	<b>(36,534,608)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KABETE Constituency financial statements were approved on 20/09/2018 and signed by:

FUND ACCOUNT MANAGER  
KABETE  
20 SEP 2018  
297 710  
ISABELLA MWANGI  
P.O. Box 515, WANGIGE



Sub-County Accountant  
Name: BENARD HEHU  
ICPAK Member Number: 14229

THE NATIONAL SUB COUNTY TREASURY  
KABETE  
20 SEP 2018  
ACCOUNTANT  
P. O. Box 515, WANGIGE



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

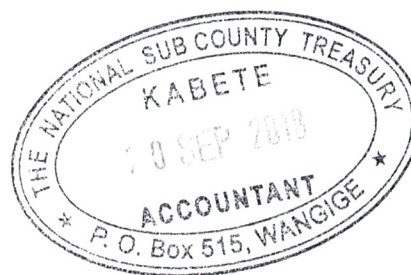
**V. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2017-2018 Kshs	2016-2017 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	6	13,493,799	5,630,974
<b>TOTAL FINANCIAL ASSETS</b>		<b>13,493,799</b>	<b>5,630,974</b>
<b>FINANCIAL LIABILITIES</b>			
<b>NET FINANCIAL ASSETS</b>			
		<b>13,493,799</b>	<b>5,630,974</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	7	5,630,974	42,165,583
Surplus/Deficit for the year		7,862,825	(36,534,608)
<b>NET LIABILITIES</b>		<b>13,493,799</b>	<b>5,630,974</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KABETE Constituency financial statements were approved on 20/09/2018 and signed by:

Fund Account Manager  
Name: ISABELLA MWANGI

Sub-County Accountant  
Name: BENARD HEHU  
ICPAK Member Number: 14229




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


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

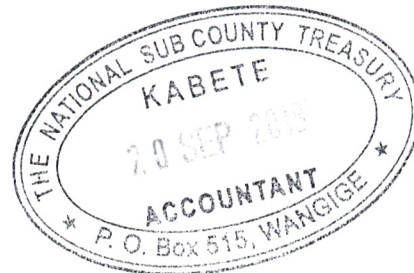
**VI. STATEMENT OF CASHFLOW**

<b>Receipts for operating income</b>		<b>2017-2018</b>	<b>2016-2017</b>
Transfers from CDF Board	1	44,905,172	82,896,552
		<b>44,905,172</b>	<b>82,896,552</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	2	1,367,206	1,304,576
Use of goods and services	3	3,669,632	11,224,736
Transfers to Other Government Units	4	8,800,000	67,856,532
Other grants and transfers	5	23,205,509	39,045,316
		<b><u>37,042,347</u></b>	<b><u>119,431,160</u></b>
<b>Net cash flow from operating activities</b>		<b>7,862,825</b>	<b>(36,534,608)</b>
 <b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
<b>Net cash flows from Investing Activities</b>		-	-
 <b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>			
<b>Cash and cash equivalent at BEGINNING of the year</b>	7	5,630,974	42,165,583
<b>Cash and cash equivalent at END of the year</b>		<b><u>13,493,799</u></b>	<b><u>5,630,974</u></b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KABETE Constituency financial statements were approved on 20/09/2018 and signed by:

  
Fund Account Manager  
Name: ISABELLA MWANGI  
ICPAK Member Number: 14229

  
Sub-County Accountant  
Name: BENARD HEHU






VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	86,810,345	18,510,284	105,320,629	50,536,146	54,784,483	48.0%
Proceeds from Sale of Assets			-		-	
Other Receipts		-	-		-	
<b>TOTAL RECEIPTS</b>	<b>86,810,345</b>	<b>18,510,284</b>	<b>105,320,629</b>	<b>50,536,146</b>	<b>54,784,483</b>	<b>48.0%</b>
<b>PAYMENTS</b>						
Compensation of Employees	2,038,880	682,759	2,721,639	1,367,433	1,354,433	50.2%
Use of goods and services	5,774,051	3,784,309	9,558,360	3,669,632	5,888,728	38.4%
Transfers to Other Government Units	39,650,000	7,786,207	47,436,207	8,800,000	38,636,207	18.6%
Other grants and transfers	39,347,414	6,257,009	45,604,423	23,205,509	22,398,914	50.91%
Acquisition of Assets	0		-	-	-	
Other Payments			-		-	
<b>TOTAL</b>	<b>86,810,345</b>	<b>18,510,284</b>	<b>105,320,629</b>	<b>37,042,347</b>	<b>68,278,282</b>	<b>35.2%</b>

