

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 21 JUL 2019

Day: Wednesday

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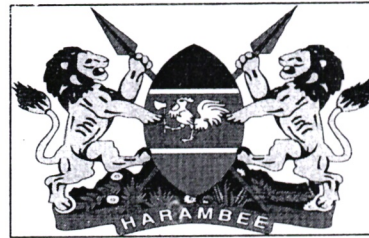
Hon. Benjamin Wambui
Hon. Halima Ahmed

OF
THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
BONCHARI CONSTITUENCY

FOR THE YEAR
ENDED 30 JUNE 2018



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
BONCHARI 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)
BONCHARI 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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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To provide leadership and policy direction for effective and efficient management of the Fund

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 BONCHARI Constituency 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 Mburu
2.	A.I.E holder	Salome Miruka
3.	Sub-County Accountant	Jackson Obiye
4.	Chairman NGCDFC	Anthony Nyamao
5.	Member NGCDFC	Hellina Morang'a

(d) Fiduciary Oversight Arrangements

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

CDF Office Building Suneka
P.O. Box 4-40205,
Nyambunwa
Kisii – Migori Highway
Suneka, KENYA

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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(f) NGCDF BONCHARI Constituency Contacts

Telephone: (254) 712755708
E-mail: cdfbonchari@ngcdf.go.ke
Website: www.go.ke

(g) NGCDF BONCHARI Constituency Bankers

Bonchari NG - CDF
Equity Bank - Kisii Branch
Acc. No: 0510263641594
P.O Box 2775 – 40200
KISII.

(h) Independent Auditors

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

(i) Principal Legal Adviser

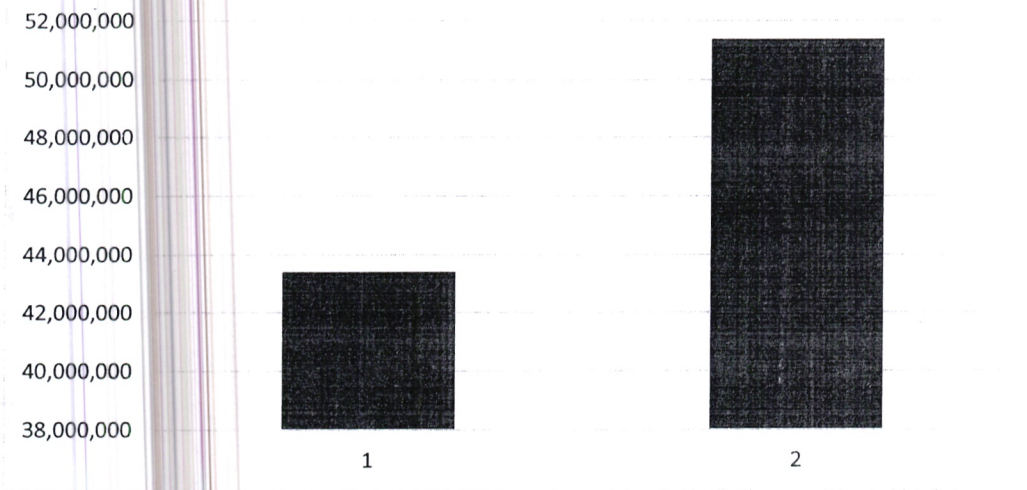
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

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

Summary of the budget performance against actual amounts for current year based on economic classification and programmes.

