

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

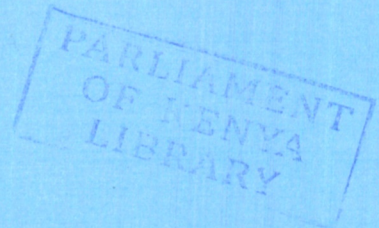
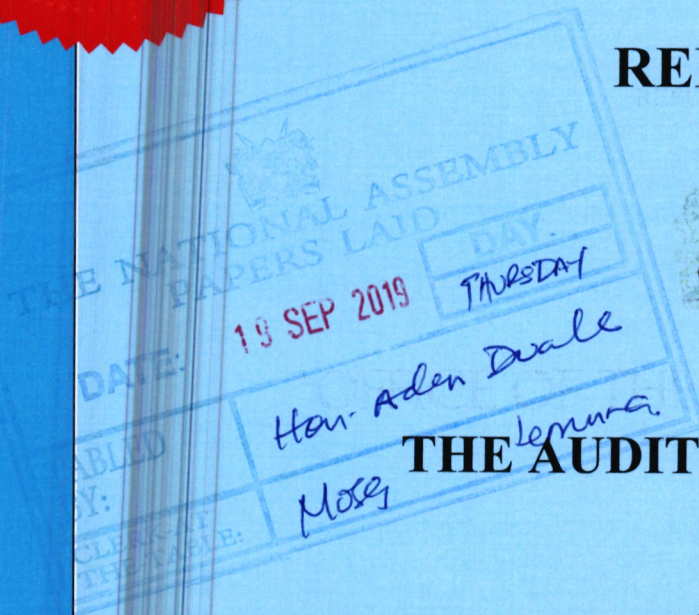
OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
OLKALOU CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2018







NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

OLKALOU CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2018

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

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

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For the year ended June 30, 2018

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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

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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- OLKALOU day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituency Development Fund Committee (NGCDFC)

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2018 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Ludovick Ngera
3.	Sub-County Accountant	Monicah
4.	Chairman NGCDFC	Simon Nduati
5.	Member NGCDFC	John Kariuki

(d) Fiduciary Oversight Arrangements

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

P.O. Box 402-20303 Olkalou
Wariire Building
Olkalou-Nakuru Road
Nyandarua, KENYA

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

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(f) NGCDF OLKALOU Constituency Contacts

Telephone: (254) XXXXXXXX
E-mail: cdf.OLKALOU@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF OLKALOU Constituency Bankers

Equity Bank
Olkalou Branch
Po box 215-20303
Olkalou

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) OLKALOU CONSTITUENCY

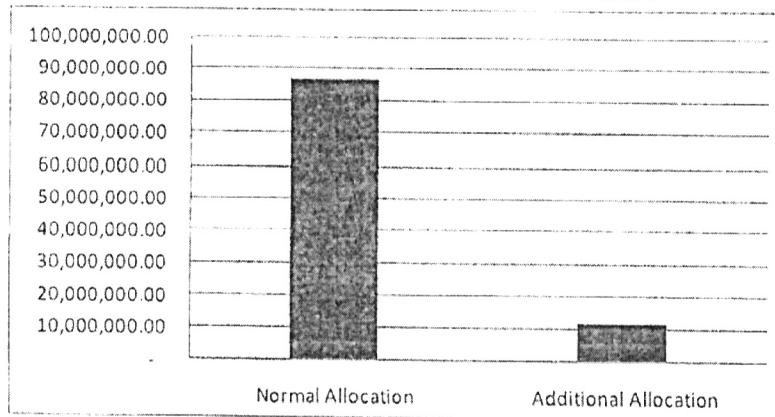
Reports and Financial Statements

For the year ended June 30, 2018

II. FORWARD BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT
FUND COMMITTEE (CDFC)

Annual Constituency Allocation

I am pleased to present the unaudited financial statements for OL-KALOU Constituency for the financial year ended 30th June 2018. During the year, the Constituency was allocated a total of Kshs 98,189,655.16 consisting of Kshs 86,810,344.82 as normal allocation and Kshs 11,379,310.34 as additional allocations.



