

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 17 SEP 2019

DAY:  
TUESDAY

BY

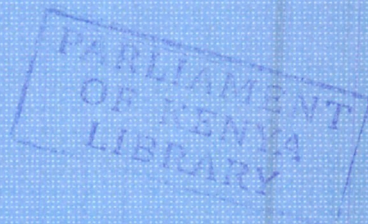
MAJORITY LEADER

SIGNATURE

A handwritten signature in blue ink, appearing to be 'J.M.P.' inside a circle.

REPORT

OF



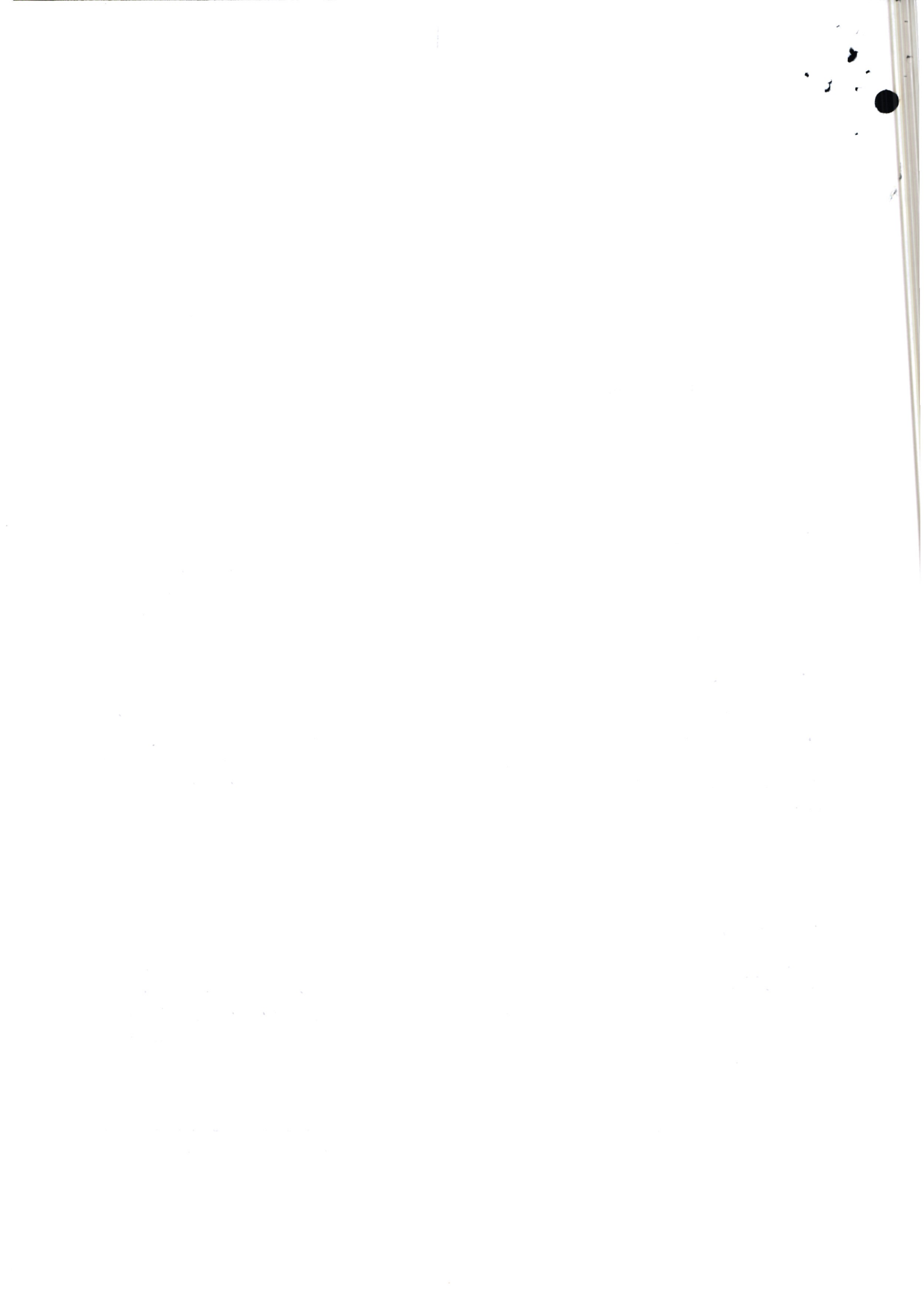
THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND  
GALOLE CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE 2018









---

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND  
GALOLE 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)**



Handwritten marks and symbols in the top right corner, including a circled 'C' and several small dots.



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

*Reports and Financial Statements*

*For the year ended June 30, 2018*

---

**TABLE OF CONTENT**

	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....	ii
II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE.....	vi
III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES.....	viii
IV. STATEMENT OF RECEIPTS AND PAYMENTS .....	1
V. STATEMENT OF ASSETS .....	2
VI. STATEMENT OF CASHFLOW .....	3
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED .....	4
VIII. SIGNIFICANT ACCOUNTING POLICIES .....	5
IX. NOTES TO THE FINANCIAL STATEMENTS .....	11





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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

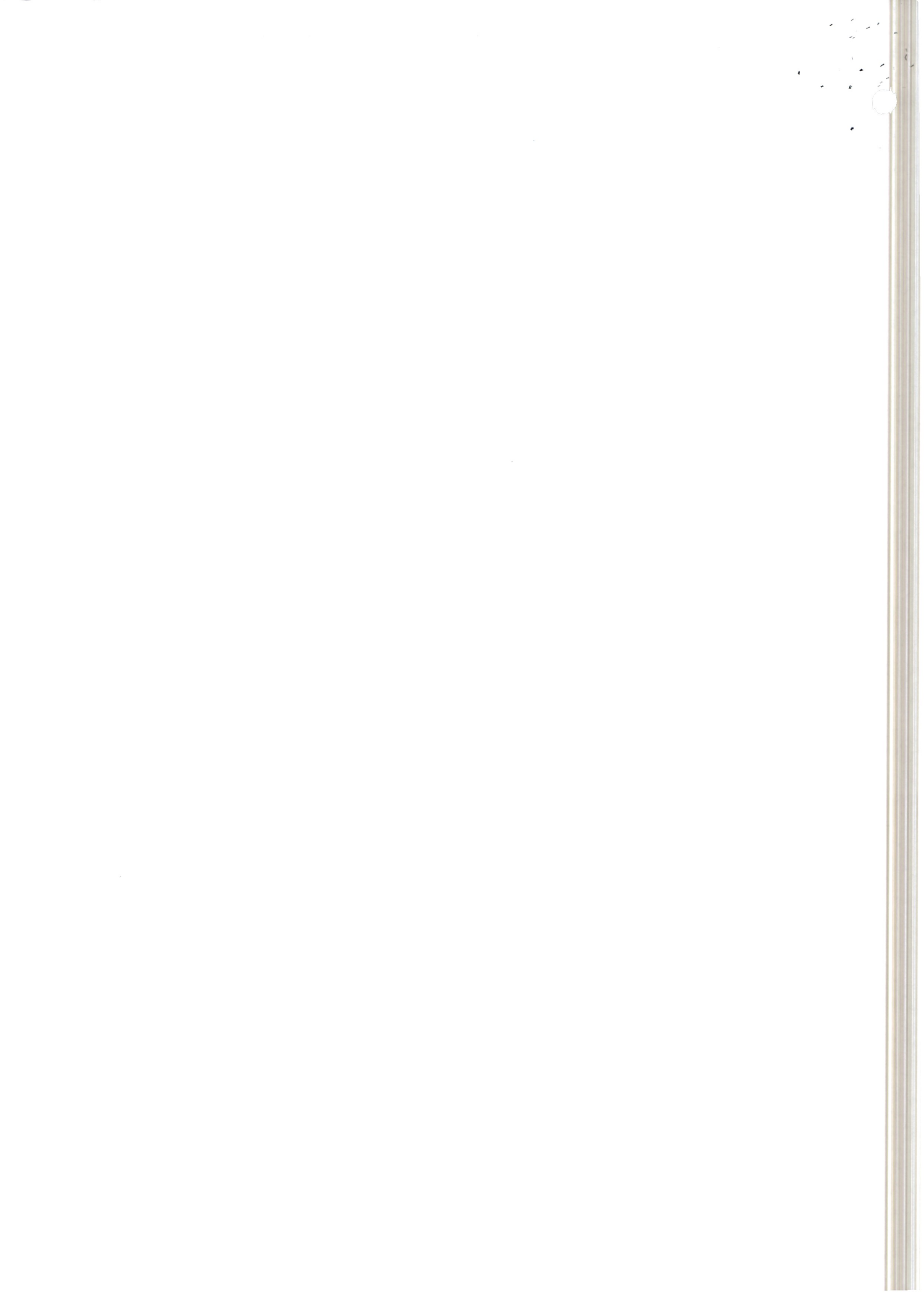
### **Mission**

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

### **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 GALOLE 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:

<b>No.</b>	<b>Designation</b>	<b>Name</b>
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Hussein Abdullahi
3.	Sub-County Accountant	SospeterThukuKiboko
4.	Chairman NGCDFC	Nathan Oddo
5.	Member NGCDFC	MaryanMohamud

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 129-70105,  
Galole Town,  
Hola,  
Off CDF Junction Road.  
Kenya.



Handwritten marks and a small circle in the top right corner.

**(f) CDF GALOLE Constituency Contacts**

Telephone: (254) 720020647  
E-mail: habdullahi@ngcdf.go.ke  
Website: www.ngcdf.go.ke

**(g) NGCDF GALOLE Constituency Bankers**

Kenya Commercial Bank (specify the constituency account banker details)  
Account no: 1108807879  
Hola Branch

**(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

Handwritten marks and a small circle in the top right corner.