Graph for Receipts and Payments for FY 2017/2018

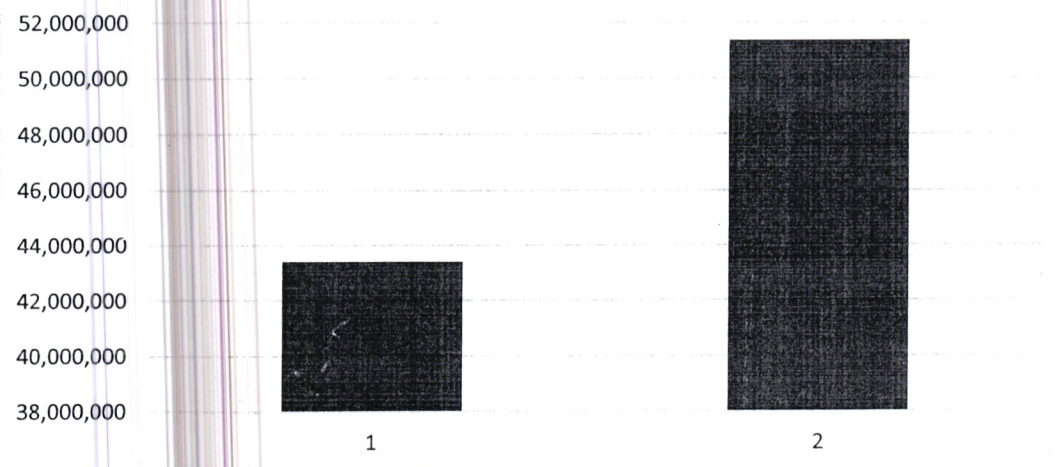


Key

- 1 – (Deficit of FY 2017/2018)
- 2 – (Deficit of FY 2016/2017)

From the graph above there is an indication that there was better performance for the year 2017/2018 as compared to the year 2016/2017.

Graph for Receipts and Payments for FY 2017/2018



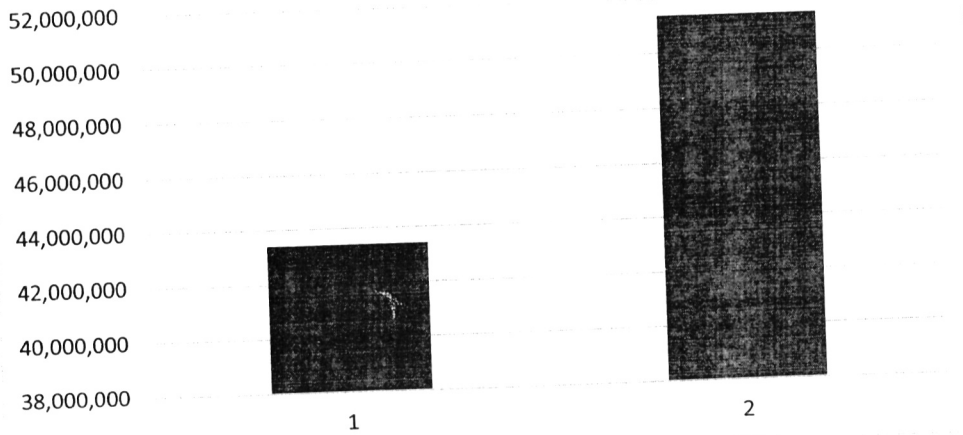
Key

- 1 – Original Budget Allocation
- 2 – Total Adjustment Allocation during the Year 2017/2018

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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3 – Total Actual on Comparable Basis i.e. The Total Funds Allocated during the year implemented at 90% comparatively before the Year Additional Fund Allocation. was

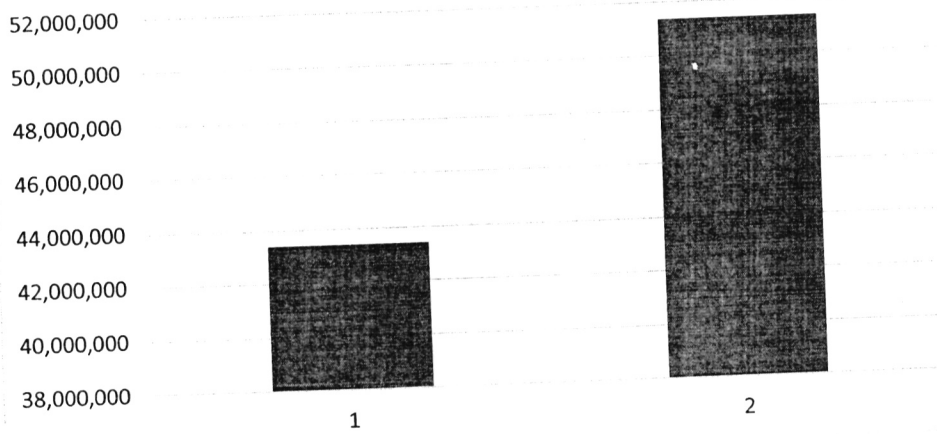
**Graph for Receipts and Payments for FY
 2017/2018**



Key

- 1 – FY 2017/2018 Showing lesser funds allocation than previous year allocation.
- 2 – FY 2016/2017 Showing more funds allocation than the current year allocation.