The NGCDF-KABETE Constituency financial statements were approved on 20/09/2018 and signed by:

FUND ACCOUNT MANAGER  
 KABETE NGCDF  
 20 SEP 2018  
 Fund Account Manager  
 Name: ISABELLA MWANGI  
 P. O. Box 515 WANGIGE

  
 Sub-County Accountant  
 Name: BENARD HEHU  
 ICPAK Member Number: 14229

THE NATIONAL SUB-COUNTY TREASURY  
 KABETE  
 20 SEP 2018  
 ACCOUNTANT  
 \* P. O. Box 515 WANGIGE \*



**VIII. SIGNIFICANT ACCOUNTING POLICIES**

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

**1. Statement of Compliances 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 NG CDF-KABETE 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.



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-  
KABETE CONSTITUENCY**

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

**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 30<sup>th</sup> 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.



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-  
KABETE CONSTITUENCY**

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

**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 Eequivalents**

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 CONSTITUENCY DEVELOPMENT FUND (NGCDF)-  
KABETE CONSTITUENCY  
Reports and Financial Statements for the year ended 30 June, 2018**

**SIGNIFICANT ACCOUNTING POLICIES**

**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 1<sup>st</sup> July 2017 to 30<sup>th</sup> 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 30<sup>th</sup> 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 CONSTITUENCY DEVELOPMENT FUND (NGCDF)-  
KABETE CONSTITUENCY

Reports and Financial Statements for the year ended 30 June, 2018

NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

	Description		2017-2018	2016-2017
			Kshs	Kshs
1330407	Normal Allocation	AIE A892951	37,905,172	
		AIE A855827	5,500,000	
		AIE A892729	1,500,000	
		AIE 839595		36,853,449
		AIE 829569		4,094,828
		AIE 855218		39,448,275
		AIE 855591		2,500,000
			-	-
1330409	Receipt from other Constituency			-
	<b>TOTAL</b>		<b>44,905,172</b>	<b>82,896,552</b>

2110000 2 COMPENSATION OF EMPLOYEES

	Description		2017-2018	2016-2017
			Kshs	Kshs
2110201	Basic wages of contractual employees		994,772	796,970
2110202	Basic wages of casual labor			
	<b>Personal allowances paid as part of salary</b>			
2110301	House allowance		-	0
2110314	Transport allowance		-	
2110320	Leave allowance			
2110326	Other personnel payments		-	0
2120101	Employer contribution to NSSF		88,890	249,081
2710120	Gratuity-contractual employees		283,543	258,525
	<b>TOTAL</b>		<b>1,367,206</b>	<b>1,304,576</b>



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-  
KABETE CONSTITUENCY**

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

**2200000 3 USE OF GOODS AND SERVICES**

	Description	2017-2018	2016-2017
		Kshs	Kshs
2210100	Utilities, supplies and services	894,174	257,648
2210101	Electricity	0	0
2210102	Water & sewerage charges	117,900	0
2210104	Office rent		
2210200	Communication, supplies and services	90,000	0
2210300	Domestic travel and subsistence	0	0
2210500	Printing, advertising and information supplies & services	0	1,630,295
2210600	Rentals of produced assets		
2210700	Training expenses	0	0
2210800	Hospitality supplies and services	0	0
2210802	Other committee expenses	0	0
2210809	Committee allowance	2,203,271	7,199,880
2210900	Insurance costs	39,509	
2211000	Specialised materials and services		0
2211100	Office and general supplies and services	0	1,978,962
2211200	Fuel , oil & lubricants	0	0
2211300	Other operating expenses	324,778	157,950
2211301	Bank service commission and charges	0	0
2211313	Security operations	0	0
2220100	Routine maintenance - vehicles and other transport equipment	0	0
2220200	Routine maintenance- other assets	0	0
	<b>TOTAL</b>	<b>3,669,632</b>	<b>11,224,736</b>



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-  
KABETE CONSTITUENCY**

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

**2630200 4 TRANSFER TO OTHER GOVERNMENT ENTITIES**

	<b>Description</b>	<b>2017-2018</b>	<b>2016-2017</b>
		<b>Kshs</b>	<b>Kshs</b>
2630204	Transfers to Primary schools	4,200,000	36,456,532
2630205	Transfers to Secondary schools	4,600,000	31,400,000
2630206	Transfers to Tertiary institutions	-	0
2630207	Transfers to Health institutions	-	0
	<b>TOTAL</b>	<b>8,800,000</b>	<b>67,856,532</b>