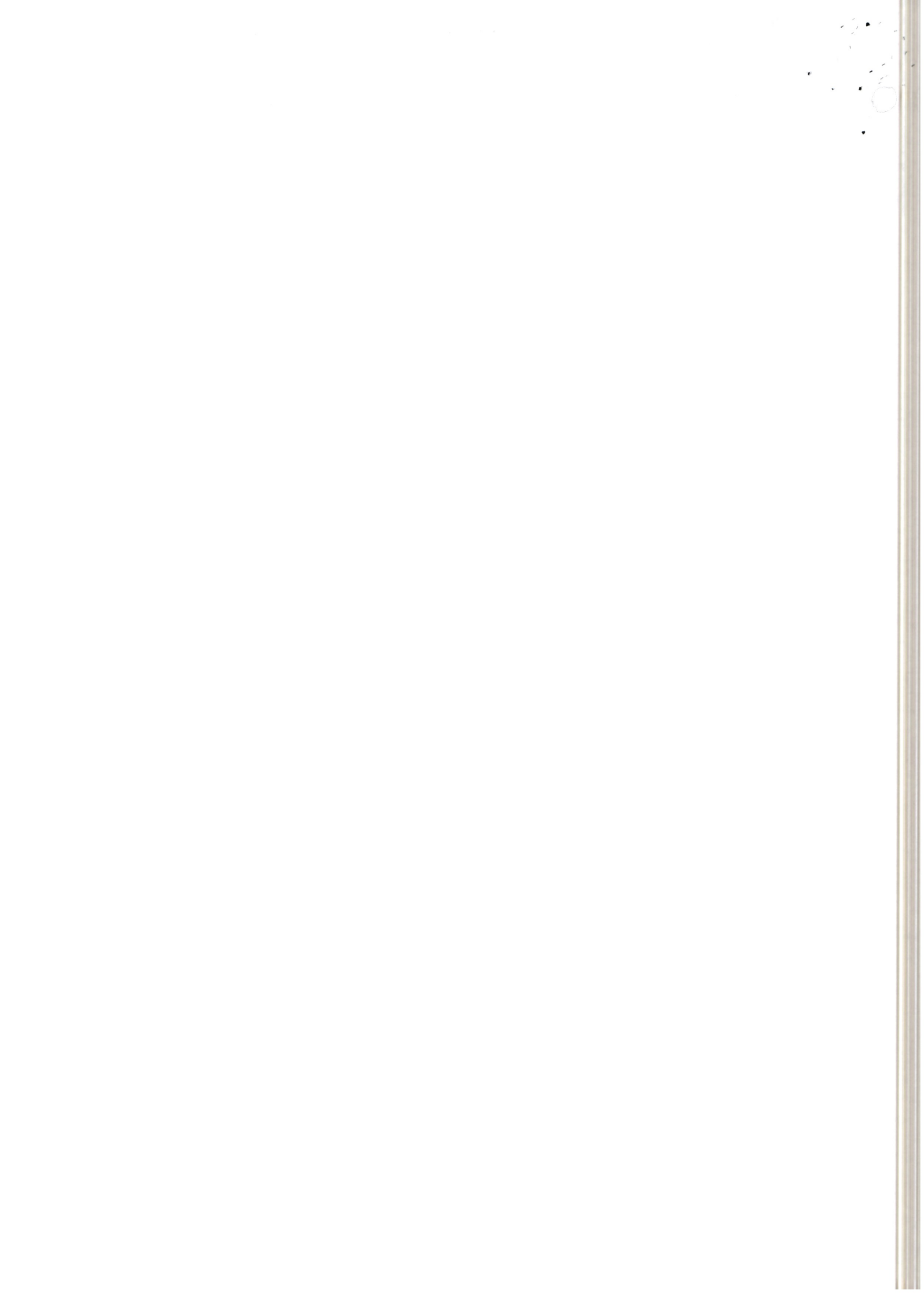


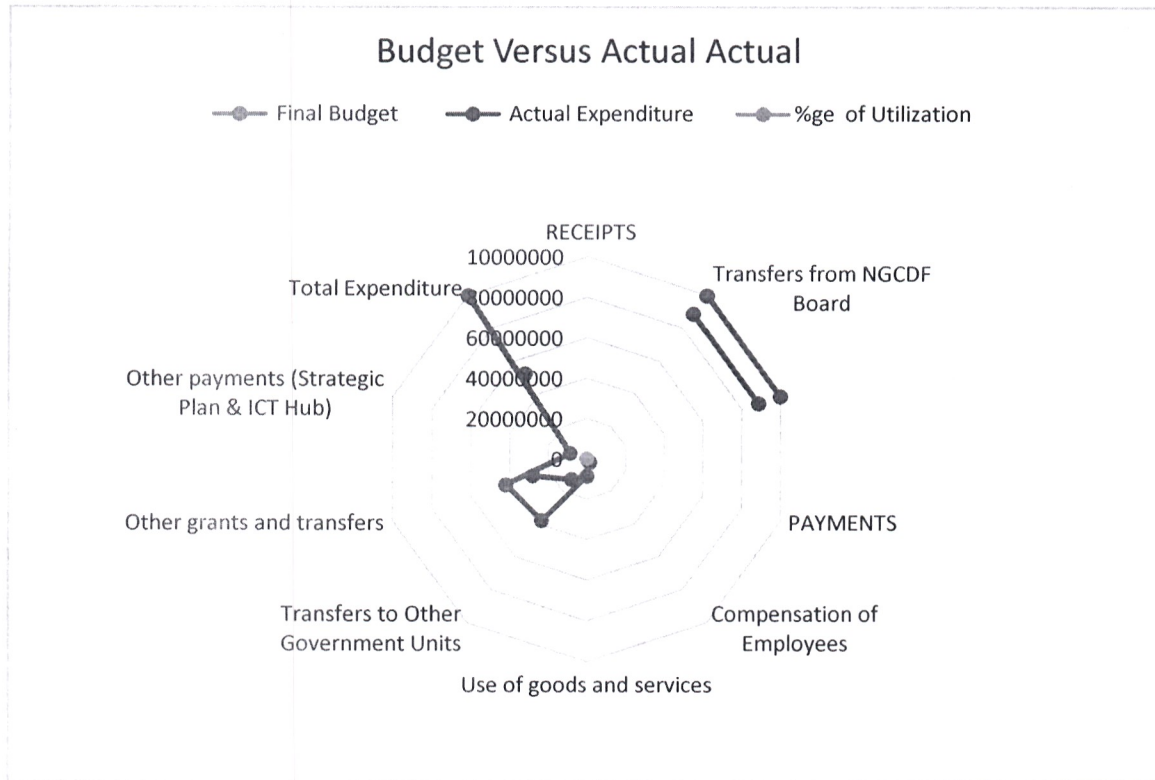
**II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE**

The budget performance against the actual amount was impressive with 87% absorption rate for the financial year 2017/2018. This can be seen on page 4 (summary statement of appropriation) of the financial statement. An amount receipt was Kshs. 86,436,079 out of Kshs.98,189,655 which was budget for the financial year 2017/2018.

During the financial year under review the constituency was able to issue bursary to deserving and needy student within the constituency with 100% distribution of the amount received as at 30/6/2018. More Ten projects were implemented and were complete and in use; several security projects. Constituents are well informed on the NGCDF function and coming forward with their proposal to improve the general wellbeing of residents. Peace and security are the major concern due scarce resource within the pastoral communities along the constituency boundary as a result of climatic changes.

To rip the maximum benefits to the residents NG CDF funds should be disbursed within the financial year to ensure smooth transformation of the area covered. Programs and projects should be designed to mitigate the effect of climate change both in the short time and long term. More public education should be carried out to encourage pastoralists to take their children to school to improve literacy levels.

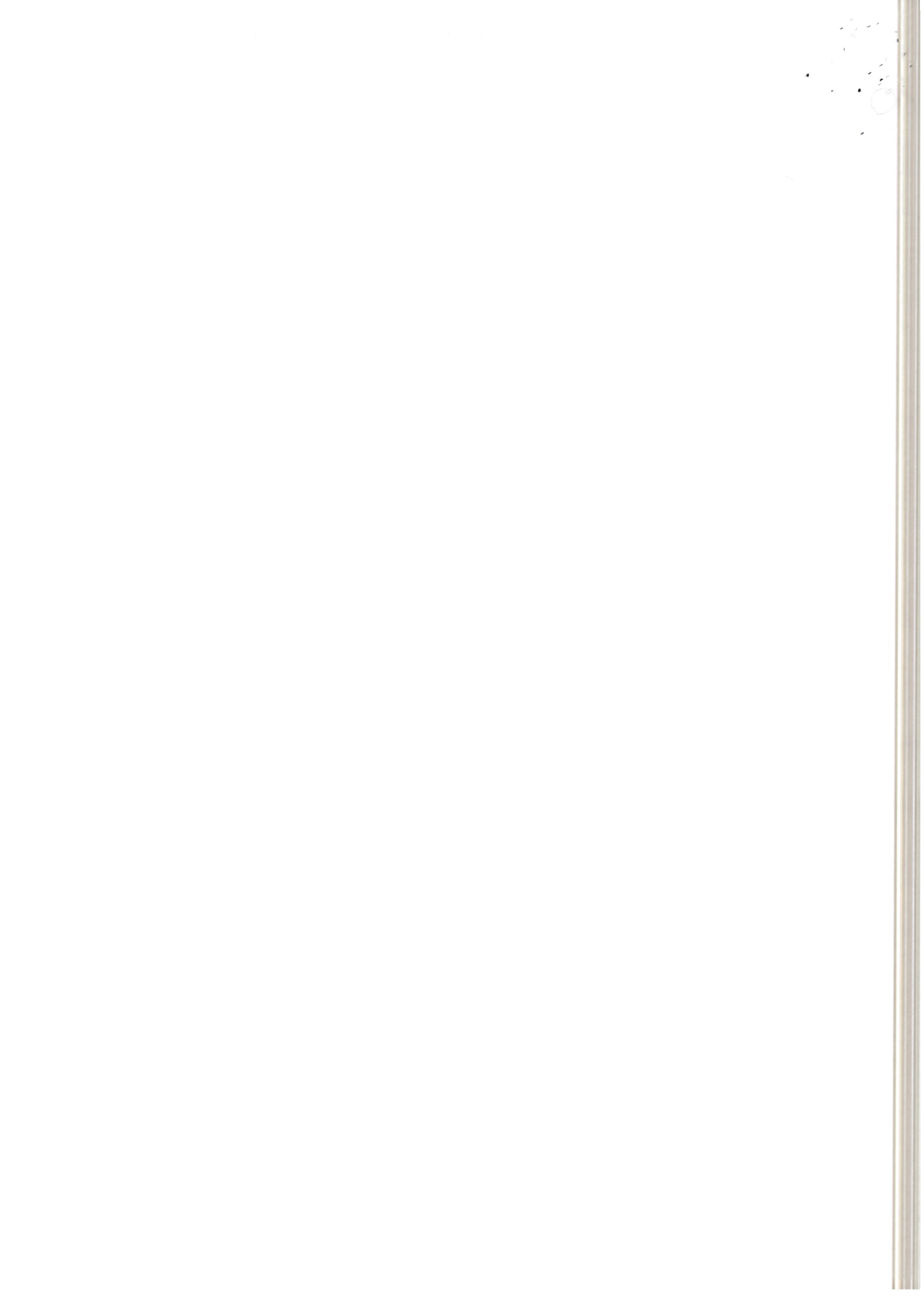




Sign

**CHAIRMAN NGCDF COMMITTEE  
 NATHAN ODDO**





### **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-GALOLE 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-GALOLE 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 NGCDF-GALOLE 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-GALOLE Constituency further confirms the completeness of the accounting records maintained for the NGCDF-GALOLE, 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.