**Graph for Receipts and Payments for FY
 2017/2018**



Key

- 1 – Total Receipts during the FY 2017/2018 from the NG – CDF BOARD.
- 2 – Total Payments/Expenditure during the FY 2017/2018 by NG – CDF Bonchari.

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

There has also been the staff turnover challenge i.e. Fund Account Managers transfers which results to time consumption in understanding the constituency environment with its operational challenges.

Despite the fact that the financial year 2017/2018 has had a fare share of challenges i.e. the board gave the first disbursement in February 2018, the absorption rate of the constituency has been good given the odd events.

Sign Anthony

CHAIRMAN NGCDF COMMITTEE

Anthony Solomon Nyamao

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
BONCHARI CONSTITUENCY
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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 the Public Sector Accounting Standards Board of Kenya from time to time.

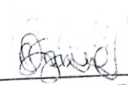
The Accounting Officer in charge of the NGCDF-BONCHARI Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2018. 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-BONCHARI 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 charge of the NGCDF-BONCHARI 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-BONCHARI 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-BONCHARI Constituency financial statements were approved and signed by the Accounting Officer on _____ 2018.



Fund Account Manager
Name: **Salome O Miruka**



Sub-County Accountant
Name: **Jackson Obiye**
ICPAK Member Number: **NAAC/46792**

REPUBLIC OF KENYA

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NAIROBI

OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Bonchari Constituency set out on pages 13 to 38, which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation-recurrent and development and combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Bonchari 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 National Government Constituency Development Fund Act, 2015 and Public Audit Act, 2012.

Basis for Qualified Opinion

1. Summary Statement of Appropriation

The summary statement of appropriation reflects an original budget of Kshs.86,810,345 and adjustments of Kshs.20,755,900 under both receipts and payments, respectively bringing the total approved budget to Kshs.107,566,245. However, the adjustments in the statement of appropriation, were not adequately supported by approved code list showing the items in the 2016/2017 financial year that were to be financed in the financial year 2017/2018.

Further, the summary statement of appropriation (combined) prepared and submitted is incomplete because it lacks the description of the receipts and expenditure items contrary to the guidelines issued by the Public Sector Accounting Standards Board.

In the circumstances, the accuracy and completeness of the summary statement of appropriation for the year ended 30 June 2018 could not be confirmed.

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

2. Project Management Committees (PMCS) Bank Balances

Disclosed in Note 15.4 to the financial statements are Project Management Committees (PMCs) bank balances totaling Kshs.7,686,464. However, cash books, certificates of bank balances and bank reconciliation statements in support of these balances were not presented for audit. Consequently, the accuracy and completeness of the Project Management Committees (PMCs) bank balances could not be ascertained.

3. Prior Year Adjustments

Included in the statement of assets and liabilities as at 30 June 2018 are prior year adjustments of Kshs.332,695. However, the management did not explain or provide detailed breakdown of these adjustments. Consequently, the validity, accuracy and completeness of the prior year adjustments of Kshs.332,695 could not be confirmed.

4. Net Financial Position

The statement of assets and liabilities as at 30 June 2018 reflects total financial assets balance of Kshs.3,496,152 and nil liabilities. However, contrary to the guidelines issued by the Public Sector Accounting Standards Board, the statement of assets and liabilities shows net liabilities instead of the net financial position of Kshs.3,496,152.

5. Difference in Transfer from NGCDF Board

The summary statement of appropriation reflects total transfer from the NGCDF Board of Kshs.52,781,762 while the statement of receipts and payment reflects an amount of Kshs.43,405,172 in 2017/2018 financial year, leading to unexplained and unreconciled difference of Kshs.9,376,590.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund- Bonchari 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

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

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 Analysis

The constituency fund management had budgeted to receive Kshs.107,566,245 from the National Government CDF Board but the actual receipts during the year under review were Kshs.43,405,172 or 40%. Significant under-utilization of budgeted funds was also noted under various expenditure components as follows:

Expenditure Components	Budgeted Amount (Kshs)	Actual Expenditure (Kshs)	Under-expenditure (Kshs)	Under-utilization in %
Use of goods and services	7,677,293	4,015,244	3,626,049	47%
Transfer to other government entities	35,669,828	11,300,000	24,369,828	68%
Other grants and transfers	61,251,989	32,834,165	28,417,824	46%

The underutilization of the allocated funds negatively affected the achievements of some of the core objectives of the Fund and denied the constituents efficient and effective service delivery.

