

REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
**REPORT**  
DATE: 21 OCT 2021 DAY: Thursday

|                     |          |
|---------------------|----------|
| TABLED BY:          | Lomp.    |
| CLERK OF THE-TABLE: | Mr Maira |

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND –  
BUTERE CONSTITUENCY**

**FOR THE YEAR ENDED  
30 JUNE, 2019**



---

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -BUTERE  
CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2019**

---

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

---

| Table of Content  | Page |
|---|------|
| I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT .....                        | 2    |
| II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE .....                           | 5    |
| III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES .....                  | 6    |
| IV. STATEMENT OF RECEIPTS AND PAYMENTS .....                                | 7    |
| V. STATEMENT OF ASSETS AND LIABILITIES .....                                | 8    |
| VI. STATEMENT OF CASHFLOW .....   | 9    |
| VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED | 10   |
| VIII. SIGNIFICANT ACCOUNTING POLICIES.....                                  | 11   |
| IX. NOTES TO THE FINANCIAL STATEMENTS.....                                  | 15   |
| REPORT OF THE INDEPENDENT AUDITORS ON THE NGCDF- BUTERE CONSTITUENCY        |      |

**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**Mandate**

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

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

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

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

**Reports and Financial Statements  
For the year ended June 30, 2019**

---

**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 BUTERE 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 30<sup>th</sup> June 2019 and who had direct fiduciary responsibility were:

| No | Designation           | Name              |
|----|-----------------------|-------------------|
| 1. | A.I.E holder          | MARY MWAKI        |
| 2. | Sub-County Accountant | ROSE OJWANG       |
| 3. | Chairman NGCDFC       | FRANCIS WANGATIA  |
| 4. | Member NGCDFC         | MARGARET ALUKHABA |

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 326  
BUTERE CDF HOUSE  
BUTERE, KENYA

**BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

---

**(f) NGCDF BUTERE Constituency Contacts**

Telephone: (254) 723052513  
E-mail: Email:ngcdfbutere@cdf.go.ke  
Website:info@cdfbutere.go.ke

**(g) NGCDF BUTERE Constituency Bankers**

1. CO-OPERATIVE BANK  
MUMIAS BRANCH  
MUMIAS – KENYA  
A/C: 01120068114200

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

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

Butere NGCDF aspires to be the best constituency in utilization of CDF funds through satisfying the community needs and promoting good governance in management of the fund. The establishment of the fund was centered on channeling funds to grass root communities by enabling them to implement projects on their own and of course identifying them through public participation.

We have had notable success in implementation of projects especially those that transform lives of our community in the constituency notably in areas of school infrastructure, security and bursary awards to needy students, majority of whom are in tertiary institutions.

In the current financial year, budget performance in comparison to the actual has been below 100% that is 67.4% because of delays in receiving the current financial year funds.

Despite the delay in disbursement of funds, we have been able to implement and complete more than 50% of projects. A number of new schools (both primary and secondary) were established by purchasing land and constructing classrooms. We were also able to expand infrastructure, mainly classrooms, administration blocks and dining halls in the existing schools.

However, despite the successes achieved, there were implementation challenges encountered along the way. As had been mention earlier there have been delays in disbursement of funds from the CDF Board. Some of the project management committees have low capacity to implement projects and hence there is need for training. Inadequate allocation by the NG-CDF Board makes it impossible to implement the intended number of projects that are proposed by the community. It also leads to little allocation to projects hence unable to complete all the budgeted projects in one financial year.

X  
Sign 

**CHAIRMAN NGCDF COMMITTEE**

**BUTERE CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

**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-BUTERE 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, 20XX. 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-BUTERE 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, 20XX, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-BUTERE 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-BUTERE 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-BUTERE Constituency financial statements were approved and signed by the Accounting Officer on 30-7 2019.



Fund Account Manager

Name: ALISON ALIATU

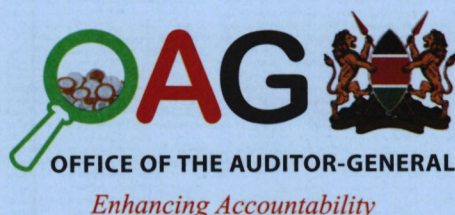


Sub-County Accountant

Name: ROSE OJWANG  
ICPAK Member Number: 17031

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – BUTERE CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019**

---

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Butere Constituency set out on pages 7 to 31, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Butere Constituency as at 30 June, 2019, 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 Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

#### **Basis for Qualified Opinion**

##### **1. Cash and Cash Equivalents**

Note 9 to the financial statements reflects a cash and cash equivalents balance of Kshs.4,870,497. However, the bank reconciliation statement for the month of June, 2019 reflected unrepresented cheques totalling Kshs.2,796,819 out of which cheques totalling Kshs.1,109,888 related to the period between 04 April, 2017 and 19 November, 2018 and were therefore, stale.

In the circumstances, it was not possible to confirm that the accuracy of the cash and cash equivalents balance of Kshs.4,870,497 as at 30 June, 2019.

## 2. Misclassification of Purchase of Assets

The use of goods and services balance of Kshs.10,756,926 reflected in the statement of receipts and payments includes Kshs.175,000 relating to the purchase of a Macbook laptop.

Consequently, the reported use of goods and services expenditure is overstated by Kshs.175,000 while the acquisition of assets balance of Kshs.6,699,000 is understated by an equivalent amount.

## 3. Unsupported Bursary Awards

The statement of receipts and payments reflects other grants and transfers balance of Kshs.35,144,282 which as disclosed at Note 6 to the financial statements, includes bursary disbursements of Kshs.20,631,000, Kshs.5,988,000 and Kshs.1,300,000 made to secondary schools, tertiary institutions and special schools respectively, all totalling to Kshs.27,919,000. However, no evidence was provided that the bursary sub-committee was constituted as required by the Constituencies Development Fund Circular Reference No. Vol. 1/111 of 13 September, 2010 and that the bursary applications were vetted by the bursary sub-committee as required under Regulation 21(3) of National Government Constituencies Development Fund Regulations, 2016. Further, there was no evidence of acknowledgements of receipt of the bursary payments by the institutions which received bursary funds.

Consequently, the accuracy and validity of the expenditure could not be confirmed.