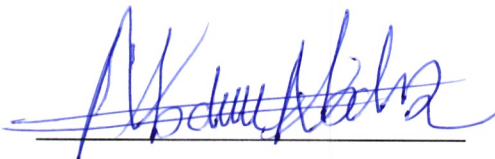
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
GALOLE CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

---

The Accounting Officer in charge of the NGCDF-GALOLE 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-GALOLE Constituency financial statements were approved and signed by the Accounting Officer on 3-4 2019.



**Fund Account Manager**

**Name:** HUSSEIN ABDULLAHI



**Sub-County Accountant**

**Name:**

Sospeter T. Kiboko

**ICPAK Member Number:**

20424





# REPUBLIC OF KENYA

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



P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – GALOLE 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 - Galole Constituency set out on pages 1 to 19, which comprise the statement of financial assets and liabilities as at 30 June 2018 and the statement of receipts and payments, statement of cash flows and statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Galole Constituency as at 30 June 2018 and its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

#### Basis for Qualified Opinion

##### 1. Use of Goods and Services

##### 1.1 Irregular Expenditure

Included in use of goods and services of Kshs.8,884,178 during the year under review is Kshs.6,435,980 and Kshs.524,100 on committee expenses and domestic travel and subsistence allowances respectively as reflected under note 3. However, audit review of the expenditure and other supporting documents revealed that an amount of Kshs.2,206,560 had the following anomalies: -

---

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



- i). Some of the expenditure for field allowances were not supported with monitoring and evaluation reports as evidence of field work carried out.
- ii). Some payments were supported with monitoring and evaluation reports for projects not implemented during the year under review.
- iii). There were unsupported and exaggerated travel and subsistence claims.
- iv). There were committee expenses paid from allocations for other projects

## **1.2 Un-accounted for Fuel Expenditure**

Included in the use of goods and services of Kshs.8,884,178 is an expenditure on supply of fuel of Kshs1,000,000. However, a review of the supporting documents such as detail orders and copies of work tickets indicated that five hundred and fifteen (515) litres of diesel ordered were supplied to private vehicles. It was further noted that all the detail orders supporting the fuel drawn were issued during the 2016/2017 financial year yet there were no pending bills disclosed at beginning of the financial year under review.

Consequently, the probity of the expenditure for Kshs.3,206,560 for the year ended 30 June 2018 could not be confirmed.

## **2. Other Grants and Other Payments**

The other grants and transfers of Kshs.28,043,260 as reflected under note 5 includes bursary to secondary schools of Kshs.24,307,260 which in turn includes Kshs.12,285,000 which however did not have acknowledgement letters from the beneficiary institutions for the benefit of the needy student.

In the circumstances, the probity of the expenditure of Kshs.12,285,000 as at 30 June 2018 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Galole 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 section, I have determined that there are no other key audit matters to communicate in my report.



## Other Matter

### 1. Budget and Budgetary Control

The expenditure records and the approved code list for the year under review reflects the analysis below:-

Item	Approved Budget Kshs.	AIEs Received and Opening Bank Balance Kshs.	Actual Expenditure Kshs.	Under-expenditure Kshs.	Over-expenditure Kshs.
Compensation of employees	2,198,400	2,198,400	2,192,586	5,814	
Use of goods and services	8,710,764	7,686,636	8,884,178		1,197,542
Transfer to other government units	37,357,328	32,200,000	12,835,898	19,364,102	
Other grants and transfers	41,943,965	36,746,120	28,043,260	8,702,860	
Other: (Strategic plan & ICT Hub)	8,677,027	8,677,027	0	8,677,027	
<b>Total</b>	<b>98,887,484</b>	<b>87,508,183</b>	<b>51,955,922</b>	<b>35,552,261</b>	<b>1,197,542</b>

As indicated above, the Fund had an under-expenditure of Kshs.35,552,261 on four major components of the approved budget this is attributed to late disbursement of funds by the National Government Constituencies Development Fund Board. Further, the Fund incurred over-expenditure on use of goods and services amounting to Kshs.1,197,542 without the approval of the Board as required.

It was further noted that out of the approved budget on use of goods and services of Kshs.8,710,764 the approved committee expenses was Kshs.2,526,759 while the actual expenditure was Kshs.6,435,980 resulting to an over-expenditure of Kshs.3,909,221 thus diverting funds meant for other office administrative expenses to committee expenses.

Consequently, the Fund is in breach of the law by spending without approval of the Board.

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

### Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, based on the audit procedures performed, 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. Acquisition of Assets**

#### **1.1 Failure to Put into Proper Use of the Constituency Vehicle and Other Machinery**

Physical verification of assets owned by the Fund revealed that three tractors registration Nos. GK A616V, GK A617V, GK A618V and a vehicle GK A608T all acquired at an estimated cost of Kshs.16,000,000 were parked at the Fund's office compound and were not in good working condition. There was also no indication that they were being put in use to deliver the intended services. However, no evidence was provided in support of any measures taken to either repair them or dispose them to avoid further deterioration in their value.

Consequently, the Fund is in breach of Section 72 (1) (b) of the Public Finance Management Act, 2012 which provides that the accounting officer for a national government entity shall manage assets of the entity in a way which ensures that the national government entity achieves value for money in acquiring, using and disposing of those assets.

#### **1.2 Failure to Maintain Assets Register**

Annex 2 a summary of fixed assets register attached to the financial statements disclosed the value of the fixed assets as Kshs.28,340,000. However, the Fund did not maintain a permanent fixed assets register to record the assets maintained contrary to Section 136 (i) of the Public Finance Management (National Government) Regulation, 2015. Further, it was noted that no valuation was done for the assets. In addition, physical verification of the assets held by Fund revealed that seven office chairs acquired at a cost of Kshs.66,000 were not availed for audit verification and could not be accounted for.

In the absence of the fixed assets register, it was not possible to ascertain the validity completeness and accuracy of the fixed assets balance of Kshs.28,340,000 as at 30 June 2018.

### **2. Compensation of Employees**

The statement of receipts and payments reflects expenditure on compensation of employees of Kshs.2,192,586. A review of the monthly employee payment schedules revealed that the employees' gross salary did not include all the applicable allowances as per guidelines provided in National Government Constituencies Development Fund Board Circular Ref. BOARD/CIRCULARS/VOL.I. I/166 of 24 June 2013. As a result, the employees were underpaid by Kshs.739,286.

Further, according to the Board circular, a driver is entitled to a basic salary of Kshs.16,692 at entry level and other applicable allowances. However, a review of the personnel files revealed a case of a driver who was paid Kshs.27,000 as basic salary vide appointment letter Ref:CDF/GLE/DOC/ (01) 2018 and hence overpaid by Kshs.10,308.



In addition, three employees were paid a monthly gross salary of Kshs.7,500 which is below the minimum wage level of Kshs.11,926 applicable to their category of engagement. Three other employees engaged in 2013 whose three-year contracts expired in 2016 were not paid their gratuity as required.

In view of the above the Fund did not comply with the NGCDF Board Circular Ref. BOARD/CIRCULARS/VOL.I. I/166 and the Regulation of Wages (General) (Amendment) Order, 2017.

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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### 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 effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the 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 Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.



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

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

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the 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 continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund 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**