2. Transfers to Other Government Entities

The transfers to other government units of Kshs.11,300,000 reflected in the financial statements represents disbursements to various Project Management Committees (PMCs) as shown in below:

Project	Activity	Amount -Kshs.
Nyang'iti Primary	Construction of Classroom	500,000
Nyang'iti Primary	Construction of Classroom	500,000
Nyamare Pri School	Construction of Classroom	500,000
St. Lawrence Nyabieyo Pri School	Construction of Classroom	500,000
Masegoye Deb Pri School	Construction of Classroom	900,000
Masegoye Deb Pri School	Construction of Classroom	900,000
Iruma Secondary	Construction of Classroom	750,000
Isamwera Sec School	Construction of Classroom	900,000
Nyamerako Ekerubo Sec School	Construction of Classroom	500,000
Nyamerako Ekerubo Sec School	Construction of Classroom	500,000
St. Ann's Nyangoge Sec School	Construction of Classroom	4,850,000
Total		11,300,000

However, the PMCs did not file supporting documents for the same including; expenditure returns, cash books, bank statements, minutes, payment vouchers and bank reconciliation statements. Consequently, the regularity and validity of the disbursements to PMCs of Kshs.11,300,000 could not be ascertained.

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

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

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.

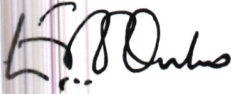
Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the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

19 June 2019

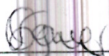
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
BONCHARI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017 - 2018	2016 - 2017
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	43,405,172	137,510,373
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		43,405,172	137,510,373
PAYMENTS			
Compensation of employees	4	1,468,896	1,965,681
Use of goods and services	5	4,015,244	9,856,346
Transfers to Other Government Units	6	11,300,000	85,737,931
Other grants and transfers	7	32,834,165	58,035,862
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		49,618,305	155,595,820
SURPLUS/DEFICIT		(6,213,133)	(18,085,447)

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

05 JUL 2019



Fund Account Manager
Name: Salome O Miruka



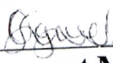
Sub-County Accountant
Name: Jackson Obiye
ICPAK Member Number: NAC/46792


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

V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2017 - 2018 Kshs	2016 - 2017 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	3,142,252	9,376,590
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		3,142,252	
Accounts Receivables - Outstanding Imprest	11	353,900	-
TOTAL FINANCIAL ASSETS		<u>3,496,152</u>	<u>9,376,590</u>
FINANCIAL LIABILITIES			
Accounts Retention	12	-	-
Net Financial Assets		<u>3,496,152</u>	<u>9,376,590</u>
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	9,376,590	27,462,037
Surplus/Deficit for the year		(6,213,133)	(18,085,447)
Prior year adjustments	14	332,695	-
NET LIABILITIES		<u>3,496,152</u>	<u>9,376,590</u>

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


 Fund Account Manager
 Name: Salome O Miruka


 Sub-County Accountant
 Name: Jackson Obiye
 ICPAK Member Number: 0215.1.46.792

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
BONCHARI CONSTITUENCY
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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

BONCHARI CONSTITUENCY

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VI. STATEMENT OF CASHFLOW

		2017 - 2018	2016 - 2017
Receipts for operating income			
Transfers from CDF Board	1	43,405,172	137,510,373
Other Receipts	3	-	-
		43,405,172	137,510,373
Payments for operating expenses			
Compensation of Employees	4	1,468,896	1,965,681
Use of goods and services	5	4,015,244	9,856,346
Transfers to Other Government Units	6	11,300,000	85,737,931
Other grants and transfers	7	32,834,165	58,035,862
Other Payments	9	-	-
		49,618,305	155,595,820
Adjusted for:			
Adjustments during the year	14	(21,205)	-
		(6,234,338)	(18,085,447)
Net cash flow from operating activities			
		(6,234,338)	(18,085,447)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
		-	-
Net cash flows from Investing Activities			
		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(6,234,338)	(18,085,447)
Cash and cash equivalent at BEGINNING of the year	13	9,376,590	27,462,037
Cash and cash equivalent at END of the year		3,142,252	9,376,590

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

Salome O Miruka

Fund Account Manager
Name: Salome O Miruka

Jackson Obiye

Sub-County Accountant
Name: Jackson Obiye
ICPAK Member Number: 445146792

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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**VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT
 COMBINED**