## 4. Anomalies in Projects' Implementation

Audit inspection of six (6) projects for which a total of Kshs.5,400,000 was disbursed revealed lack of expenditure returns, unimplemented projects, projects implemented on land whose ownership could not be confirmed, unlabelled projects and reallocated funds as summarized below:

| No. | Project Location          | Project Description  | Amount (Kshs.) | Remarks  |
|-----|---------------------------|--|----------------|--|
| 1.  | Ebulafu Primary School    | Renovation of two classrooms and construction of eight door pit latrine        | 1,450,000      | Project file lacked the expenditure returns.           |
| 2.  | Masaba Police Post        | Fencing, construction of three door pit latrine, slab casting and armoury room | 500,000        | Project file not availed for audit review.             |
| 3.  | Ebukhoko Sub Chief Office | Two door pit latrine and bathroom. Electrical wiring and dropping.             | 200,000        | The two-door pit latrine and bathroom not constructed. |

| No. | Project Location         | Project Description  | Amount (Kshs.)   | Remarks   |
|-----|--------------------------|--|------------------|---|
| 4.  | Shikulu Primary School   | Construction of classroom (Kshs.800,000) and Purchase of land (Kshs.100,000)         | 900,000          | Classrooms were complete and in use. However, title deed for the land was not availed. Land agreement and project bank statement not verified.  |
| 5.  | Manyulia Primary School  | Renovation of four classrooms and construction of eight door pit latrine with urinal | 650,000          | Instead of the eight-door latrine a six door pit latrine with urinal project was constructed. The project was also not labelled   |
| 6.  | Ematsakha Primary School | Construction of classroom (Kshs.800,000) and Purchase of land (Kshs.100,000)         | 900,000          | Procurement documents for construction of classroom including tender evaluation minutes, tender award and tender opening minutes availed were not signed.<br><br>Title deed for the land, land agreement and project bank statement not verified. |
| 7.  | Eshianza Primary School  | Construction of classroom  | 800,000          | Funds were re-allocated from St. Stephens Shianza Secondary School to Eshianza Primary School without authority from the National Government Constituencies Development Fund Board  |
|     | <b>Total</b>             |  | <b>5,400,000</b> |   |

In view of the foregoing, the accuracy and value for money on the projects could not be confirmed.

#### 5. Lack of Expenditure Returns

The statement of receipts and payments and Note 5 to the financial statements, reflect transfers of Kshs.34,690,000 to other Government units. However, expenditure returns for transfers amounting Kshs.3,170,500 to three (3) primary schools, a secondary school and a police post for various projects as detailed below were not provided for audit:

| Date       | Payee                          | Payment Voucher No. | Cheque Number | Amount (Kshs.)   |
|------------|--------------------------------|---------------------|---------------|------------------|
| 11/09/2018 | Mabole Primary School          | 115                 | 8029          | 620,000          |
| 11/09/2018 | Ematawa Primary School         | 104                 | 8017          | 1,000,000        |
| 09/11/2018 | Shinamwenyuli Secondary School | 146                 | 8064          | 800,000          |
| 09/11/2018 | Masaba Police Post             | 129                 | 8044          | 500,000          |
| 11/04/2019 | Ebulafu Primary school         | 214                 | 8397          | 250,500          |
|            | <b>Total</b>                   |                     |               | <b>3,170,500</b> |

This is contrary to Regulation 15(d) and (e) of the National Government Constituencies Development Fund Regulations, 2016 which requires a Project Management Committee (PMC) for each project in a constituency to prepare returns and file them to the Constituency Committee on a timely basis and to account for funds.

In the circumstances, it was not possible to ascertain the accuracy and validity of the reported transfers to other Government entities balance of Kshs.34,690,000.

## **6. Unsupported Expenditure on Strategic Plan**

The statement of receipts and payments reflects use of goods and services expenditure of Kshs.10,756,926 which as disclosed at Note 4 to the financial statements, includes expenditure of Kshs.3,000,000 on the strategic plan. However, details of the consultant engaged for the strategic plan development and the records of the procurement proceedings including tender advertisement, minutes of the tender opening, tender evaluation and award, together with the signed contract agreement and invoices were not provided for audit verification. In addition, no evidence of the approval and launching of strategic plan document was provided.

Consequently, the accuracy, value for money and propriety of the expenditure of Kshs.3,000,000 on the strategic plan could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Butere Constituency Management in accordance with ISSAI 130 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. There were no key audit matters to report in the year under review.

### **Other Matter**

#### **Budgetary Control and Performance**

The summary statement of appropriation – recurrent and development combined reflects final receipts budget and actual receipts on comparable basis of Kshs.167,026,615 and Kshs.95,784,483 respectively resulting to an under-funding of Kshs.71,242,132 or 43% of the budget. The Fund's expenditure was limited to the amount realised.

The under-funding affected the planned activities and may have impacted negatively on service delivery to the residents of Butere Constituency.

# REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

## **Conclusion**

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

## **Basis for Conclusion**

### **1. Delayed Completion of Projects**

According to the Project Implementation Status report as at 30 June, 2019 submitted for audit, the Fund had planned to implement six-hundred and fifteen (615) projects for the period between financial years 2013/2014 to 2018/2019 at a total cost of Kshs.607,485,906. However, twenty-two (22) projects with a combined budget of Kshs.34,753,502 relating to financial year 2017/2018 and earlier years were still ongoing and no satisfactory explanation was provided for the delay in the completion of the projects. Further out of the sixty-two (62) projects that were being implemented during the 2018/2019 financial year, twenty (20) projects costing Kshs.22,850,000 had not been completed.

Failure to complete the projects as planned may have denied the residents of Butere Constituency the much needed services.

### **2. Purchase of Sports Equipment and Uniforms**

Included in other grants and transfers of Kshs.35,144,282 and as disclosed at Note 6 to the financial statements, is Kshs.1,990,000 expenditure on sports. The amount was spent on purchase of sports equipment and uniforms.

However, the report of the inspection and acceptance committee issued as required under Section 48(3) and (4) of the Public Procurement and Asset Disposal Act, 2015, goods received notes and other stores records showing how the equipment and uniforms were distributed were not provided for audit.

Consequently, the Management was in breach the Law and the propriety of the expenditure could not be confirmed.

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 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for 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.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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.

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

## **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the 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 scepticism 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.