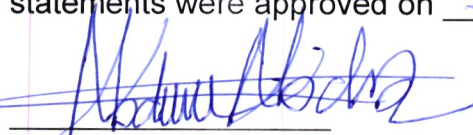
**08 August 2019**


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

**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

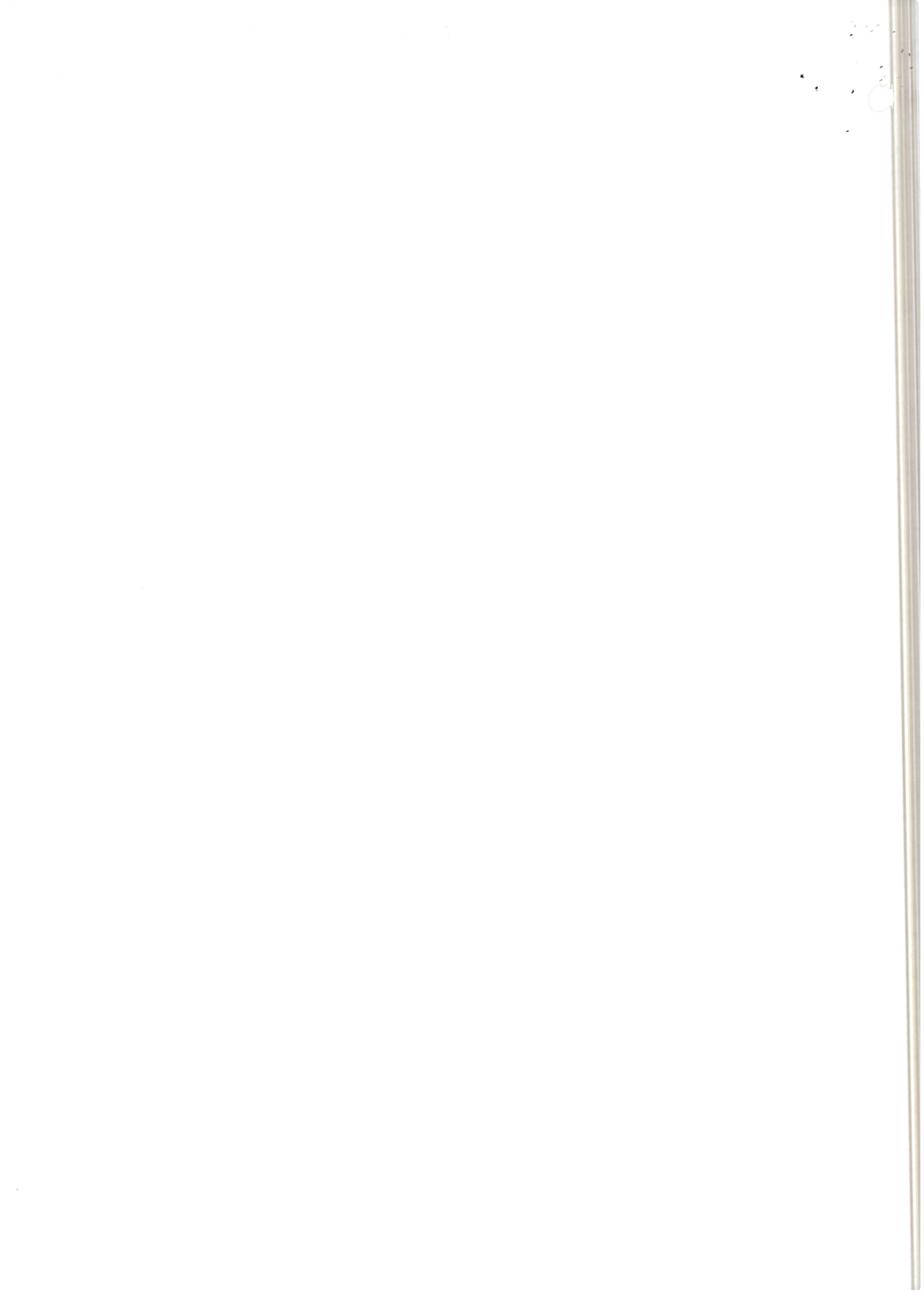
	Note	2017 - 2018 Kshs	2016 - 2017 Kshs
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	1	86,436,079	81,396,552
<b>TOTAL RECEIPTS</b>		<b>86,436,079</b>	<b>81,396,552</b>
<b>PAYMENTS</b>			
Compensation of employees	2	2,192,586	1,837,300
Use of goods and services	3	8,884,178	13,705,721
Transfers to Other Government Units	4	12,835,898	66,784,656
Other grants and transfers	5	28,043,260	36,977,755
Acquisition of Assets	6		3,500,000
<b>TOTAL PAYMENTS</b>		<b>51,955,922</b>	<b>122,805,432</b>
<b>SURPLUS/(DEFICIT)</b>		<b>34,480,157</b>	<b>(41,408,880)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-GALOLE Constituency financial statements were approved on 3-4- 2019 and signed by:

  
**Fund Account Manager**  
 Name: HUSSEIN ABDULLAH

  
**Sub-County Accountant**  
 Name: Sulejha T. Kiboko  
 ICPAK Member Number: 20424





NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

GALOLE CONSTITUENCY

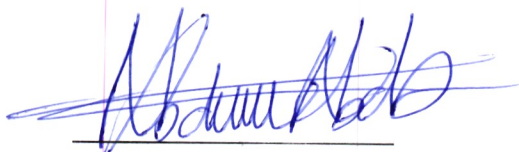
Reports and Financial Statements

For the year ended June 30, 2018

V. STATEMENT OF ASSETS

	Note	2017 - 2018 Kshs	2016 - 2017 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	7A	37,469,905	2,072,105
<b>TOTAL FINANCIAL ASSETS</b>		<u>37,469,905</u>	<u>2,072,105</u>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable	8	917,643	
<b>REPRESENTED BY</b>			
Fund balance b/fwd. 1st July	9	2,072,105	43,480,985
Surplus/Deficit for the year		<u>34,480,157</u>	<u>(41,408,880)</u>
<b>NET FINANCIAL POSITION</b>		<u>37,469,905</u>	<u>2,072,105</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-GALOLE Constituency financial statements were approved on 3-4- 2019 and signed by:



Fund Account Manager

Name: HUSSEIN ABDULLAHI

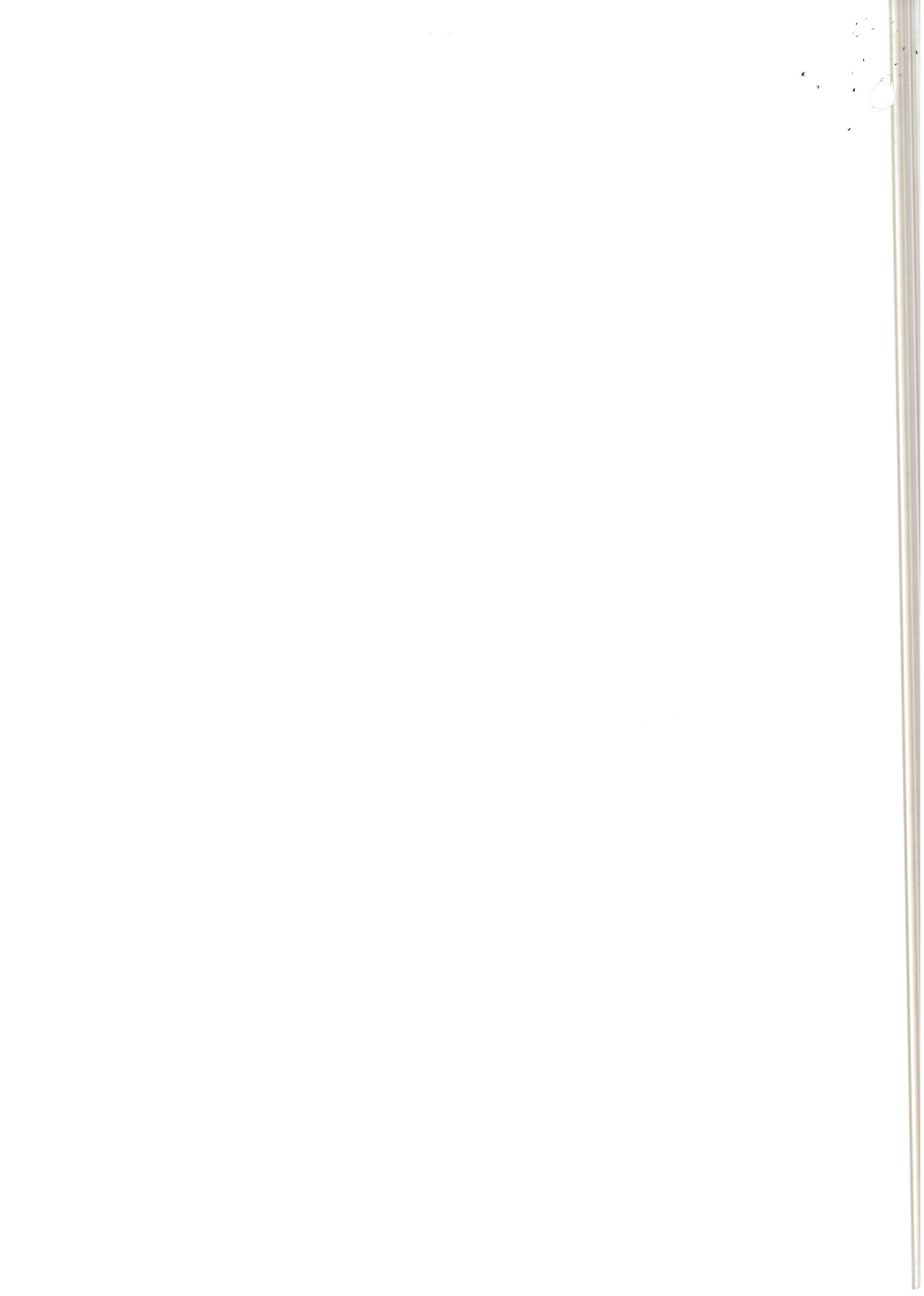


Sub-County Accountant

Name: Gaspeter T. Kiboko

ICPAK Member Number:

20424



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

**GALOLE CONSTITUENCY**

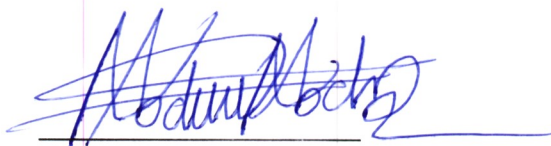
Reports and Financial Statements

For the year ended June 30, 2018

**VI. STATEMENT OF CASHFLOW**

	<b>2017 -2018</b>	<b>2016- 2017</b>
Receipts for operating income		
Transfers from CDF Board	<b>1</b> 86,436,079	81,396,552
	<b>86,436,079</b>	<b>81,396,552</b>
Payments for operating expenses		
Compensation of Employees	<b>2</b> 2,192,586	1,837,300
Use of goods and services	<b>3</b> 8,884,178	13,705,721
Transfers to Other Government Units	<b>4</b> 12,835,898	66,784,656
Other grants and transfers	<b>5</b> 28,043,260	36,977,755
	<b>51,955,922</b>	<b>119,305,432</b>
Adjusted for:		
Adjustments during the year	<b>8</b> 917,643	
Net cash flow from operating activities	<b>35,397,800</b>	<b>-37,908,880</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of Assets	<b>6</b> -	3,500,000
Net cash flows from Investing Activities	<b>-</b>	<b>3,500,000</b>
Net Increase in Cash and Cash Equivalent	35,397,800	-41,408,880
Cash and Cash Equivalent at Beginning of the Year	<b>9</b> 2,072,105	43,480,985
Cash and cash equivalent at END of the year	<b>37,469,905</b>	<b>2,072,105</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-GALOLE Constituency financial statements were approved on 3-4- 2019 and signed by:

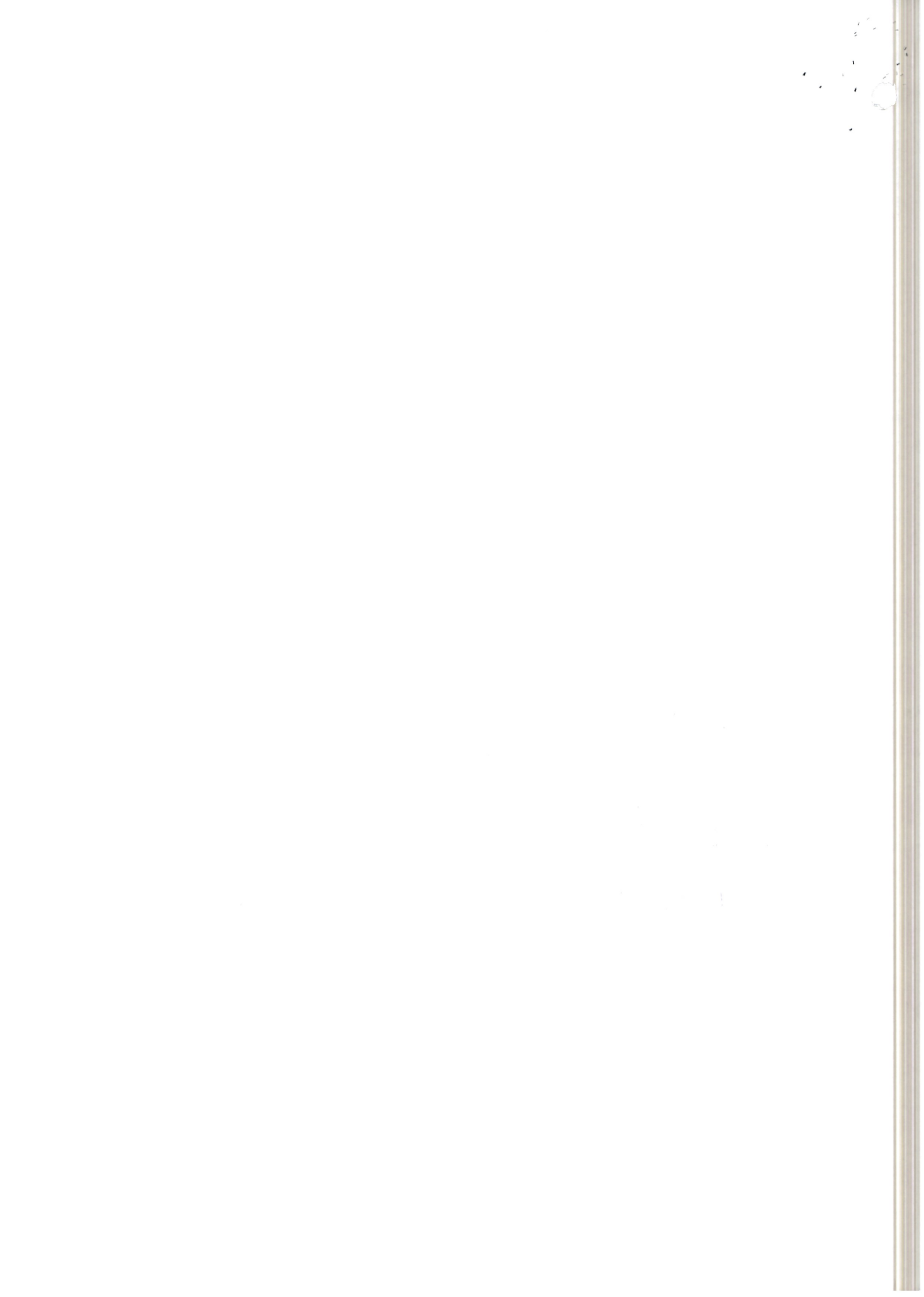


**Fund Account Manager**  
Name: HUSSAIN ABDULLAH Name:



**Sub-County Accountant**  
Suspeten T. Kiboko  
**ICPAK Member Number:**  
20424






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


**VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

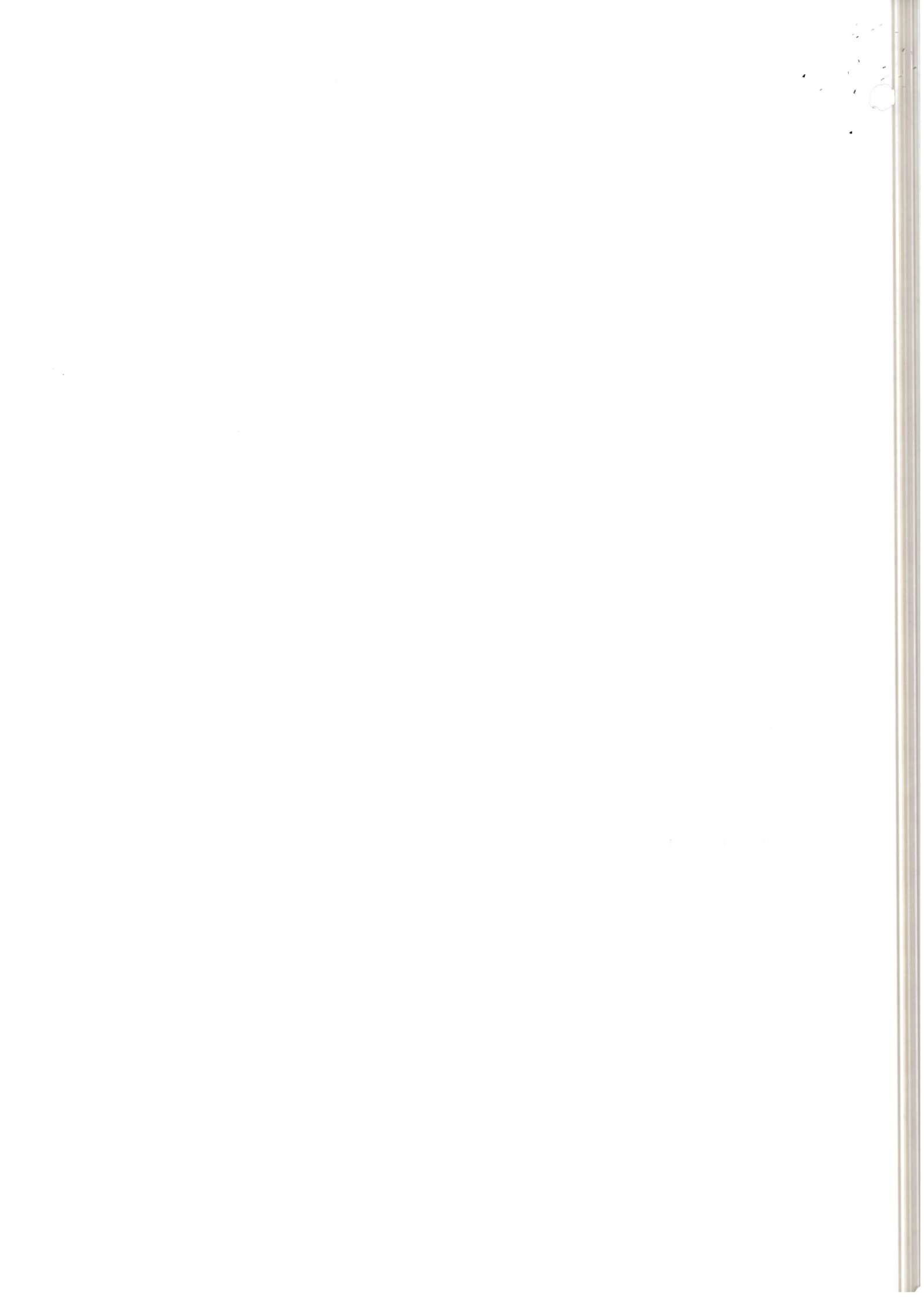
Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
<b>RECEIPTS</b>						
Transfers from NGCDF Board	85,436,078	14,369,060	99,805,138	88,508,184	11,296,954	89%
	<b>85,436,078</b>	<b>14,369,060</b>	<b>99,805,138</b>	<b>88,508,184</b>	<b>11,296,954</b>	<b>89%</b>
<b>PAYMENTS</b>						
Compensation of Employees	2,160,000	255,037	2,415,037	2,192,586	222,451	91%
Use of goods and services	5,652,931	3,096,243	8,749,174	8,884,178	-135,004	102%
Transfers to Other Government Units	32,200,000	5,769,935	37,969,935	12,835,898	25,134,037	34%
Other grants and transfers	36,746,121	5,247,845	41,993,966	28,043,260	13,950,706	67%
Other payments (Strategic Plan & ICT Hub)	8,677,027		8,677,027		8,677,027	0%
<b>TOTALS</b>	<b>85,436,078</b>	<b>14,369,060</b>	<b>99,805,139</b>	<b>51,955,922</b>	<b>47,849,217</b>	<b>52%</b>

Adjustment is made up of the opening balance as at 30<sup>th</sup> June 2017 of Kshs 2,989,749.65 and Kshs. 11,379,310.35 which is extra AIE from the Board after changes in statutory ceiling as per circular ref. NG-CDFB/CIRCULAR Vol. II (02). Expenditure is below 90% since not all amount allocated to the constituency was received from NG-CDFB because it was an electioneering period and there was reran for Presidency thus generally delay the disbursement from treasury to the NG-CDFB.