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 %
86,810,345	20,755,900	107,566,245	52,781,762	54,784,483	49.1%
	-		-	-	
		-		-	
86,810,345	20,755,900	107,566,245	52,781,762	54,784,483	49.1%
2,672,400	294,736	2,967,136	1,468,896	1,498,240	49.5%
5,140,531	2,536,761	7,677,293	4,015,244	3,662,049	52.3%
35,100,862	568,966	35,669,828	11,300,000	24,369,828	31.7%
43,896,552	17,355,437	61,251,989	32,834,165	28,417,824	53.6%
-	0	-	-	-	#DIV/0!
	-	-		-	
86,810,345	20,755,900	107,566,245	49,618,305	57,947,940	46.1%

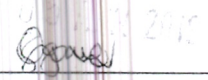
NB: The percentage utilization of *Compensation of Employees* was below 90% i.e. 53.48% because funds were not disbursed in time.

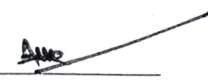
The percentage utilization of *Use of Goods & Services* was below 90% i.e. 73.86% because funds were not disbursed in time.

The percentage utilization of *Transfers to other Government Units* was below 90% i.e. 31.68% because funds were not disbursed in time.

The percentage utilization of *Other grants and Transfers* was below 90% i.e. 53.58% because funds were not disbursed in time.

The NGCDF-BONCHARI Constituency financial statements were approved on _____ 2018 and signed by:


 Fund Account Manager
 Name: Salome Miruka


 Sub-County Accountant
 Name: Jackson Obiye
 ICPAK Member Number: NAC 46 792

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-BONCHARI 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.

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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.

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

BONCHARI CONSTITUENCY

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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.

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 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)

BONCHARI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2017 - 2018	2016 - 2017
		Kshs	Kshs
	AIE NO. A825840		55,613,821
Normal Allocation	AIE NO. A855007		36,853,449.00
	AIE NO. A829512		4,094,827.60
	AIE NO. A855507		40,948,275.10
	AIE NO. A855769	5,500,000	
	AIE NO. A892875	37,905,172	
			-
			-
TOTAL		43,405,172	137,510,373

2. PROCEEDS FROM SALE OF ASSETS

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

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

3. OTHER RECEIPTS

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Interest Received	-	-
Receipt from Ministry of Interior and Coordination and National Government		
TOTAL	-	-

4. COMPENSATION OF EMPLOYEES

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Basic wages of contractual employees	1,340,096	1,817,843
Basic wages of casual labour		
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance		
Other personnel payments	42,400	
Employer contribution to NSSF	86,400	
Gratuity-contractual employees		
TOTAL	1,468,896	1,817,843

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Utilities, supplies and services	1,527,800	4,682,029
Electricity		
Office rent		
Communication, supplies and services	0	
Domestic travel and subsistence	185,000	
Printing, advertising and information supplies & services		
Rentals of produced assets		
Training expenses	601,400.00	
Hospitality supplies and services	-	
Other committee expenses	530,000	642,000
Committee allowance	548,000	2,265,000
Insurance costs		
Specialised materials and services		
Office and general supplies and services	221,705	833,744
Fuel ,oil & lubricants	180,000	750,000
Other operating expenses		
Bank Service Commission and Charges		
Security Operations		
Routine maintenance – vehicles and other transport equipment	221,339	683,573
Routine maintenance – other assets		
TOTAL	4,015,244	9,856,346

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
BONCHARI CONSTITUENCY
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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	3,800,000	36,587,931
Transfers to Secondary schools	7,500,000	45,150,000
Transfers to Tertiary institutions		
Transfers to Health institutions		4,000,000
TOTAL	11,300,000	85,737,931

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Bursary -Secondary	1,993,000	13,547,000
Bursary -Tertiary	20,676,000	26,033,000
Bursary-Special schools		
Mocks & CAT		
Water		
Food security		
Electricity		
Security	2,000,000	6,850,000
Roads and Bridges		3,730,000
Sports	-	1,637,931
Environment		1,637,931
Provincial Administration		
Constituency Innovation Hubs	3,599,480	
Agriculture		
Emergency Projects	4,565,685	4,600,000
TOTAL	32,834,165	58,035,862