**Nancy Gathungu**  
**AUDITOR-GENERAL**

**Nairobi**


**01 October, 2021**

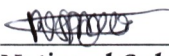
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
BUTERE CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2019**

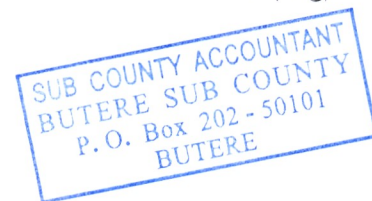
**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

|                                     | Note | 2018- 2019        | 2017 - 2018       |
|-------------------------------------|------|-------------------|-------------------|
|                                     |      | Kshs              | Kshs              |
| <b>RECEIPTS</b>                     |      |                   |                   |
| Transfers from CDF board            | 1    | 95,784,483        | 43,405,172        |
| Other Receipts                      | 2    | -                 | 1,000,000         |
| <b>TOTAL RECEIPTS</b>               |      | <b>95,784,483</b> | <b>44,405,172</b> |
| <b>PAYMENTS</b>                     |      |                   |                   |
| Compensation of employees           | 3    | 2,172,219         | 2,260,527         |
| Use of goods and services           | 4    | 10,756,926        | 4,569,193         |
| Transfers to Other Government Units | 5    | 34,690,000        | 9,620,360         |
| Other grants and transfers          | 6    | 35,144,282        | 27,208,992        |
| Acquisition of Assets               | 7    | 6,699,000         | -                 |
| Other Payments                      | 8    | 4,652,815         |                   |
| <b>TOTAL PAYMENTS</b>               |      | <b>94,115,242</b> | <b>43,659,072</b> |
| <b>SURPLUS/DEFICIT</b>              |      | <b>1,669,241</b>  | <b>746,100</b>    |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BUTERE Constituency financial statements were approved on 30/07/2019 and signed by:

  
Fund Account Manager  
Name: Helson MUAU

  
National Sub-County Accountant  
Name: ROSE OJWANG  
ICPAK Member Number: (703)





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

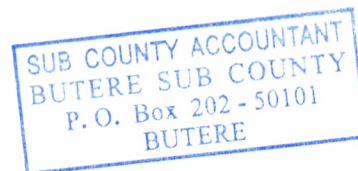
**V. STATEMENT OF ASSETS AND LIABILITIES**

| <b>FINANCIAL ASSETS</b>                    | <b>Note</b> | <b>2018-2019</b>        | <b>2017-2018</b>        |
|--|-------------|-------------------------|-------------------------|
| <b>Cash and Cash Equivalents</b>           |             |                         |                         |
| Bank Balances ( as per the cash book)      | 9           | 4,870,497               | 3,201,256               |
| <b>Total Cash and Cash Equivalents</b>     |             | <b>4,870,497</b>        | <b>3,201,256</b>        |
| <b>TOTAL FINANCIAL ASSETS</b>              |             | 4,870,497               | 3,201,256               |
| <b>FINANCIAL LIABILITES</b>                |             |                         |                         |
| <b>NET FINANCIAL ASSETS REPRESENTED BY</b> |             | <b><u>4,870,497</u></b> | <b><u>3,201,256</u></b> |
| Fund balance b/fwd. 1st July...            | 10          | 3,201,256               | 1,764,146               |
| Surplus/Deficit for the year               |             | 1,669,241               | 746,100                 |
| Prior year adjustments                     | 11          | -                       | 691,010                 |
| <b>NET LIABILITIES</b>                     |             | <b>4,870,497</b>        | <b>3,201,256</b>        |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BUTERE Constituency financial statements were approved on 30/07/2019 and signed by:

  
**Fund Account Manager**  
**Name: Nelson**

  
**National Sub-County Accountant**  
**Name: ROSE A. ODWANG**  
**ICPAK Member Number: 17031**

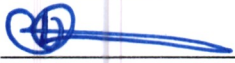


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

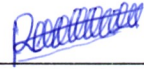
**VI. STATEMENT OF CASHFLOW**

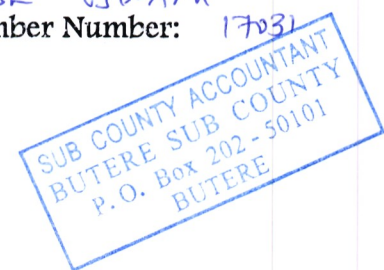
| CASH FLOWS FROM OPERATING ACTIVITIES                     |           |   | 2018 - 2019       | 2017 - 2018       |
|--|-----------|---|-------------------|-------------------|
| <b>Receipts</b>  |           |   |                   |                   |
| Transfers from CDF Board                                 | 1         |   | 95,784,483        | 43,405,172        |
| Other Receipts   | 2         |   | -                 | 1,000,000         |
| <b>Total Receipts</b>                                    |           |   | <b>95,784,483</b> | <b>44,405,172</b> |
| <b>Payments</b>  |           |   |                   |                   |
| Compensation of Employees                                | 3         |   | 2,172,219         | 2,260,527         |
| Use of goods and services                                | 4         |   | 10,756,926        | 4,569,193         |
| Transfers to Other Government Units                      | 5         |   | 34,690,000        | 9,620,360         |
| Other grants and transfers                               | 6         |   | 35,144,282        | 27,208,992        |
| Acquisition of assets                                    | 7         |   | 6,699,000         | -                 |
| Other Payments   | 8         |   | 4,652,815         | -                 |
| <b>Total Payments</b>                                    |           |   | <b>94,115,242</b> | <b>43,659,072</b> |
| <b>Total Receipts Less Total Payments</b>                |           |   | <b>1,669,241</b>  | <b>746,100</b>    |
| <b>Adjusted for:</b>                                     |           |   |                   |                   |
| Prior Year adjustment                                    | 11        | - |                   | 691,010           |
| <b>Net Adjustments</b>                                   |           |   | <b>-</b>          | <b>691,010</b>    |
| <b>Net cash flow from operating activities</b>           |           |   | <b>1,669,241</b>  | <b>1,437,110</b>  |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>          |           |   | <b>1,669,241</b>  | <b>1,437,110</b>  |
| <b>Cash and cash equivalent at BEGINNING of the year</b> | <b>10</b> |   | <b>3,201,256</b>  | <b>1,764,146</b>  |
| <b>Cash and cash equivalent at END of the year</b>       |           |   | <b>4,870,497</b>  | <b>3,201,256</b>  |

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

  
 Fund Account Manager  
 Name: **Nelson AUAATU**



  
 National Sub-County Accountant  
 Name: **ROSE OJWANG**  
 ICPAK Member Number: **17031**



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

Reports and Financial Statements  
For the year ended June 30, 2019

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

| Receipt/Expense Item                | Original Budget       | Adjustments         | Final Budget       | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation |
|-------------------------------------|-----------------------|---------------------|--------------------|----------------------------|-------------------------------|------------------|
|                                     | a                     | b                   | c=a+b              | d                          | e=c-d                         | f=d/c %          |
| <b>RECEIPTS</b>                     |                       |                     |                    |                            |                               |                  |
| Transfers from CDF Board            | 109,040,875.52        | 57,985,739          | 167,026,615        | 95,784,483                 | 71,242,132                    | 57.3%            |
| <b>TOTAL RECEIPTS</b>               | <b>109,040,875.52</b> | <b>57,985,739.0</b> | <b>167,026,615</b> | <b>95,784,483</b>          | <b>71,242,132</b>             | <b>57.3%</b>     |
| <b>PAYMENTS</b>                     |                       |                     |                    |                            |                               |                  |
| Compensation of Employees           | 2,135,044.80          | 663,611             | 2,798,656          | 2,172,219                  | 626,437                       | 77.6%            |
| Use of goods and services           | 7,678,634.00          | 3,137,884           | 10,816,518         | 10,756,926                 | 59,592                        | 99.4%            |
| Transfers to Other Government Units | 48,450,000.00         | 33,921,996          | 82,371,996         | 34,690,000                 | 47,681,996                    | 42.1%            |
| Other grants and transfers          | 50,777,197.65         | 8,109,433           | 58,886,631         | 35,144,282                 | 23,742,349                    | 59.7%            |
| Acquisition of Assets               |                       | 7,500,000           | 7,500,000          | 6,699,000                  | 801,000                       | 89.3%            |
| Other Payments                      |                       | 4,652,815.25        | 4,652,815          | 4,652,815                  | -                             | 100.0%           |
| <b>TOTAL</b>                        | <b>109,040,876.45</b> | <b>57,985,739</b>   | <b>167,026,616</b> | <b>94,115,242</b>          | <b>72,911,373</b>             | <b>56.3%</b>     |