On receipt of the above allocations, OL-KALOU National Government Constituencies Development Fund Committee (NGCDFC) pursuant to the provisions of the National

CDF Act 2015, as amended in 2016, met and allocated funds to various projects with reference to the priorities of the public participation meetings held across the Constituency. It is noteworthy that during the FY 2017/2018, we received 100% of the normal Constituency funding equivalent to Kshs 86,810,344.82 and these funds were then disbursed to earmarked projects.

Sectoral Analysis of Funding

The funding has benefitted over 200 projects and the breakdown in terms of the number of projects funded in these leading sectors over the last five years is as hereunder provided;

Number of Projects Per Sectors FY2013/14-2017/18 (In Key Sectors)

	<i>Educati on</i>	<i>Water</i>	<i>Environ ment</i>	<i>Health</i>	<i>Roads</i>	<i>Sports</i>	<i>Security</i>	<i>Agriculture</i>
2013/2014	53	21	21	4	26	5	11	2
2014/2015	48	10	Nil	Nil	39	5	8	Nil
2015/2016	52	7	20	Nil	46	5	11	1
2016/2017	79	Nil	28	Nil	Nil	5	29	Nil
2017/2018	44	Nil	17	Nil	10	5	27	Nil
Total No Funded	276	38	86	4	121	25	86	3

Source: OL-KALOU NGCDF Records (2018)

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) OLKALOU CONSTITUENCY

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It is therefore notable that the education sector have realized the highest number of projects funded in the Constituency followed by roads and finally security projects. Overall, the ranking based on highest number projects funded over the period is primary Schools as the leading sector followed by secondary Schools, roads and security Institutions. The sectoral analysis in terms of total funding to the respective sectors over the last 5 years is as hereunder provided;

Sectoral Analysis FY2013/14-2017/18 (5 Years)

No	Financial Year	Amount Allocated	% Sectoral Allocation								
			Education	Water	Environment	Health	Roads	Sports	Security	Bursary	Agriculture
1.	2013/2014	72,912,510	23.99	2.19	1.3	6.63	14.42	1.78	2.88	20.57	0.82
	2014/2015	104,586,548	21.5	6.16	2.01	Nil	18.32	2	4.77	23.9	Nil
3.	2015/2016	110,805,755	31.2	2.89	0.9	Nil	19.17	1.99	2.62	25	0.36
4.	2016/2017	81,896,551.56	36.49	Nil	1.9	Nil	Nil	1.9	9.77	33.25	Nil
5.	2017/2018	86,810,344.82	24.59	Nil	2	Nil	12.67	1.16	4.79	27.65	Nil
Average % Allocations			27.55	2.25	1.62	1.33	12.92	1.77	4.97	26.07	0.24

Source: OL-KALOU NGCDF Records (2018)

From the above, it is evident that the leading sectors over the period are **education, bursary and security** at an average percentage allocation of **27.55%, 26.07%, and 12.92%** respectively.

Sectoral Allocation FY2013-2018 Source: OL-KALOU NGCDF Records (2018)

The NG-CDF (Amendment) Act 2016 introduced a major shift in the scope of projects eligible to be funded. Under this Act only projects falling within the functions of the National Government as outlined in the Constitution of Kenya 2010 will be funded. This effectively means that the Fund has since been concentrating primarily on education, security, sports and environment sectors as well as other national government residual functions. During the FY 2017/2018, the Committee undertook to expedite the disbursement of funds to earmarked projects in accordance with the provisions of the NGCDF Act, 2015, as amended in 2016, and the requirements of the Annual Performance Contract. The disbursements saw the implementation of approved project activities across the Constituency. As at the close of the fiscal year 2017/2018 on 30th June 2018, the overall funds utilization and absorption rate stood at 57% percent.

Achievements and Major Undertakings

Major physical facilities funded are infrastructure such as classrooms, toilets, administration block, lockers and desks. The continued funding towards the education sector in the Constituency has contributed to increased enrolment in primary, secondary and tertiary institutions whilst increasing retention and transition rates while equally reducing the burden of education for low income families. Another major project undertaken during the year is the OL-KALOU NG-CDF Office which is 98 percent complete.