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	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles	-	-
Purchase of office furniture and fittings	-	-
Purchase of computers ,printers and other IT equipments	-	-
Purchase of photocopier	-	-
Purchase of other office equipments	-	-
Purchase of soft ware	-	-
Acquisition of Land	-	-
TOTAL	-	-

9. OTHER PAYMENTS

	2017/2018	2016/2017
	Kshs	Kshs
Strategic planning	-	-
Constituency innovation hubs	3,599,480	-
TOTAL		-

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

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	Account Number	2017 - 2018	2016 - 2017
		Kshs (30/6/2018)	Kshs (30/6/2017)
<i>Equity Bank, Kisii Branch . Bonchari NG-CDF</i>	<i>A/C no.0510263641594</i>	3,142,252	9,376,590
10B: CASH IN HAND)			
		2017 - 2018	2016 - 2017
		Kshs (30/6/2018)	Kshs (30/6/2017)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
TOTAL		-	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
BONCHARI CONSTITUENCY
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer</i>		<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance (30/6/2015)</i>
	<i>Date imprest taken</i>	<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
Salome Miruka		353,900	-	353,900
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		353,900	-	353,900

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

12RETENTION		2017 - 2018	2016 - 2017
Supplier/Contractor	PV No.		
TOTAL			

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

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	2017 - 2018	2016 - 2017
	Kshs (1/7/2017)	Kshs (1/7/2016)
Bank accounts	9,376,590	27,462,037
Cash in hand	-	-
Imprest	-	-
TOTAL	9,376,590	27,462,037

[Provide short appropriate explanations as necessary]

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

	2017 - 2018	2016 - 2017
Bank accounts	332,695.00	-
Cash in hand	-	-
	-	-
TOTAL	332,695.00	-

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

15.2: PENDING STAFF PAYABLES (See Annex 2)

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (specify) – NGCDFC Staff	324,206.01	1,355,162.78
TOTAL	324,206.01	1,355,162.78

15.3: UNUTILIZED FUNDS (See Annex 3)

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Use of Goods and Services	1,380,427.00	-
Compensation of Employees	2,360,939.51	-
Amounts due to other Government entities (see attached list)	24,369,827.57	-
Amounts due to other grants and other transfers (see attached list)	28,433,969.62	-
Others (specify)	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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	56,191,263.7	-
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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	7,686,464.20	139,650
	7,686,464.20	139,650

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
BONCHARI CONSTITUENCY
Reports and Financial Statements
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
BONCHARI CONSTITUENCY
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES
GRATUITY FOR STAFF FY 2017/2018

NAME	POSITION	31% GRATUITY	CONTRACT PERIOD	PAYE	PERSONAL RELIEF	GRATUITY
HENRY MOSETI		14,400.00	4 MONTHS	0.00	1,408.00	15,808.00
OPANGA SYLVANUS MATUNDURA		47,430.00	9 MONTHS	3,366.99	1,408.00	45,471.01
MILKA KERUBO KENYAGA		33,480.00	9 MONTHS	0.00	1,408.00	34,888.00
RONALD SHEM OSINGI		41,850.00	9 MONTHS	828.99	1,408.00	42,429.01
DUNCAN ORIKI OMERU		41,850.00	9 MONTHS	828.99	1,408.00	42,429.01
DAVIES OBWOGE		24,800.00	4 MONTHS	3,260.44	1,408.00	22,947.56
FRANCIS TOM ONGANGA		18,600.00	4 MONTHS	368.44	1,408.00	19,639.56
RICHARD MOMANYI OCHARO		14,880.00	4 MONTHS	0.00	1,408.00	16,288.00
SAMWEL OMBATI		14,880.00	4 MONTHS	0.00	1,408.00	16,288.00
PETER SANSORA		22,320.00	4 MONTHS	2,060.44	1,408.00	21,667.56
JAMES NYABARO MOISAGWA		14,880.00	4 MONTHS	0.00	1,408.00	16,288.00
ERNEST MOGENI		14,880.00	4 MONTHS	0.00	1,408.00	16,288.00
KARAMA NYAKOIRO ONDIGI		15,500.00	2 MONTHS	3,133.70	1,408.00	13,774.30
TOTAL		319,750.00		13,847.99	18,304.00	324,206.01