Utilization to other Government units is 40% because funds to these sectors were approved late and funds released after 30<sup>th</sup> June, 2019

The NGCDF-BUTERE Constituency financial statements were approved on 30-7-2019 and signed by [Signature]  
**Fund Account Manager**  
 Name: NELESA AGAN  
 Sub-County Accountant: [Signature]  
 Name: ROSE OJWANGIRE  
 ICPAK Member Number: 17231



## **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-BUTERE 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 30<sup>th</sup> June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

### **Other receipts**

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

## **b) Recognition of payments**

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

### **Compensation of Employees**

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

### **Use of Goods and Services**

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

### **Acquisition of Fixed Assets**

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

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

## **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 Fund**

Unutilized funds consist of bank balances in the constituency account and funds not yet disbursed by the Board to the constituency at the end of the financial year. These balances are available for use in the subsequent financial year to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(2) 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 2018 for the period 1<sup>st</sup> July 2018 to 30<sup>th</sup> June 2019 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 2019.

### **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) –  
BUTERE CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2019**

**IX. NOTES TO THE FINANCIAL STATEMENTS**

| <b>1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES</b> |              |                    |                    |
|---|--------------|--------------------|--------------------|
| <b>Description</b>                                |              | <b>2018-2019</b>   | <b>2017 - 2018</b> |
|   |              | <b>Kshs</b>        | <b>Kshs</b>        |
| AIE NO. B005236                                   |              | 54,784,483         |                    |
| AIE NO. B030228                                   |              | 10,000,000         |                    |
| AIE NO. B006306                                   |              | 7,000,000          |                    |
| AIE NO. B030363                                   |              | 13,000,000         |                    |
| AIE NO. A699028                                   |              | 11,000,000         |                    |
|   |              |                    | 43,405,172         |
| <b>2 Other Receipts</b>                           |              |                    | 1,000,000          |
|   | <b>TOTAL</b> | <b>95,784,483.</b> | <b>44,405,172</b>  |
| <b>3 COMPENSATION OF EMPLOYEES</b>                |              |                    |                    |
| <b>Description</b>                                |              | <b>2018-2019</b>   | <b>2017 - 2018</b> |
|   |              | <b>Kshs</b>        | <b>Kshs</b>        |
| Basic wages of contractual employees              |              | 1,782,899          | 2,260,527          |
| <b>Personal allowances paid as part of salary</b> |              |                    |                    |
| Employer contribution to NSSF                     |              | 389,321            |                    |
| <b>TOTAL</b>                                      |              | <b>2,172,219</b>   | <b>2,260,527</b>   |
| <b>4 USE OF GOODS AND SERVICES</b>                |              |                    |                    |
| <b>Description</b>                                |              | <b>2018-2019</b>   | <b>2017 - 2018</b> |
|   |              | <b>Kshs</b>        | <b>Kshs</b>        |
| Utilities, supplies and services                  |              | 2,120,566          | 1,048,293          |
| Electricity                                       |              |                    | 38,038             |
| Water & sewerage charges                          |              |                    | 13,834             |
| Training expenses                                 |              | 837,900            | 1,143,300          |
| Other committee expenses                          |              | 1,138,800          | 1,132,273          |
| Committee allowance                               |              | 3,063,900          | 1,189,000          |
| Office and general supplies and services          |              | 595,760            | -                  |
| Bank service commission and charges               |              |                    | 4,455              |
| Strategic Plan                                    |              | 3,000,000          |                    |
| <b>TOTAL</b>                                      |              | <b>10,756,926</b>  | <b>4,569,193</b>   |
| <b>5 TRANSFER TO OTHER GOVERNMENT ENTITIES</b>    |              |                    |                    |
| <b>Description</b>                                |              | <b>2018-2019</b>   | <b>2017 - 2018</b> |
|   |              | <b>Kshs</b>        | <b>Kshs</b>        |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
BUTERE CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2019**

|  |                       |                    |                    |
|--|-----------------------|--------------------|--------------------|
| Transfers to Primary schools                     |                       | 27,090,000         | 6,450,000          |
| Transfers to Secondary schools                   |                       | 7,100,000          | 3,000,000          |
| Transfers to Tertiary institutions               |                       | 500,000            | 170,360            |
| <b>TOTAL</b>                                     |                       | <b>34,690,000</b>  | <b>9,620,360</b>   |
| <b>6 OTHER GRANTS AND OTHER PAYMENTS</b>         |                       |                    |                    |
| <b>Description</b>                               |                       | <b>2018-2019</b>   | <b>2017 - 2018</b> |
|  |                       | <b>Kshs</b>        | <b>Kshs</b>        |
| Bursary -Secondary                               |                       | 20,631,000         | 10,013,000         |
| Bursary -Tertiary                                |                       | 5,988,000          | 14,334,365         |
| Bursary-Special schools                          |                       | 1,300,000          |                    |
| Security   |                       | 2,500,000          | 1,000,000          |
| Sports   |                       | 1,990,500          |                    |
| Environment                                      |                       |                    | 1,073,250          |
| Emergency Projects                               |                       | 2,734,782          | 788,377            |
| <b>TOTAL</b>                                     |                       | <b>35,144,282</b>  | <b>27,208,992</b>  |
| <b>7 ACQUISITION OF ASSETS</b>                   |                       |                    |                    |
| <b>Non Financial Assets</b>                      |                       | <b>2018-2019</b>   | <b>2017 - 2018</b> |
|  |                       | <b>Kshs</b>        | <b>Kshs</b>        |
| Purchase of Vehicles                             |                       | 6,699,000          | -                  |
| <b>TOTAL</b>                                     |                       | <b>6,699,000</b>   | <b>-</b>           |
| <b>8 Other Payments</b>                          |                       |                    |                    |
| ICT HUB  |                       | 4,652,815          | -                  |
| <b>TOTAL</b>                                     |                       | <b>4,652,815</b>   | <b>-</b>           |
| <b>9: Bank Balances (cash book bank balance)</b> |                       |                    |                    |
| <b>Name of Bank, Account No. &amp; currency</b>  | <b>Account Number</b> | <b>2018-2019</b>   | <b>2017 - 2018</b> |
|  |                       | <b>Kshs</b>        | <b>Kshs</b>        |
|  |                       | <b>(30/6/2019)</b> | <b>(30/6/2018)</b> |
| <i>coop Bank</i>                                 |                       | <b>4,870,497</b>   | <b>3,201,256</b>   |