The NGCDF-GALOLE Constituency financial statements were approved on 3-4- 2019 and signed by:

  
**Signature**  
**Fund Account Manager**  
**Name** HTYSEN ABDULLAH

  
**Signature**  
**Sub - County Accountant**  
**Name** Respectable F. Kiboko





## **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**

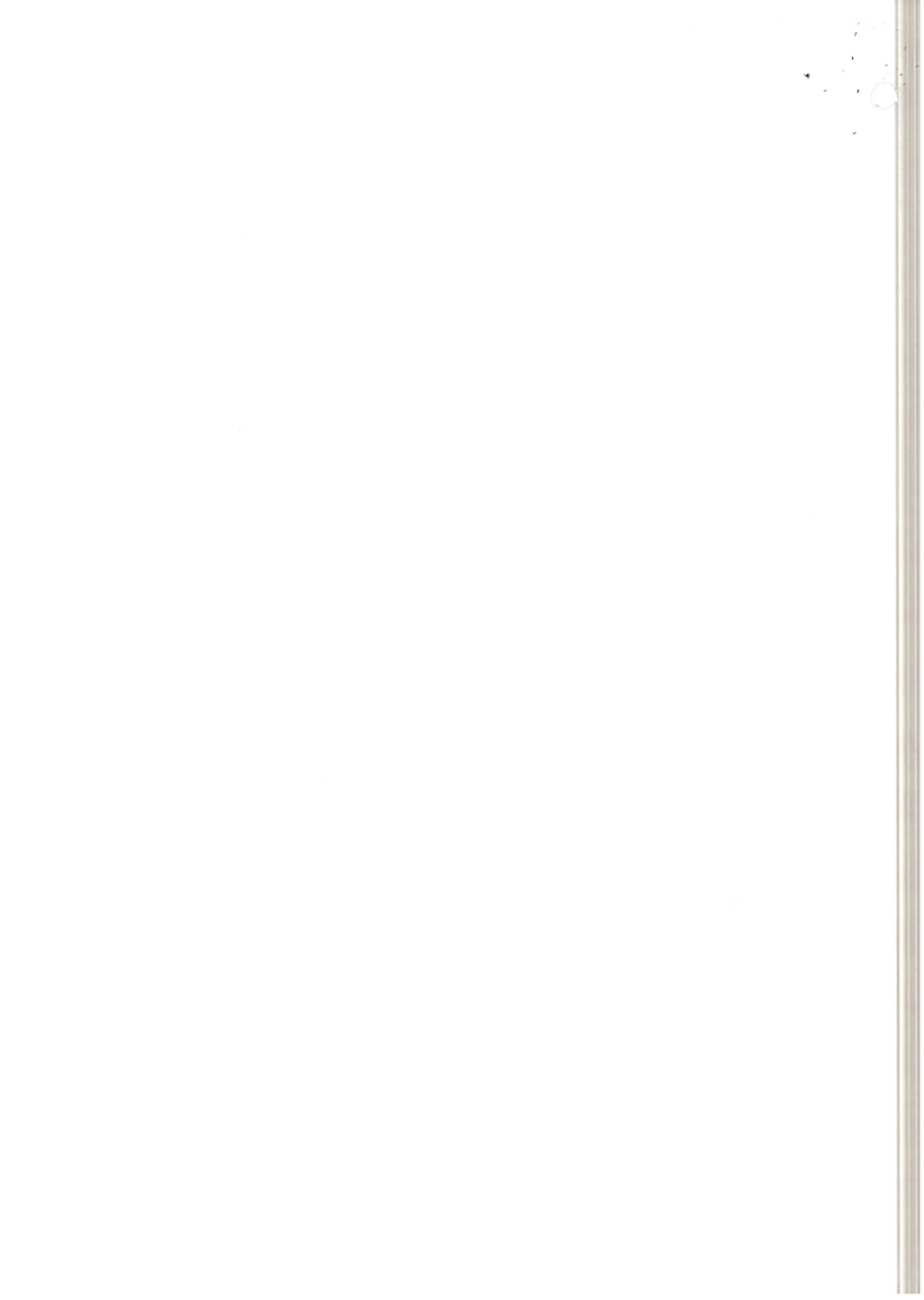
The financial statements are for the NGCDF-GALOLE Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

### **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.

**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.





**SIGNIFICANT ACCOUNTING POLICIES**

**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.





## **SIGNIFICANT ACCOUNTING POLICIES**

### **5. In-kind contributions**

In-kind contributions are donations that are made to the Entity in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Entity includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

### **6. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

### **7. Accounts Receivable**

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

### **8. Accounts Payable**

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



National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

#### **9. Pending Bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Entity at the end of the year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

#### **10. Unutilized Funds**

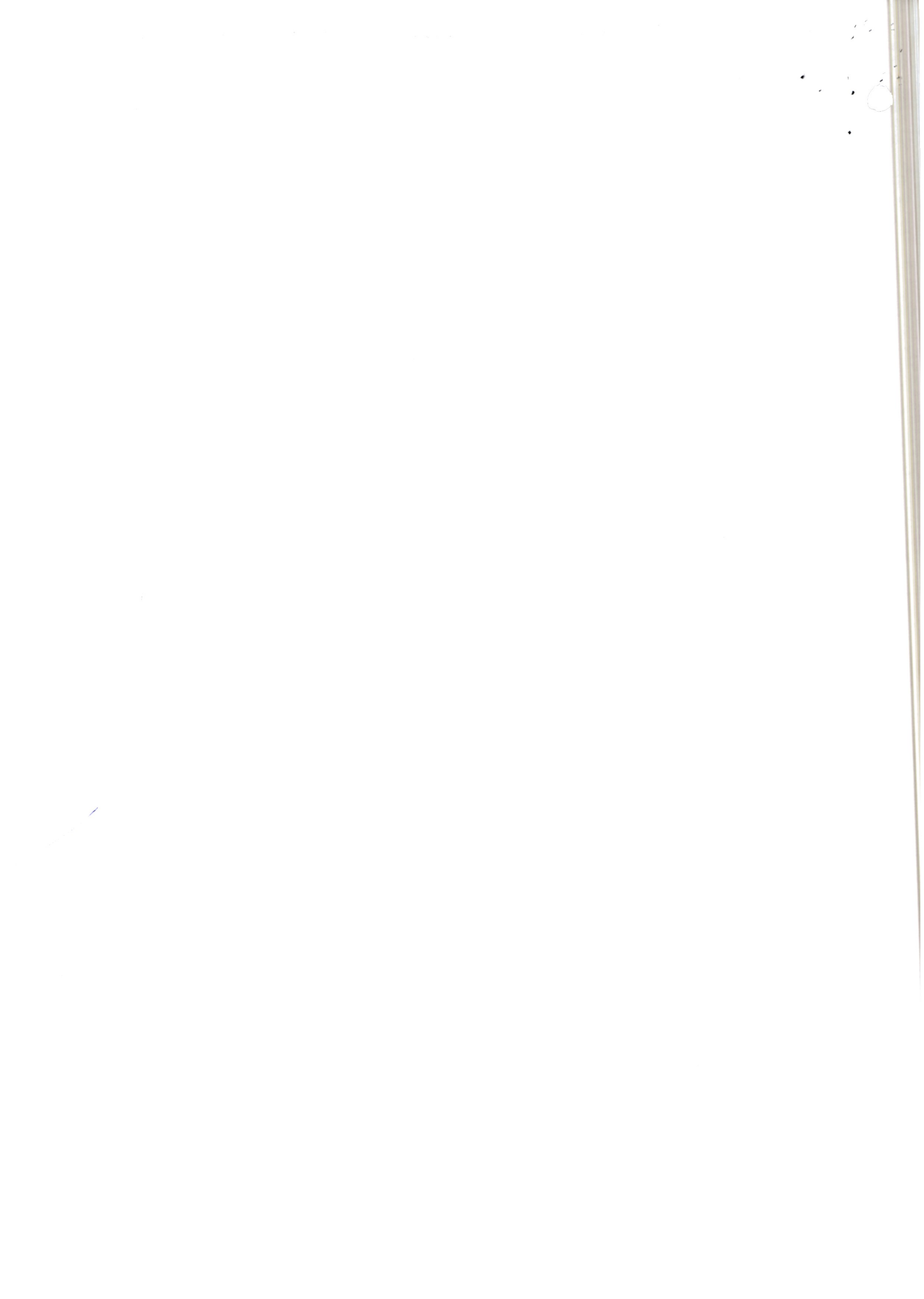
Unutilized funds consist of bank balances in the constituency account and previous year(s) balances not yet disbursed by the Board to the constituency at the beginning of the financial year. These balances are available for use in the year under review to fund projects approved in the respective prior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