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18
		1,380,427
Compensation of employees		2,360,939.51
Use of goods & services		
Amounts due to other Government entities		24,369,827.57
Kirwanda Primary School	Construction of classroom	500,000
Mosando Primary School	Construction of classroom	500,000
Nyakung'u Primary School	Completion of admin block	2,000,000
Mugori Primary School	Construction of classroom	500,000
Ekerubo Primary School	Completion of admin block	500,000
Kebute Primary School	Completion of 2 classrooms	500,000
Botoro Primary School	Construction of classroom	500,000
Kiabusura Primary School	Construction of classroom	500,000
Bomariba Primary School	Construction of classroom	500,000
Riamagige Primary School	Completion of 3 classrooms	500,000
Nyamaya Primary School	Construction of classroom	500,000
Itibo Primary School	Construction of classroom	500,000
Bitare Primary School	Completion of 2 classrooms	750,000
Kerina Special School	Completion of 2 classrooms	800,000
Nyangiti Primary School	Completion of 4 classrooms	900,000
St. Teresa Bogiakumu Sec School	Completion of laboratory	700,000
Iruma Secondary School	Construction of classroom	700,000
Mwata Secondary School	Completion of tuition block	700,000
Botoro Secondary School	Construction of storey tuition block	1,060,000
St Anns Nyangoge Sec School	Completion of dormitory	1,050,000
Ekerubo High School	Construction of dormitory	1,000,000
Bonyaoro Girls Sec School	Construction of classroom	700,000
Nyabieyo Secondary School	Completion of laboratory	700,000
Riamontinga Secondary School	Completion of tuition block	700,000
Sugunana Secondary School	Construction of classroom	700,000
Itibo Secondary School	Construction of classroom	700,000
Bitare Secondary School	Completion of laboratory	700,000
Kiabusura Secondary School	Construction of classroom	973,834.86
Ekerore Secondary School	Completion of pit latrine	600,000
		3,495,992.71
Sub-Total		24,369,827.57
Amounts due to other grants and other transfers		28,433,969.62
Constituency Innovation Hubs	Installation of satellite & wi-fi	4,677,027.20
Security	Construction of chiefs' office	4,000,000
Sports	Constituency sports tournaments	1,736,206.90
Environmental projects	Constituency environment projects	1,736,206.90
Bursary(Secondary Schools)	Bursary for secondary schools	383,620.69
Bursary(Tertiary Institutions)	Bursary for colleges & universities	7,471,551.72
Emergency	Emergency projects	568,965.51
		7,860,390.70

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	Sub-Total	28,433,969.62
	Sub-Total	
Acquisition of assets		
Others (specify)		
	Sub-Total	
	Grand Total	56,191,263.7

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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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	20,000,000.00			20,000,000.00
Transport equipment	13,700,000.00			13,700,000.00
Office equipment, furniture and fittings	2,000,000.00			2,000,000.00
ICT Equipment, Software and Other ICT Assets	105,000.00			105,000.00
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	35,805,000.00	-	-	35,805,000.00

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

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
ISAMWERA MIXED SECONDARY SCHOOL NG-CDF	EQUITY	0510269230935	614,254.00	
MASAGOYE DEB PRIMARY SCHOOL-CDF	EQUITY	0510269059130	1,015,645.00	
ST. THOMAS AQUINAS NYAMARE D.O.K PRIMARY SCHOOL	EQUITY	0510277156666	335,970.00	
NYAMERAKO EKERUBO MIXED DAY SECONDARY SCHOOL-CDF	EQUITY	0510269983804	277,045.00	
BONYANCHAIRE ASSISTANT CHIEF'S OFFICE	EQUITY	0510277148939	750,605.20	
ST. LAWRENCE NYABIEYO PRIMARY SCHOOL	EQUITY	0510272586442	27,495.00	
ST. ANN'S NYANGOGGE GIRLS SECONDARY SCHOOL-CDF-ACCOUNT	EQUITY	0510272820267	4,665,450.00	
Total			7,686,464.20	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
CDF/2016/2017/(1)	Inaccuracies in financial statements	Some incorrect entries identified that have been since corrected	Fund Account Manager	Resolved	1 week
CDF/2016/2017/(3)	Bank Balances	The two bank balances disclosed during the year under review has since been closed and one operating account to the CDFC transactions existing	Fund Account Manager	Resolved	1 month
CDF/2016/2017(4)	Non filing of expenditure returns by PMC	The returns not availed during audit was due to the fact that most of the projects were on implementation hence there was information of compiling	Fund Account Manager	Resolved	1 month