|  |  |                   |                    |
|--|--|-------------------|--------------------|
| <b>10 BALANCES BROUGHT FORWARD</b>       |  |                   |                    |
|  |  | <b>2018-2019</b>  | <b>2017 - 2018</b> |
|  |  | <b>(1/7/2018)</b> | <b>(1/7/2017)</b>  |
| Fund balance b/f 1 <sup>st</sup> July... |  | <b>3,201,256</b>  | <b>1,764,146</b>   |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
 BUTERE CONSTITUENCY  
 Reports and Financial Statements  
 For the year ended June 30, 2019**

| <b>11.PRIOR YEAR<br/>ADJUSTMENTS</b>            |  |                   |                    |
|---|--|-------------------|--------------------|
|   |  | <b>2018-2019</b>  | <b>2017 - 2018</b> |
|   |  | <b>Kshs</b>       | <b>Kshs</b>        |
| Bank accounts                                   |  | -                 | 691,010            |
| <b>TOTAL</b>                                    |  |                   | <b>691,010</b>     |
| <b>11.1 UNUTILIZED FUND</b>                     |  |                   |                    |
|   |  | <b>2018-2019</b>  | <b>2017 - 2018</b> |
|   |  | <b>Kshs</b>       | <b>Kshs</b>        |
| Compensation of employees                       |  | 626,437           | 663,611            |
| Use of goods and services                       |  | 59,591            | 3,137,884          |
| Amounts due to other Government entities        |  | 47,681,996        | 33,921,996         |
| Amounts due to other grants and other transfers |  | <b>23,742,349</b> | <b>8,109,433</b>   |
| Acquisition of assets                           |  | 801,000           | 7,500,000          |
| Others ( <i>specify</i> )                       |  |                   | 4,652,815          |
| <b>TOTAL</b>                                    |  | <b>72,911,373</b> | <b>57,985,739</b>  |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

**ANNEX 1 – UNUTILIZED FUND**

| Name                                     | Brief Transaction Description | Outstanding Balance |         | Comments |
|--|-------------------------------|---------------------|---------|----------|
|  |                               | 2018/19             | 2017/18 |          |
| Compensation of employees                |                               | 626,437             |         |          |
| Use of goods & services                  |                               | 59,591              |         |          |
| Amounts due to other Government entities |                               | 47,681,996          |         |          |
| Musezre Primary                          |                               | 1,200,000.00        |         |          |
| Elukokho Primary                         |                               | 1,000,000.00        |         |          |
| Mutoima Primary                          |                               | 1,150,000.00        |         |          |
| Shiyiro Primary                          |                               | 1,200,000.00        |         |          |
| Shimamwenyuli Primary                    |                               | 1,000,000.00        |         |          |
| Ematende Primary                         |                               | 800,000.00          |         |          |
| Eshianini Primary                        |                               | 500,000.00          |         |          |
| Bukolwe Primary                          |                               | 500,000.00          |         |          |
| Eshirembe Primary                        |                               | 700,000.00          |         |          |
| Eshibucho Primary                        |                               | 500,000.00          |         |          |
| Ematawa Primary                          |                               | 500,000.00          |         |          |
| Bukura Primary                           |                               | 1,000,000.00        |         |          |
| Nyenyesi Primary                         |                               | 350,000.00          |         |          |
| Shiatsala Primary                        |                               | 1,000,000.00        |         |          |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**for the year ended June 30, 2019**

|                                  |  |  |              |  |
|----------------------------------|--|--|--------------|--|
| hishebu Primary                  |  |  | 500,000.00   |  |
| lasaba Primary School            |  |  | 600,000.00   |  |
| mufondo Primary                  |  |  | 1,000,000.00 |  |
| uchenya Primary                  |  |  | 1,000,000.00 |  |
| shibimbi Primary                 |  |  | 400,000.00   |  |
| bukhokoro Primary                |  |  | 300,000.00   |  |
| ukuti Primary                    |  |  | 1,000,000.00 |  |
| butsetse Primary                 |  |  | 1,500,000.00 |  |
| luluwa Primary                   |  |  | 1,500,000.00 |  |
| uti Primary                      |  |  | 300,000.00   |  |
| shirumba Primary School          |  |  | 600,000.00   |  |
| hitsitswi Mixed Secondary School |  |  | 1,000,000.00 |  |
| st Marks Bulanda Secondary       |  |  | 1,000,000.00 |  |
| mfumbo Girls Sec                 |  |  | 1,000,000.00 |  |
| miraha Secondary                 |  |  | 1,000,000.00 |  |
| hiraha Secondary                 |  |  | 800,000.00   |  |
| niaya Secondary                  |  |  | 2,500,000.00 |  |
| nahondo Secondary                |  |  | 1,000,000.00 |  |
| nititi Secondary                 |  |  | 1,000,000.00 |  |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

|  |  |                   |  |  |
|--|--|-------------------|--|--|
| Buchenya Girls Secondary School                        |  | 7,200,000.00      |  |  |
| Bukolwe Secondary                                      |  | 350,000.00        |  |  |
| Mukoye Girls Secondary School                          |  | 700,000.00        |  |  |
| St Paul's Shikunga Secondary                           |  | 3,000,000.00      |  |  |
| Mabole Boys Secondary School                           |  | 3,000,000.00      |  |  |
| Imanga Secondary                                       |  | 4,500,000.00      |  |  |
| <b>Sub-Total</b>                                       |  |                   |  |  |
| <b>Amounts due to other grants and other transfers</b> |  | 23,742,349        |  |  |
|  |  |                   |  |  |
| <b>Sub-Total</b>                                       |  |                   |  |  |
| Acquisition of assets                                  |  | 801,000           |  |  |
| <b>Others (specify)</b>                                |  |                   |  |  |
| <b>Sub-Total</b>                                       |  |                   |  |  |
| <b>Grand Total</b>                                     |  | <b>72,911,373</b> |  |  |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