Budgetary Appropriations

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) OLKALOU CONSTITUENCY
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During the financial year 2017/2018, the overall budget utilization stood at 57 percent based on the funds received. This was achieved due to expeditious disbursement of funds received to earmarked projects by the NGCDF Committee. During the period Kshs 86,810,344.82 was received against the total allocation of Kshs 98,189,655.16 which consists of Kshs 86,810,344.82 in normal funding and Kshs 11,379,310.34 in additional allocations.

Development Planning

The Constituency Development Funds continue to draw interest of beneficiaries and communities alike. This has seen the receipt of many proposals from communities spanning various sectors. To ensure focus and expedite Constituency development, the Committee is reviewing its strategic plan which is a formalized road map that spells out where the Constituency is going over the next five years in project identification, implementation and management taking cognizance of the global Sustainable Development Goals, Kenya Vision 2030 and related County Integrated Development Plans. The NGCDF Committee is convinced that the strategic plan shall help the Constituency in setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal and results.

Challenges

The Committee has noted various challenges in project implementation and management during the FY 2017/2018. These encompass, inadequate record keeping by project management committees, failure by some project management committees to comply with the public procurement procedures and regulations as well as delayed submission of the required returns for funds disbursed. Another notable challenge is the limited numbers of technical officers needed to provide the requisite technical advice in project implementation and management. To mitigate the above, the committee during the year 2017/2018 scaled up its capacity building programmes for NGCDF Committee, Project Management Committees and staff on various aspects of NGCDF projects management. These programmes contributed to minimizing the challenges and improving overall performance by Project Management Committees. The NG-CDFC plans to continue with the capacity building as well as monitoring and evaluation programmes during the FY 2018/2019.

I wish to sincerely thank the NG-CDF Committee, NG-CDFC staff, Project Management Committees and other stakeholders for the cooperation and support that saw the achievement of the above milestones. Going forward, the Committee envisions to even perform better and attain better assessments in its performance targets for FY 2018/2019.



**SIMON NDUATI
CHAIRMAN NG-CDF COMMITTEE**

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) OLKALOU CONSTITUENCY

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III. STATEMENT OF NG-CDF MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government CDF shall prepare financial statements in respect of that NG-CDF. 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.

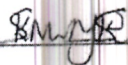
The Accounting Officer in charge of the Ol-kalou NG-CDF is responsible for the preparation and presentation of the *NG-CDF's* financial statements, which give a true and fair view of the state of affairs of the *NG-CDF* for and as at the end of the financial year (period) ended on June 30, 2018. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NG-CDF; (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 *NG-CDF*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

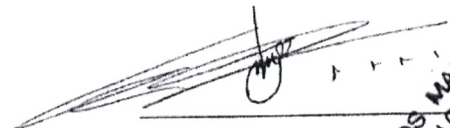
The Accounting Officer in charge of the ol-kalou NG-CDF accepts responsibility for the *NG-CDF's* financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *NG-CDF's* financial statements give a true and fair view of the state of *NG-CDF's* transactions during the financial year ended June 30, 2018, and of the *NG-CDF's* financial position as at that date. The Accounting Officer in charge of the ol-kalou NG-CDF further confirms the completeness of the accounting records maintained for the *NG-CDF*, which have been relied upon in the preparation of the *NG-CDF's* financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the ol-kalou NG-CDF confirms that the NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG-CDF'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 *NG-CDF'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 *NG-CDF's* financial statements were approved and signed by the Accounting Officer on _____ 2018.