#### **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.

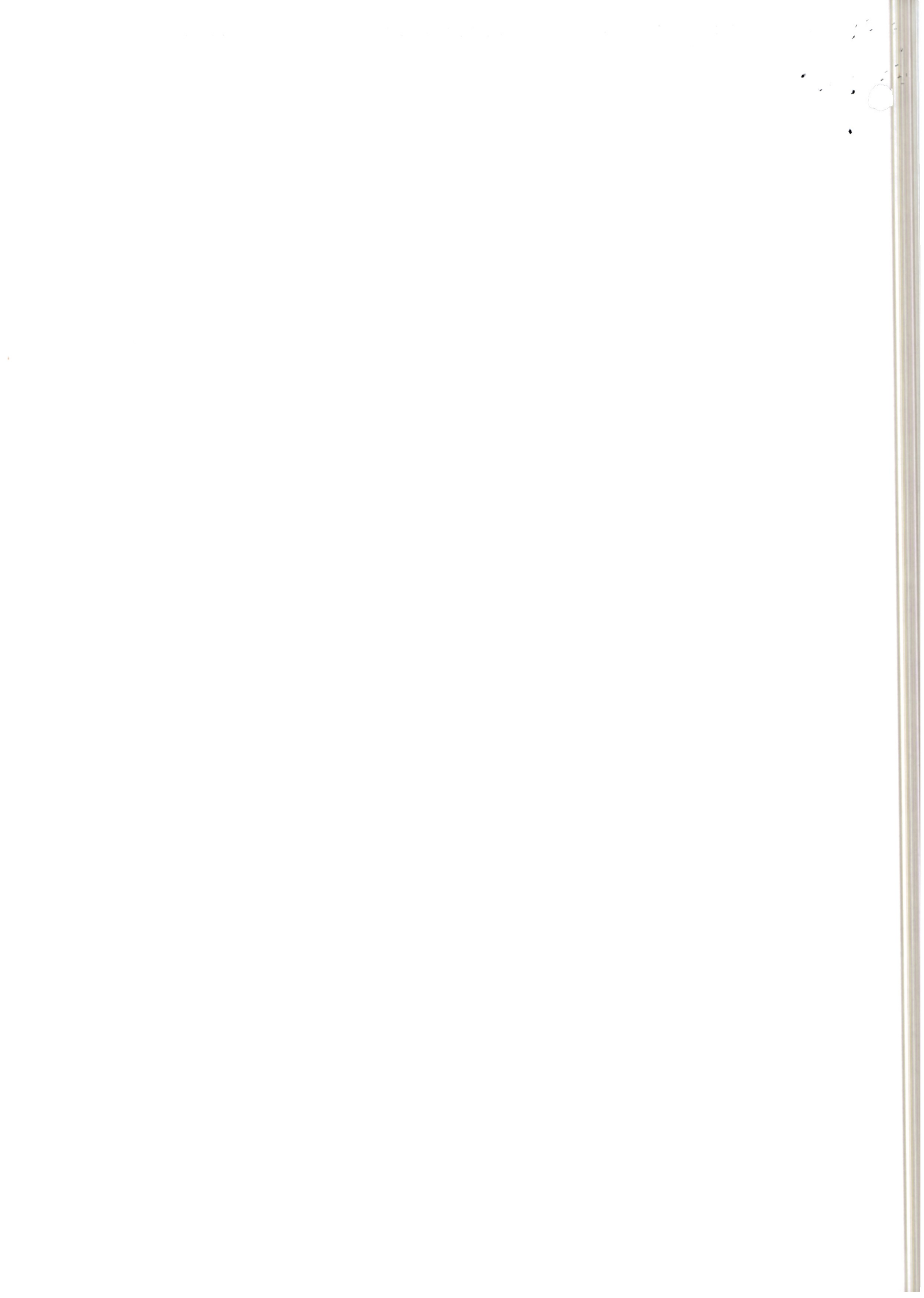
**14. Errors**

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 CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
GALOLE CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018**

---

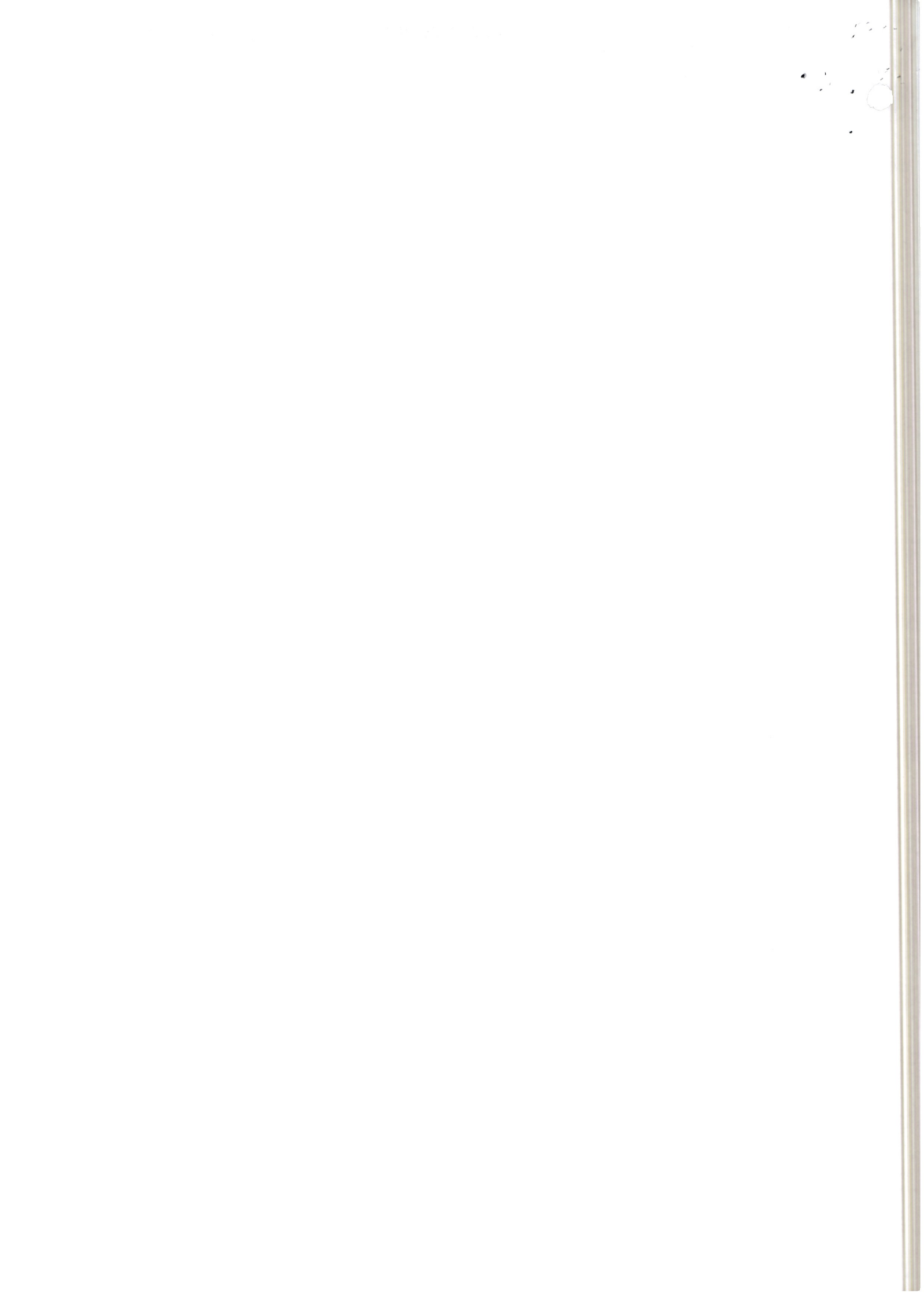
**IX. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

<b>Description</b>	<b>2017-2018 Kshs</b>	<b>2016-2017 Kshs</b>
NGCDF Board		
AIE No. A825558		39,948,275
AIE No. A825671		500,000
AIE NO. A855183		4,094,828
AIE NO.A855198		36,853,449
AIE NO.A855801	5,500,000	
AIE No. A825558	1,000,000	
AIE No. A825558	37,905,172	
AIE No. A896877	42,030,907	
<b>TOTAL</b>	<b>86,436,079</b>	<b>81,396,552</b>

**2. COMPENSATION OF EMPLOYEES**

	<b>2017-2018 Kshs</b>	<b>2016-2017 Kshs</b>
Basic wages of contractual employees	2,192,586	1,837,300
<b>Total</b>	<b>2,192,586</b>	<b>1,837,300</b>



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

**Reports and Financial Statements**

**For the year ended June 30, 2018**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**3. USE OF GOODS AND SERVICES**

	<b>2017 - 2018</b>	<b>2016 – 2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Committee Expenses	6,435,980	7,748,823
Utilities, supplies and services	10,960	336,400
Domestic travel and subsistence	524,100	
Fuel and Lubricants	1,000,000	
Printing, advertising and information supplies & services	195,000	
Office and general supplies and services	609,654	2,256,200
Other operating expenses		2,164,298
Routine maintenance – vehicles and other transport equipment	108,484	
Routine maintenance – other assets		1,200,000
<b>TOTAL</b>	<b>8,884,178</b>	<b>13,705,721</b>

**4. TRANSFER TO OTHER GOVERNMENT ENTITIES**

<b>Description</b>	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers to primary schools (see attached list)	5,043,446	61,405,276
Transfers to secondary schools (see attached list)	7,792,452	3,104,380
Transfers to tertiary institutions (see attached list)		2,275,000
<b>TOTAL</b>	<b>12,835,8980</b>	<b>66,784,656</b>

**5. OTHER GRANTS AND OTHER PAYMENTS**

	<b>2017-2018</b>	<b>2016- 2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Bursary – secondary schools (see attached list)	24,307,260	10,790,500
Bursary – tertiary institutions (see attached list)		10,285,514
Security projects (see attached list)	990,000	9,688,886
Sports projects (see attached list)	2,448,000	1,871,950
Emergency projects (see attached list)	298,000	4,340,905
<b>Total</b>	<b>28,043,260</b>	<b>36,977,755</b>