**ANNEX 2 – SUMMARY OF FIXED ASSET REGISTER**

| <b>Asset class</b>                           | <b>Historical Cost<br/>b/f<br/>(Kshs)</b> | <b>Additions<br/>during the<br/>year (Kshs)</b> | <b>Disposals<br/>during the<br/>year (Kshs)</b> | <b>Historical<br/>Cost<br/>(Kshs)<br/>2018/19</b> |
|--|---|---|---|---|
| Buildings and structures                     | 8,148,132                                 | 0   | 0   | 8,148,132   |
| Transport equipment                          | 4,057,402                                 | 0   | 0   | 4,057,402   |
| Office equipment, furniture and fittings     | 1,340,171                                 | 0   | 0   | 1,340,171   |
| ICT Equipment, Software and Other ICT Assets | 1,495,634                                 | 0   | 0   | 1,495,634   |
| Other Machinery and Equipment                | 20,880,000                                | 0   | 0   | 20,880,000  |
| Macbook Laptop                               | 0.0                                       | 175,000   | 0   | 175,000   |
| Office Motor Vehicle                         | 0.0                                       | 6,699,000                                       | 0   | 6,699,000   |
| <b>Total</b>                                 | <b>35,921,339</b>                         | <b>6,874,000</b>                                |   | <b>42,795,339</b>                                 |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
BUTERE CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2019**

**ANNEX 3 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2019**

| A/C NUMBER     | PMC NAME                   | BANK             | BANK BALANCE<br>30.06.2019 |
|----------------|----------------------------|------------------|----------------------------|
| 01141068037100 | BULANDA PRIMARY SCHOOL     | COOPERATIVE BANK | 870.50                     |
| 01141234740100 | ESHIKOMERE PRIMARY SCHOOL  | COOPERATIVE BANK | 38,463.00                  |
| 01141067812000 | EMATAWA PRIMARY SCHOOL     | COOPERATIVE BANK | 9,553.00                   |
| 01141498620900 | BUKURA PRIMARY SCHOOL      | COOPERATIVE BANK | 4,630.00                   |
| 01141499522500 | ESHIANINI PRIMARY SCHOOL   | COOPERATIVE BANK | 134,486.00                 |
| 01141234122101 | ESHITSITWI PRIMARY SCHOOL  | COOPERATIVE BANK | 2,677.00                   |
| 01141234172100 | BULANDA RC PRIMARY SCHOOL  | COOPERATIVE BANK | 300,949.00                 |
| 01141067828900 | LUNZA PRIMARY SCHOOL       | COOPERATIVE BANK | 696.00                     |
| 01139233302000 | BUKOLWE PRIMARY SCH        | COOPERATIVE BANK | 5,470.50                   |
| 01129233029600 | IMANGA PRIMARY SCH         | COOPERATIVE BANK | 2,410.00                   |
| 01141067196300 | SHIBUCHE PRIMARY SCH       | COOPERATIVE BANK | 4,393.95                   |
| 01141234856701 | MASARA PRIMARY SCH         | COOPERATIVE BANK | 28,005.50                  |
| 01139067628401 | ESHINAMWENYULI PRIMARY SCH | COOPERATIVE BANK | 2,040.00                   |
| 01141498087000 | BUTERE PRI SCH             | COOPERATIVE BANK | 62,320.00                  |
| 01141233995000 | EBULAFU PRIMARY SCHOOL     | COOPERATIVE BANK | 7,185.00                   |
| 01141498130500 | MATIBIRA PRIMARY SCH       | COOPERATIVE BANK | 18,323.00                  |
| 01141067526300 | ESHIREMBE PRIMARY SCHOOL   | COOPERATIVE BANK | 3,305.00                   |
| 01141234890400 | SHIKUNGA PRIMARY SCHOOL    | COOPERATIVE BANK | 184,160.50                 |
| 01148499466600 | MABOLE PRIMARY SCHOOL      | COOPERATIVE BANK | -                          |
| 01141498144700 | EMATSAKHA PRIMARY SCHOOL   | COOPERATIVE BANK | 80,240.00                  |
| 01141068219200 | INAYA PRIMARY SCH          | COOPERATIVE BANK | 2,980.00                   |
| 01141498950700 | EKUKHOKORO PRIMARY SC      | COOPERATIVE BANK | 431.00                     |
| 01141498622600 | EMAUKA PRIMARY SCH         | COOPERATIVE BANK |                            |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
BUTERE CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2019**

|                |                         |                  |            |
|----------------|-------------------------|------------------|------------|
|                |                         |                  | 28,966.50  |
| 01141233175400 | BUKUTI PRI SCH          | COOPERATIVE BANK | 44,736.00  |
| 01141234129300 | BUTUNYI PRI SCHOOL      | COOPERATIVE BANK | 2,920.00   |
| 01141233110300 | ESHIKHOLOBE PRIMARY SCH | COOPERATIVE BANK | 212,134.00 |
| 01141233210400 | MWILALA PRI SCHOOL      | COOPERATIVE BANK | 171,625.00 |
| 01141068228300 | SHIRAHA PRIMARY SCHOOL  | COOPERATIVE BANK | 2,498.00   |
| 01141067531900 | IKOKWA PRIMARY SCH      | COOPERATIVE BANK | 561,310.00 |
| 01141498641900 | EKENDERO PRIMARY SCH    | COOPERATIVE BANK | 14,708.50  |
| 01141234121901 | SHIBANGA PRIM SCHOOL    | COOPERATIVE BANK | 51,785.00  |
| 01139233876200 | SHIRAKALU PRIMARY SCH   | COOPERATIVE BANK | 2,829.00   |
| 01141068366800 | SHIREMBE PRIMARY SCH    | COOPERATIVE BANK | 96,182.00  |
| 01141233025000 | MABOLE SECONDARY SCH    | COOPERATIVE BANK | 16,565.00  |
| 01139233877300 | EBUTSETSE PRIMARY SCH   | COOPERATIVE BANK | 417,237.00 |
| 01141498183100 | MANYALA PRIMARY SCH     | COOPERATIVE BANK | 21,254.00  |
| 01141798580000 | MABOLE PRIMARY SCHOOL   | COOPERATIVE BANK | 1,501.00   |
|                |                         |                  |            |
|                |                         |                  |            |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