FUNDS MANAGER
OLKALOU CDF OFFICE
P.O. Box 402-20303,
OLKALOU

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

Chairman-NG-CDFC

Fund manager

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - OlKalou Constituency set out on pages 9 to 31, which comprise the statement of assets as at 30 June 2018, the statement of receipts and payments, statement of cash flows, 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - OlKalou Constituency as at 30 June 2018, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituency Development Fund Act, 2015.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

1.1. Bank Balance

The statement of assets reflects bank balance of Kshs.35,182,808 (2017-Kshs.9,554,115) and as disclosed under Note 11A to the financial statements. Examination of bank reconciliation statement in support of the balance revealed unrepresented cheques amounting to Kshs.14,680,539 of which cheques totaling to Kshs.212,563 are stale. These cheques were date back to 2015 and are yet to be reversed in the cash book. Management has not rendered satisfactory explanations for failure to reverse. Further, the reported bank balance of Kshs.35,182,808 has not incorporated project management committee bank balances as at 30 June 2018 and

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund - OlKalou Constituency for the Year Ended 30 June 2018

for which the balances could not be established. Included also in the bank balance is Bursary Fund amount of Kshs.4,118,308 as per the bank statement. However, there was no reconciliation nor bank balance certificate in support.

In the circumstance, the accuracy and validity of the reported bank balance of Kshs.35,182,808 as at 30 June 2018 could not be confirmed.

1.2. Summary Statement of Appropriation: Recurrent and Development Combined

The Fund statement of appropriation: recurrent and development combined reflects final budget and actual expenditure of Kshs.107,748,770 and Kshs.61,186,651 respectively resulting into under absorption of Kshs 46,562,119 or 43.2%. Contrary to the provisions of section 137 2 (c) of the Public Finance Management National Government Regulations 2015, the Fund has not rendered explanations for the variances which exceed 10%. In the circumstance, the summary statement of appropriation: recurrent and development combined is not compliant with International Public Sector Accounting Standards (Cash Basis) reporting framework.

Further, transfers reported as received from National Government Constituency Development Fund Board in the statement of appropriation: recurrent and development combined differs from the amount in the statement of receipts and payments by Kshs.9,559,114. Management has not satisfactorily explained reasons for the difference.

In the circumstances, I am unable to confirm the accuracy of the reported receipts amount.

1.3. Other Grants and Other Payments

The statement of receipts and payments reflects payments of Kshs.28,701,018 on account of other grants and transfers and as disclosed under Note 7 to the financial statements. Included in this amount is Kshs.12,121,047 on account of bursary to secondary schools. Verification of records revealed actual bursary to secondary amounted to Kshs.6,773,000 resulting an overstatement of Kshs.5,348,047. The records also revealed bursary disbursements to tertiary institutions of Kshs.2,028,000 but undisclosed in the financial statements. Of the total disbursements of Kshs.8,801,000 to the secondary schools and tertiary institutions only Kshs.775,000 was acknowledged by the beneficiary institutions leaving a balance of Kshs.8,026,000 unconfirmed. In the circumstance, the reported payments of other grants and transfers of Kshs.28,701,018 cannot be confirmed as fairly stated.

1.4. Summary of Fixed Asset Register

The summary fixed asset register annex 4 reflects asset historical cost of Kshs.40,352,724 (2017- Kshs.46,352,724). However, verification revealed an omission of ICT Equipment, Software and other Assets opening balance of Kshs.1,037,030. Further, comparison between asset historical cost opening and closing balances for the year revealed a reduction of Kshs.6,000,000. However, this was as a result of transposing the two balances. In the circumstance, the summary of fixed assets register is not accurately stated.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - OIKalou Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Construction project without Agreement and Variation in Excess of Threshold

The Fund on 10 May, 2016 awarded the construction of its offices at a sum of Kshs.15,537,710. Records availed indicate that no contract was signed with the contractor for the works. Instead, the contractor was only issued with Local Service Order (LSO) for the works. Consequently, the contract terms and conditions were not documented.

Note 9 to the financial statements discloses additional payment of Kshs.6,000,000 to the contractor for office block construction during the year bringing total payments over and above the LSO price by Kshs.6,017,913 or 38.7% which exceeds the variation limit of twenty-five percent (25%) without subjecting to tender as set out under section 139 (4) (e) of the Public Procurement and Asset Disposal Act, 2015. Further and contrary to section 139 (5) of the same Act, the Fund did not submit quarterly reports of the varied or procurement contract to the Public Procurement Regulatory Authority. Despite the variation and the payments having been made to the contractor, the project had not been completed as at the time of the audit.