**2640000 5 OTHER GRANTS AND OTHER PAYMENTS**

	<b>Description</b>	<b>2017-2018</b>	<b>2016-2017</b>
		<b>Kshs</b>	<b>Kshs</b>
2640101	Bursary -Secondary	13,174,745	15,579,805
2640102	Bursary -Tertiary	3,851,720	2,995,000
2640104	Bursary-Special schools	1,485,000	1,210,000
2640105	Mocks & CAT	-	0
2640504	Water	-	0
2640505	Food security	-	0
2640506	Electricity	-	0
2640507	Security	-	10,200,000
2640508	Roads and Bridges	-	0
2640509	Sports	1,506,000	1,460,500
2640510	Environment	1,500,000	3,421,866
2640512	Cultural Projects	-	0
2640513	Agriculture		0
2640200	<b>Emergency Projects</b>	<b>1,688,044</b>	<b>4,178,145</b>
	<b>TOTAL</b>	<b>23,205,509</b>	<b>39,045,316</b>



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-  
KABETE CONSTITUENCY  
Reports and Financial Statements for the year ended 30 June, 2018**

**6. Bank Balances (cash book bank balance)**

Name of Bank, Account No. & currency	Account Number	2017-2018	2016-2017
		Kshs (30/6/2017)	Kshs (30/6/2016)
<i>FAMILY BANK KIKUYU BRANCH</i>		<b>13,493,799</b>	<b>5,630,974</b>
<i>ACCOUNT NO.102000030692</i>			

**7 BALANCES BROUGHT FORWARD**

		2017-2018	2016-2017
		Kshs (1/7/2016)	Kshs (1/7/2015)
Bank accounts		5,630,974	42,165,583
Cash in hand			-
Imprest			-
<b>TOTAL</b>		<b>5,630,974</b>	<b>42,165,583</b>



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-KABETE CONSTITUENCY**  
**Reports and Financial Statements for the year ended 30 June, 2018**

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

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-KABETE CONSTITUENCY**  
**Reports and Financial Statements for the year ended 30 June, 2018**

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

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



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-KABE...  
 Reports and Financial Statements for the year ended 30 June, 2018

ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees				
Use of goods & services				
Amounts due to other Government entities				
Sub-Total				
Amounts due to other grants and other transfers				
Sub-Total				
Sub-Total				
Acquisition of assets				
Others (specify)				
Sub-Total				
Grand Total				

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-KABETE CONSTITUENCY  
 Reports and Financial Statements for the year ended 30 June , 2018

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land				
Buildings and structures				
Transport equipment				
Office equipment, furniture and fittings	2,957,467	0	0	2,957,467
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>2,957,467</b>			<b>2,957,467</b>



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-  
KABETE CONSTITUENCY**

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

**ANNEX 4 –PMC BANK BALANCES AS AT 30 JUNE 2018**

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Muguga primary school	Jamii bora	305178453003	343,432	
Karura Ka Nyungu primary school	Jamii bora	3051819457002	103,610	
Mahia ini primary school	Jamii bora bank	3051819402002	72,566	
Kibichiku primary school	Jamii bora bank	3051819357002	25,425	
Ndurarua primary school	Jamii bora bank	3051819326002	4,197	
Muguga model primary school	Jamii bora bank	3051822849002	181,800	
Kabete Secondary school	Jamii bora bank	3051825558002	71,056	
Kiawanugu Police post	Family bank	102000030783	1,688,044	
Youth and sports project account	Family bank	102000030879	979,650	
Environment project account	Family bank	102000030878	1,500,000	
Kabete high school	Family bank	102000030882	1,500,000	
Kahuho Primary school	Family bank	102000030791	790,000	
Kanyariri Secondary school	Family bank	102000030881	847,050	
Kanyariri Primary school	Family bank	102000030880	1,000,000	
Karura Ka Nyungu Primary school	Family bank	102000030793	748,000	
<b>Total</b>			<b>9,854,830</b>	



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-  
KABETE CONSTITUENCY**

**Reports and Financial Statements for the year ended 30 June , 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 person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame: (Put date when you expect the issue to be resolved)
CEN/H UB/KB U.C/KA BETE/3 /5	The CDF Management should ensure all bank reconciliation statements are prepared and submitted for audit	The bank reconciliations were prepared and copies of the same submitted	FAM	RESOLVED	
CEN/H UB/KB U.C/KA BETE/3 /5	The reason for poor performance in the budget implementation was not provided	Funds for one project were not received from the NG CDF Board. There was a conditional approval by the Board the project was to construct market stalls .A letter from the County Government was required. The funds were re allocated to a security project and funds received from the NG CDF BOARD.	FAM	Resolved	