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

**Reports and Financial Statements**

**For the year ended June 30, 2018**

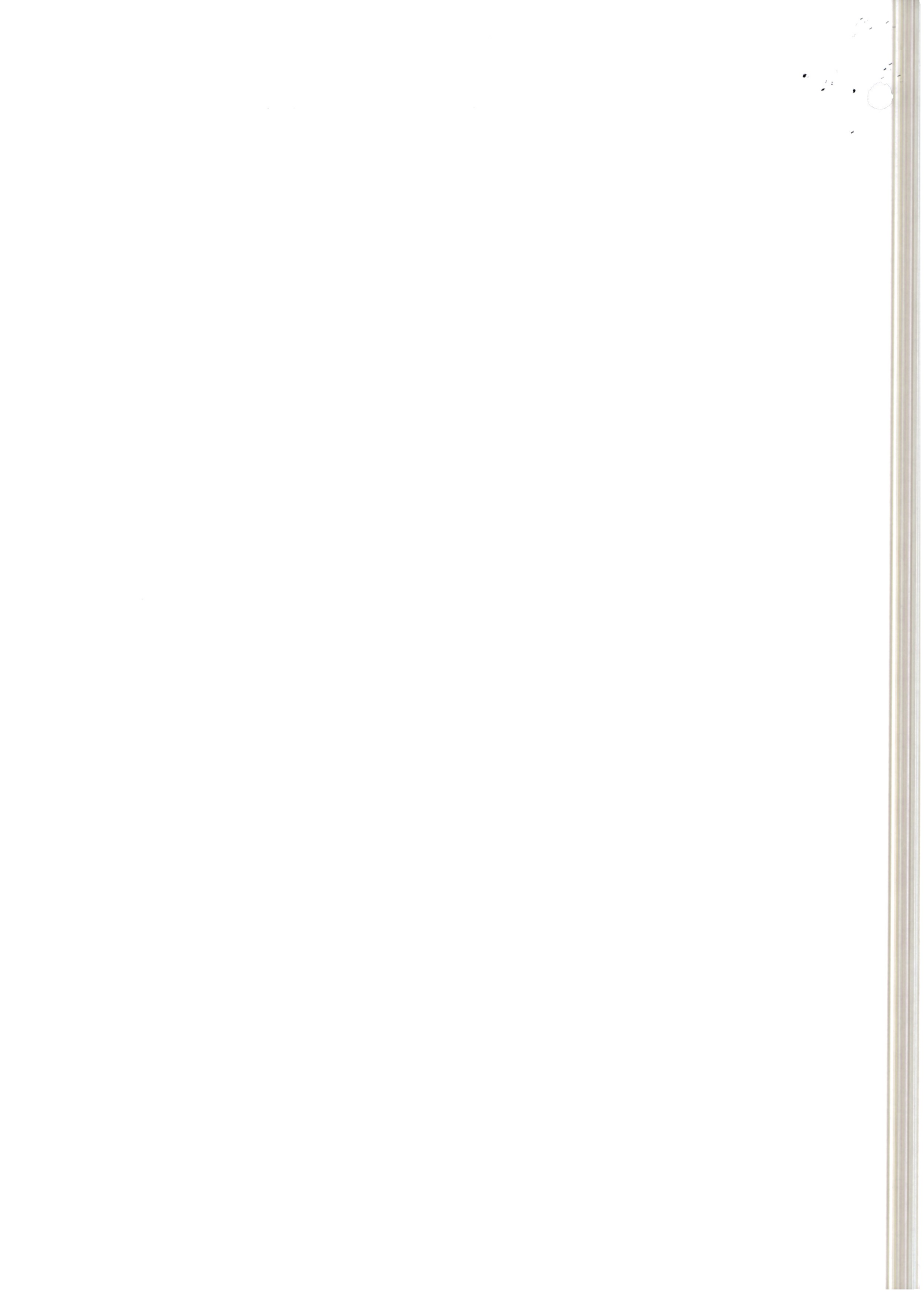
---

**6. ACQUISITION OF ASSETS**

<u>Non-Financial Assets</u>	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Refurbishment of Buildings		3,500,000
<b>Total</b>		<b>3,500,000</b>

**7 A: Bank Accounts (cash book bank balance)**

<b>Name of Bank, Account No. &amp; currency</b>	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Kenya Commercial BankHOLA Branch A/C 1108807879	37,469,905	2,072,105
<b>TOTAL</b>	<b>37,469,905</b>	<b>2,072,105</b>





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

**Reports and Financial Statements**

**For the year ended June 30, 2018**

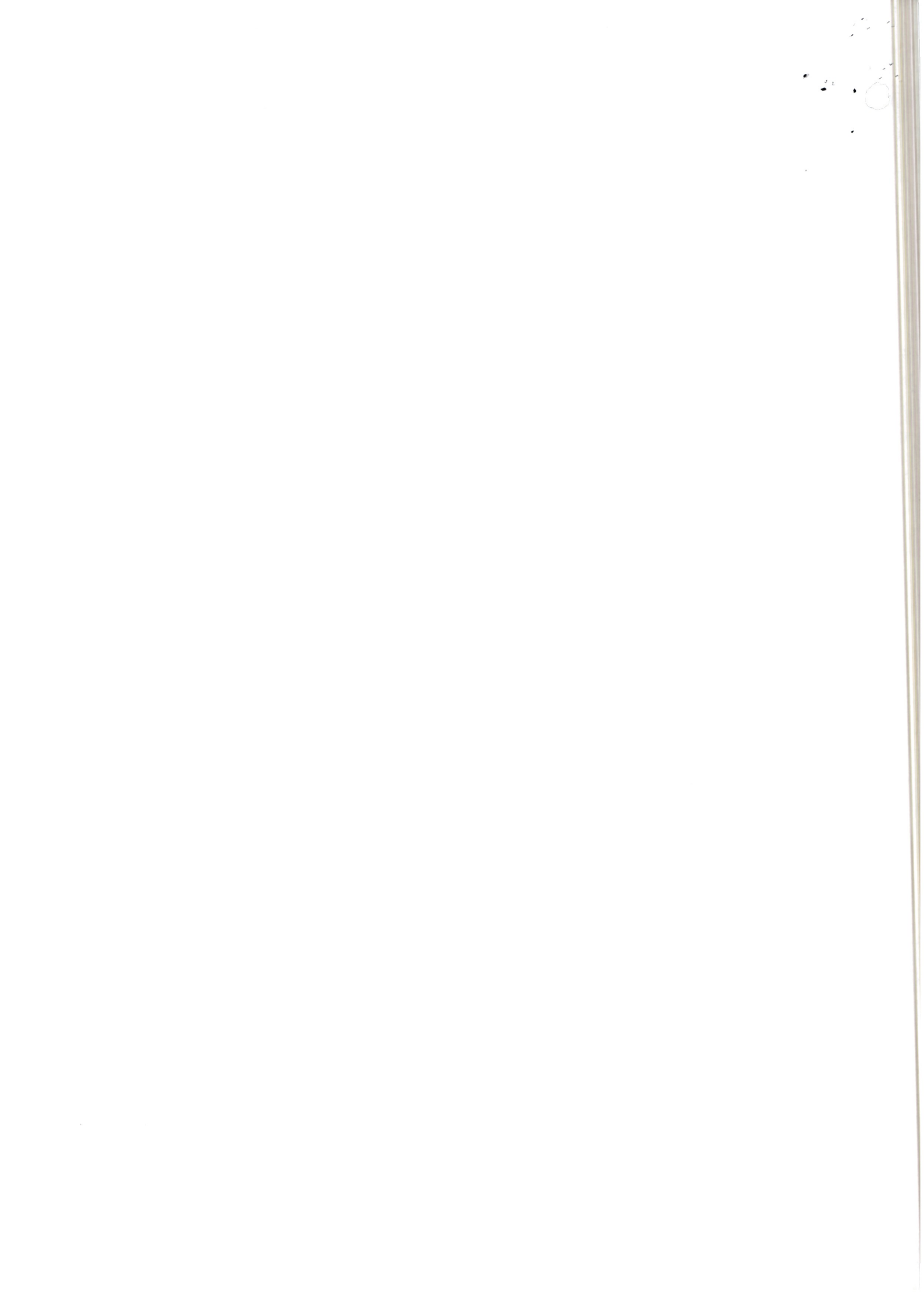
*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8 ACCOUNTS PAYABLE**

	<b>2017 - 2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Retention Siab Construction	50,000	
Commissioner of Income tax	215,447	
Commissioner of VAT	412,606	
Salary	39,590	
Walden Primary	200,000	
<b>Total</b>	<b>917,643</b>	

**9 BALANCES BROUGHT FORWARD**

	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	2,072,105	43,480,985
<b>Total</b>	<b>2,072,105</b>	<b>43,480,985</b>



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

**Reports and Financial Statements**

**For the year ended June 30, 2018**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**10.1: UNUTILIZED FUNDS (See Annex 1)**

	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees		
Use of goods and services		2,072,105
Amounts due to other Government entities (see attached list)	19,364,102	
Amounts due to other grants and other transfers (see attached list)	8,811,133	
Others –ICT HERB	4,377,027	
Strategic plan	4,000,000	
Commissioner of Income tax	215,447	
Commissioner of VAT	412,606	
Salary	39,590	
Walden Primary	200,000	
Retention Siab Construction	50,000	
	<b>37,469,905</b>	<b>2,072,105</b>

**10.2: PMC account balances (See Annex 2)**

	<b>2017- 2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account Balances (see attached list)	73,461.7	53,216
	<b>73,461.7</b>	<b>53,216</b>





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

**GALOLE CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

**ANNEX 1–UNUTILIZED FUNDS**

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2017/18</b>	<b>Outstanding Balance 2016/17</b>	<b>Comments</b>
Compensation of employees				
Use of goods & services			2,072,105	
Amounts due to other Government entities	19,364,102			
<b>Sub-Total</b>	<b>19,364,102</b>		<b>2,072,105</b>	
Amounts due to other grants and other transfers	8,811,133			
<b>Sub-Total</b>	<b>8,811,133</b>			
<b>Sub-Total</b>	<b>28,175,235</b>			
Acquisition of assets				
Others ( <i>specify</i> )				
Others –ICT HERB	4,377,027			
Strategic plan	4,000,000			
Commissioner of Income tax	215,447			
Commissioner of VAT	412,607			
Salary	39,590			
Walden Primary	200,000			
Retention Siab Construction	50,000			
<b>Sub-Total</b>	<b>9,294,671</b>			
<b>Grand Total</b>	<b>37,469,906</b>		<b>2,072,105</b>	



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

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

**ANNEX 2 – 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	8,000,000			8,000,000
Transport equipment	-			-
Office equipment, furniture and fittings	1,940,000			1,940,000
ICT Equipment, Software and Other ICT Assets	2,400,000			2,400,000
Other Machinery and Equipment	16,000,000			16,000,000
Heritage and cultural assets	-			-
Intangible assets	-			-
<b>Total</b>	<b>28,340,000</b>			<b>28,340,000</b>

Handwritten marks and scribbles in the top right corner.



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

**GALOLE CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018**

**ANNEX 3 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2018**

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2017/18</b>	<b>Bank Balance 2016/17</b>
Didaade Primary School PMC	K.C.B	1178842746	974.7	
Rafiki Primary School PMC	K.C.B	1130876691	6,514.00	
Bububu Primary School PMC	K.C.B	1104406322	433	
Haroresa Primary School PMC	K.C.B	1167136853	1,504.00	
Chanani Secondary School PMC	K.C.B	1227163924	32,541.00	
Chewani Sec. School PMC	K.C.B	1227171978	284	
Rafiki Secondary School PMC	K.C.B	1227167571	1,274.00	
Daku Secondary School PMC	K.C.B	1132488362	28,049.00	
AP Camp Galole Staff House PMC	K.C.B	1183479050	328	53,216
Galole Football Association PMC	K.C.B	1229961518	1,560.00	
<b>Total</b>			<b>73,461.70</b>	<b>53,216</b>

Handwritten marks and scribbles in the top right corner, including a small circle and several dots.

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

**GALOLE CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018**

---

**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Focal Point person to resolve the issue (Name and designation)</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
	Bank balances	To reverse stalled cheques	District accountant	Resolved	

Handwritten marks and scribbles in the top right corner, including a small circular mark and several dots.