Subsequently, on 10 October 2018, the Fund management advertised for completion of the offices and awarded the contract for the remaining scope to the previous contractor at a contract sum of Kshs.2,999,740. The additional works tendered for were not specified in the tender documents. Site visits carried out on 29 March 2019,

revealed no activity on site and work progress could not be established as no documentation were made available for our review. Under the circumstances, I am unable to confirm if and when the project will be completed and whether value for money will be realized from the procurement.

2. Unsupported Payment

Examination of bursary bank account statement held at OI Kalou Equity bank branch revealed payment of Kshs 513,000 vide cheque number 5829 to a firm on 8 March 2018. The payment was unsupported by way of payment voucher. Consequently, the purpose of the payment could not be established. I am unable to confirm the lawfulness of the above expenditure.

3. Non-Implemented Projects

The Fund budget for the year reflects an amount of Kshs.4,677,027 for the establishment of four (4) innovation hubs in the constituency. The budget was to cover supply, installation, testing, and commissioning of equipment in line with the signed agreement with the Ministry of Information, Communication and Technology. The objective was to configure and operationalize internet access bandwidth in the constituency. In the year under review, Wi-Fi was only installed at Kaimbaga ward but was yet to be commissioned due to digital access kit costing Kshs.505,000 not having supplied by the service provider. In the circumstance, the intended objective has not been realized and the constituents continue to be denied access services.

4. Unsupported Cash Withdrawals

Cash withdrawals amounting to Kshs.558,000 but unsupported by way of payment vouchers were made on two occasions. Consequently, the purpose of the withdrawals and its rightful use could not be established.

5. Emergency Projects

Expenditure of Kshs.520,000 was incurred on account of emergency projects. However, no documents were made available in support. Consequently, I am unable to confirm whether the expense is in line with the provisions of National Government Constituency Development Fund Act, 2015 section 8 and 10 and proper charge on the Fund.

6. Security Projects

Expenditure of Kshs. 2,160,000 was incurred on account of security projects. However, no documents were made available in support. In the circumstance, I am unable to confirm whether the expense is a proper charge on the Fund.

7. Road Projects

Included in other grants and transfers payments amount of Kshs.28,701,018 is Kshs.5,750,000 on account of roads projects paid to OI Kalou subcommittee account for project implementation. However, no supporting documents by way of tender

documents and award letters, the public works cost estimates, contractual agreements and the project's completion certificates were made available for audit review to confirm usage of the funds for the intended purpose. Under the circumstances, I am unable to confirm the if the roads budget has been applied for the intended purposes.

8. Remittance of Statutory Deductions

During the year under review, there was no evidence of remittance of statutory deductions to NSSF, NHIF and PAYE as it couldn't be evidenced by way of acknowledgement receipts. The Fund is not in compliance with the law.

9. Unpaid Employee Gratuity

Contrary to the labour laws provisions on payment of employee gratuity at the end of contract term, the Fund continues to withhold the dues resulting in liability of Kshs.1,080,118 as at 30 June 2018.

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 INTERNAL CONTROLS EFFECTIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

Conclusion

As required by Section 7(1) (a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Effectiveness of the Internal Audit Function

There is no evidence of the sub-county internal auditor having undertaken reviews on the Fund during the period under review. Consequently, the effectiveness of the Fund internal controls cannot be assured.

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, management is responsible for assessing the ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the International Public Sector Accounting Standards (Cash Basis) of accounting unless the management of the National Government Constituency Development Fund OlKalou either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements

are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to 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 continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

26 August 2019

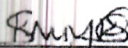
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) OLKALOU CONSTITUENCY

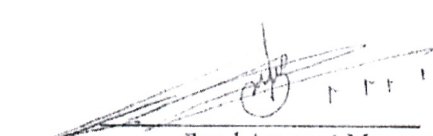
Reports and Financial Statements
For the year ended June 30, 2018