**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) |                        |         |          |    |        |  |           |                        |   |              |          |         |
|--|--|---------------------|--|-----------------------------------|--|------------------------|---------|----------|----|--------|--|-----------|------------------------|---|--------------|----------|---------|
| 001  | <p><b>Transfer to other Government Entities</b></p> <p><b>Lack of Expenditure Returns</b></p> <p>Included in the transfer to other Government entities figure of Kshs. 9,620,360 were payments made to various primary and secondary schools various projects totaling Kshs 9,450,000. However, no expenditure returns were availed to show the grants disbursed to the listed institutions (project management committees (PMCS) were utilized during the year under review. In addition, audit site visit procedure conducted on the selected projects revealed anomalies as detailed below.</p> <table border="1" data-bbox="1109 963 1436 2027"> <thead> <tr> <th>Date</th> <th>PV No.</th> <th>Cheque No.</th> <th>Description</th> <th>Amount of grant (Kshs)</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>31.05.18</td> <td>54</td> <td>007635</td> <td>Eshianini primary school – construction of two</td> <td>3,450,000</td> <td>No expenditure returns</td> </tr> </tbody> </table> | Date                | PV No.   | Cheque No.                        | Description  | Amount of grant (Kshs) | Remarks | 31.05.18 | 54 | 007635 | Eshianini primary school – construction of two | 3,450,000 | No expenditure returns | Expenditure returns availed at the office and issues resolved | Fund Manager | Resolved | 2 Weeks |
| Date                                       | PV No.   | Cheque No.          | Description  | Amount of grant (Kshs)            | Remarks  |                        |         |          |    |        |  |           |                        |   |              |          |         |
| 31.05.18                                   | 54   | 007635              | Eshianini primary school – construction of two                 | 3,450,000                         | No expenditure returns   |                        |         |          |    |        |  |           |                        |   |              |          |         |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

|          |    |        |  | classrooms   |           |  |  |  |  |  |  |  |
|----------|----|--------|--|--|-----------|--|--|--|--|--|--|--|
| 31.05.18 | 52 | 007632 |  | Matibira primary school – construction of two classrooms   | 1,000,000 | No expenditure returns   |  |  |  |  |  |  |
| 28.06.18 | 72 | 007718 |  | Mwilala primary school – Renovation of four classrooms (roof replacement, window panes fixing, flooring painting and construction of verandah) | 1,000,000 | No expenditure returns   |  |  |  |  |  |  |
| 23.06.18 | 72 | 007717 |  | Ebukhokoro primary school- 8 door pit latrine and administration block.  | 1,000,000 | - No expenditure returns<br>- The 8-door pit latrine had not been completed<br>- Contractor was not on |  |  |  |  |  |  |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

|          |    |        |  |           |   |  |  |  |  | site |  |
|----------|----|--------|--|-----------|---|--|--|--|--|------|--|
| 26.6.18  | 72 | 007716 | Eshibuche primary school-administration block (roofing, walling plastering and painting) | 1,000,000 | No expenditure returns<br>Painting of the administration block not done<br>Contractor not on site |  |  |  |  |      |  |
| 02.05.18 | 50 | 007630 | Mabole boys secondary school-completion of administration block                          | 1,000,000 | No expenditure returns<br>Contractor not on site<br>Dormitory not completed                       |  |  |  |  |      |  |
| 22.05.18 | 51 | 007631 | St Andrews imanga mixed secondary school – construction of administration block          | 1,000,000 | No expenditure returns<br>Contractor not onsite<br>Only the slab had been done                    |  |  |  |  |      |  |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

|                       | <p>In the circumstances, it was not possible to ascertain accuracy and propriety of expenditure totaling to Kshs. 9,450,000</p>  |                       |           |         |       |                   |                        |  |  |   |                     |                 |                |
|-----------------------|--|-----------------------|-----------|---------|-------|-------------------|------------------------|--|--|---|---------------------|-----------------|----------------|
| 002                   | <p><b>Other Matters</b></p> <p><b>Budget as a control tool</b></p> <p><b>Budget analysis for the financial year 2017/2018</b></p> <p>During the year under review, the Butere constituency had approved budget of Kshs. 86,810,345 of which only Kshs. 46,109,318 was received, comprising Kshs. 45,169,318 from the NG-CDF Board and Kshs. 1,000,000 from other receipts. The approved budget was under funded to the tune Kshs. 40,701,027. No explanation was given for such under funding.</p> <p>Also it was noted that, in addition to the cash balance of Kshs. 14,834,467 brought forward from previous year, the constituency only spent Kshs. 43,659,073 out of the available total cash of Kshs. 60,943,785 during the year under review. Therefore the overall budget under performance was kshs. 57,985,739 out of kshs. 101,644,812, equivalent of 57% utilized budget.</p> <p><b>1.2. project implementation status analysis</b></p> <p>According to the project implementation status report as at 30 June 2018, Butere NG CDFC had disbursed Kshs. 466,302,947 to implement 572 projects. Out of these 572 projects, 84 of them with disbursements totaling Kshs. 99,151,219 were noted to be ongoing as analyzed and summarized in the table below.</p> <table border="1" data-bbox="1273 943 1444 2027"> <thead> <tr> <th>Period/project status</th> <th>Completed</th> <th>Ongoing</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2016/17 &amp; Earlier</td> <td>No. of projects<br/>438</td> <td></td> <td></td> </tr> </tbody> </table> | Period/project status | Completed | Ongoing | Total | 2016/17 & Earlier | No. of projects<br>438 |  |  | <p>Project implementation status updated, and all budgeted funds for the financial year fully utilized.<br/>Issue resolved.</p> | <p>Fund Manager</p> | <p>Resolved</p> | <p>2 Weeks</p> |
| Period/project status | Completed  | Ongoing               | Total     |         |       |                   |                        |  |  |   |                     |                 |                |
| 2016/17 & Earlier     | No. of projects<br>438   |                       |           |         |       |                   |                        |  |  |   |                     |                 |                |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

|     |   |   |             |             |             |  |  |          |
|-----|---|---|-------------|-------------|-------------|--|--|----------|
|     | Value of projects   | 309,538,410   | 72,954,192  | 382,492,602 |             |  |  |          |
|     | 2017/18   | No. of projects   | 25          | 75          |             |  |  |          |
|     |   | Value of projects   | 26,197,027  | 83,810,345  |             |  |  |          |
|     | Total   | No. of projects   | 84          | 572         |             |  |  |          |
|     |   | Value of projects   | 367,151,727 | 99,151,219  | 466,302,947 |  |  |          |
|     | <p>As noted above included in the 84 ongoing projects were 59 projects with disbursements of ksh. 72,954,192 relating to 2016/17 and earlier with some going as far back as 2013/14 financial year. It was not clear why projects would remain ongoing would remain ongoing for over 5 years in the status report. The completeness of the report was therefore doubtful.</p> |   |             |             |             |  |  |          |
| 003 | <b>Cash and bank balances</b>   |   |             |             |             |  | Cash book updated and the mistake was rectified. | 2 Weeks  |
|     | <b>Cancelations in the cash book</b>  | <p>According to public finance management regulations ( National Government 2015) (16) (2) entries in the financial records documents shall not be obtained, erased or altered by being written over. However, examination of the cash book revealed that the NGCDF Butere Constituency cashbook page No. 0013-0021 had several</p> |             |             |             |  | Fund Manager                                     | Resolved |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