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017-2018	2016-2017
RECEIPTS			
		Kshs	Kshs
Transfers from Other Government Entities	1	86,810,344.80	137,203,346.7
Proceeds from Sale of Assets	2	0.00	0.00
Other Receipts	3	0.00	0.00
TOTAL RECEIPTS		86,810,344.80	137,203,346.7
PAYMENTS			
Compensation of Employees	4	3,392,118.00	3,056,300.00
Use of goods and services	5	2,446,060.00	10,045,684.00
Transfers to Other Government Units	6	20,647,455.00	50,375,398.00
Other grants and transfers	7	28,701,018.00	93,043,629.00
Social Security Benefits	8	0.00	0.00
Acquisition of Assets	9	6,000,000.00	16,378,523.00
Other Payments	10	0.00	0.00
TOTAL PAYMENTS		61,186,651.00	172,899,534.00
SURPLUS/DEFICIT		25,623,693.80	35,696,187.30

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The OL-KALOU NG-CDF financial statements were approved on _____ 2018 and signed by:


Chairman - NG-CDFC


Fund Account Manager

FUNDS MANAGER
OL'KALOU C D F OFFICE
P O Box 402- 20303,
OL'KALOU.

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

V. STATEMENT OF ASSETS


	Note	2017-2018 Kshs	2016-2017 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	11A	35,182,803.40	9,554,114.50
Cash Balances (cash at hand)	11B	0.00	0.00
Outstanding Imprests	11C	0.00	0.00
TOTAL FINANCIAL ASSETS		35,182,803.40	9,554,114.50

REPRESENTED BY

Retention			
Fund balance b/fwd	12	9,554,114.50	45,250,302.00
Surplus/Deficit for the year		25,623,693.30	(35,696,187.30)
Prior year adjustments	13	8,000.00	0.00
NET FINANCIAL POSITION		35,182,803.40	9,554,114.50

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The OL-KALOU NG-CDF financial statements were approved on _____ 2018 and signed by:


 Chairman NG-CDFC

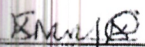

 Fund Account Manager
 FUND MANAGER
 OLKALOU NG-CDF OFFICE
 P. O. BOX 402 20303,
 OLKALOU

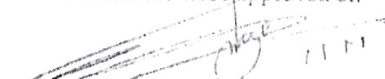
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
 (NGCDF) OLKALOU CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2018

VI. STATEMENT OF CASHFLOW

		2017-2018	2016 - 2017
		Kshs	Kshs
Receipts for operating income			
Transfers from NG-CDF Board	1	86,810,344.80	137,203,346.70
Proceeds from sale of assets	2	0.00	0.00
Other Receipts	3	0.00	0.00
Payments for operating expenses			
Compensation of Employees	4	3,392,118.00	3,056,300.00
Use of goods and services	5	2,446,060.00	10,045,684.00
Transfers to Other Government Units	6	20,647,455.00	50,375,398.00
Other grants and transfers	7	28,701,018.00	93,043,629.00
Adjusted for:			
Adjustments during the year		0.00	0.00
Net cash flow from operating activities		31,623,693.80	(19,317,664.30)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	9		
Acquisition of Assets		(6,000,000.00)	(16,378,523.00)
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		25,623,693.80	(35,696,187.30)
Cash and cash equivalent at BEGINNING of the year		9554114.60	45,250,301.80
Prior year adjustments		5000.00	0.00
Cash and cash equivalent at END of the year		35,182,808.40	9,554,114.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The OL-KALOU NG-CDF financial statements were approved on _____ 2018 and signed by:


 Chairman NG-CDFC


 Fund Account Manager

FUNDS MANAGER
 OL'KALOU C D F OFFICE
 P O Box 402-20303.
 OLKALOU.

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

II. 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 %
RECEIPTS						
Transfers from NG-CDF Board	86,810,344.82	20,938,425.10	107,748,769.92	96,369,459.41	11,379,310.51	89%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
PAYMENTS						
Compensation of Employees	3,080,621.00	3,536,080.00	6,616,701.00	3,392,118.00	3,224,583.00	51%
Use of goods and services	4,732,310.03		4,732,310.03	2,446,060.00	2,286,250.03	52%
Transfers to government Institutions	21,347,455.00	7,580,344.00	28,927,799.00	20,647,455.00	8,280,344.00	71%
Other grants and transfers	51,149,958.79	6,422,002.00	57,571,960.79	28,701,018.00	28,870,942.79	50%
Acquisition of Assets	6,500,000.00	3,400,000.00	9,900,000.00	6,000,000.00	3,900,000.00	61%
TOTALS	86,810,344.82	20,938,426.00	107,748,770.82	61,186,651.00	46,562,119.82	57%


a.[For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

b.[Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]