|           | cancellations which were not signed for. This is an indication that internal controls are weak.  |             |        |             |               |         |               |           |            |     |    |         |         |  |              |          |         |
|-----------|--|-------------|--------|-------------|---------------|---------|---------------|-----------|------------|-----|----|---------|---------|--|--------------|----------|---------|
| 004       | <p><b>Committee allowances</b></p> <p><b>No approved rates of paying committee allowances</b></p> <p>Contrary to regulation 33 National Government Constituencies Development Fund Regulations, 2016 allowances payable to members of a constituency Committee other officers involved in the management of the Fund shall be on the basis of guidelines issued by the Cabinet secretary, it was noted from minute 1 number MIN.5/NGVDF/27/04/2018 of constituency Development Fund Committee of 27<sup>th</sup> April, 2018 held in the Fund’s boardroom that the committee resolved on their on to pay allowances as follows:</p> <ul style="list-style-type: none"> <li>i. Every member of a sub-committee to draw a sitting allowance of Kshs. 3,000</li> <li>ii. Every staff member sitting in a sub-committee to get allowance of Kshs. 1,500</li> <li>iii. The chairman of the constituency Development Fund and Account Manager to get airtime allowance of Kshs. 5,000 per month.</li> <li>iv. Other committee members to get airtime allowance of Kshs. 3,000 per month.</li> </ul> <p>The following allowances were paid during the year under review.</p> <table border="1" data-bbox="1268 958 1445 2022"> <thead> <tr> <th>Date</th> <th>payee</th> <th>Imprest No.</th> <th>PV No.</th> <th>Details</th> <th>Amount K.shs.</th> </tr> </thead> <tbody> <tr> <td>30.4.2018</td> <td>Michael e.</td> <td>Not</td> <td>21</td> <td>Sitting</td> <td>312,000</td> </tr> </tbody> </table> | Date        | payee  | Imprest No. | PV No.        | Details | Amount K.shs. | 30.4.2018 | Michael e. | Not | 21 | Sitting | 312,000 | Issue on payment of the sitting allowances was resolved and the committee agreed to adhere to the laid down regulations. | Fund Manager | Resolved | 2 Weeks |
| Date      | payee  | Imprest No. | PV No. | Details     | Amount K.shs. |         |               |           |            |     |    |         |         |  |              |          |         |
| 30.4.2018 | Michael e.   | Not         | 21     | Sitting     | 312,000       |         |               |           |            |     |    |         |         |  |              |          |         |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

|            | mambo           | attached     |    | allowances for NGCDF   |                |
|------------|-----------------|--------------|----|--|----------------|
| 30.04.2018 | Michael e mambo | Not attached | 17 | Airtime allowance for Chairman and Fund Account Manager for January and February, 2019 | 21,000         |
| 29.05.2018 | Mary mwaki      | 012908       | 64 | Committee allowances   | 147,000        |
| 27.06.2018 | Mary mwaki      | 012911       | 77 | Airtime allowance for committee members  | 31,000         |
| 27.06.2018 | Mary mwaki      | Not attached | 79 | Sitting allowance for bursary sub-committee  | 27,000         |
|            |                 |              |    | <b>Total</b>   | <b>538,000</b> |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUTERE CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

|               | <p>Consequently, it could not be confirmed that the rates used in payment of the committee allowances totaling to Kshs. 538,000 were properly approved rates.</p>  |           |                |         |        |            |                    |      |        |            |            |           |         |            |                    |      |        |            |            |      |        |               |  |  |                |   |              |          |         |
|---------------|--|-----------|----------------|---------|--------|------------|--------------------|------|--------|------------|------------|-----------|---------|------------|--------------------|------|--------|------------|------------|------|--------|---------------|--|--|----------------|---|--------------|----------|---------|
| 005           | <p><b>Utilities, supplies and services</b><br/> <b>Un-vouched Expenditures</b></p> <p>Included in the reported balance of use of goods and services of kshs. 4,569,193 were utilities totaling to Kshs. 1,048,293 out of which sampled payment vouchers totaling to Kshs. 540,000 as detailed in the table below were not availed for audit review.</p> <table border="1" data-bbox="687 943 1193 2018"> <thead> <tr> <th>Date</th> <th>Details</th> <th>Pv. No.</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>08/05/2018</td> <td>Manyisu investment</td> <td>7375</td> <td>30,000</td> </tr> <tr> <td>05/03/2018</td> <td>Mary mwaki</td> <td>7532/7533</td> <td>400,000</td> </tr> <tr> <td>07/05/2018</td> <td>Manyisu investment</td> <td>7368</td> <td>30,000</td> </tr> <tr> <td>30/04/2018</td> <td>Mary mwaki</td> <td>7457</td> <td>80,000</td> </tr> <tr> <td><b>TOTALS</b></td> <td></td> <td></td> <td><b>540,000</b></td> </tr> </tbody> </table> <p>Therefore the propriety of the expenditures of Kshs. 540,000 could not be confirmed.</p> | Date      | Details        | Pv. No. | Amount | 08/05/2018 | Manyisu investment | 7375 | 30,000 | 05/03/2018 | Mary mwaki | 7532/7533 | 400,000 | 07/05/2018 | Manyisu investment | 7368 | 30,000 | 30/04/2018 | Mary mwaki | 7457 | 80,000 | <b>TOTALS</b> |  |  | <b>540,000</b> | Vouchers and relevant documents availed for audit review. | Fund Manager | Resolved | 2 Weeks |
| Date          | Details  | Pv. No.   | Amount         |         |        |            |                    |      |        |            |            |           |         |            |                    |      |        |            |            |      |        |               |  |  |                |   |              |          |         |
| 08/05/2018    | Manyisu investment   | 7375      | 30,000         |         |        |            |                    |      |        |            |            |           |         |            |                    |      |        |            |            |      |        |               |  |  |                |   |              |          |         |
| 05/03/2018    | Mary mwaki   | 7532/7533 | 400,000        |         |        |            |                    |      |        |            |            |           |         |            |                    |      |        |            |            |      |        |               |  |  |                |   |              |          |         |
| 07/05/2018    | Manyisu investment   | 7368      | 30,000         |         |        |            |                    |      |        |            |            |           |         |            |                    |      |        |            |            |      |        |               |  |  |                |   |              |          |         |
| 30/04/2018    | Mary mwaki   | 7457      | 80,000         |         |        |            |                    |      |        |            |            |           |         |            |                    |      |        |            |            |      |        |               |  |  |                |   |              |          |         |
| <b>TOTALS</b> |  |           | <b>540,000</b> |         |        |            |                    |      |        |            |            |           |         |            |                    |      |        |            |            |      |        |               |  |  |                |   |              |          |         |