Overutilization-Compensation of employees

- i. Xxxx
- ii. Xxxx
- iii. Xxxx

The attached NG-CDF financial statements were prepared on 21/07/2018 and signed by


Chairman NG-CDF


Fund Account Manager

FUNDS MANAGER
OL'KALOU C D F OFFICE
P O Box 402- 20303.
OL'KALOU.

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- OLKALOU Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012.

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

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

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

OLKALOU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash 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 A/E holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Funds

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

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

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2018.

14. Errors

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

During the year, errors that have been corrected are disclosed under note 14 containing 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)
 OLKALOU CONSTITUENCY

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

IX. NOTES TO THE FINANCIAL STATEMENTS

I. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2017-2018	2016-2017
	Kshs	Ksh.
NG-CDF Board		
AIE A825942		55,306,795.00
AIE A829977		4,094,827.60
AIE A855130		36,853,449.00
AIE A855518		36,158,275.10
AIE A839714		4,790,000.00
	5,500,000.00	
	37,905,172.00	
	43,405,173.00	
TOTALS	86,810,345.00	137,203,274.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. COMPENSATION OF EMPLOYEES

	2017-2018	2016 - 2017
	Kshs	Kshs
Basic wages of contractual employees	2,312,000.00	3,056,300.00
Basic wages of casual labour	0.00	0.00
Personal allowances paid as part of salary	0.00	0.00
House allowance	0.00	0.00
Transport allowance	0.00	0.00
Leave allowance	0.00	0.00
Gratuity	1,080,118.00	0.00
Other personnel payments	0.00	0.00
Total	3,392,118.00	3,056,300.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2017-2018	2016-2017
	Kshs	Kshs
Utilities, supplies and services	0.00	632,277.00
Communication, supplies and services	10,960.00	6,960.00
Domestic travel and subsistence	79,200.00	161,000.00
Printing, advertising and information supplies & services	90,000.00	425,446.00
Rent	240,000.00	360,000.00
Training expenses	0.00	0.00
Hospitality supplies and services	0.00	185,000.00
Insurance costs	0.00	734,610.00
Specialized materials and services		764,000.00
Electricity cost	12,142.00	82,091.00
Office and general supplies and services	45,890.00	252,360.00
Other operating expenses	0.00	550,000
Routine maintenance – vehicles and other transport equipment	211,868.00	759,500.00
Routine maintenance – other assets	0.00	0.00
Fuel	500,000.00	1,750,000.00
Committee allowances	1,256,000.00	3,382,440.00
TOTAL	<u>2,446,060.00</u>	<u>10,045,684.00</u>

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017-2018	2016-2017
	Kshs	Kshs
Transfers to National Government entities	0.00	0.00
Transfers to primary schools (see attached list)	16,157,455.00	37,648,699.00
Transfers to secondary schools (see attached list)	4,490,000.00	12,726,699.00
Transfers to tertiary institutions (see attached list)	0.00	0.00
Transfers to health institutions (see attached list)	0.00	0.00
TOTAL	20,647,455.00	50,375,398.00

7. OTHER GRANTS AND OTHER PAYMENTS

	2017-2018	2016-2017
	Kshs	Kshs
Bursary – secondary schools (see attached list)	12,121,047.00	44,579,903.00
Bursary – tertiary institutions (see attached list)		
Bursary – allowances (see attached list)		
Driving schools		
Water projects (see attached list)	0.00	3,200,000.00
Agriculture projects (see attached list)	0.00	400,000.00
Security projects (see attached list)	4,160,000.00	10,700,000.00
Roads projects (see attached list)	5,750,000.00	17,726,726.00
Sports projects (see attached list)	1,256,764.00	5,091,000.00
Environment projects (see attached list)	2,736,207.00	1,000,000.00
Emergency projects (see attached list)	2,677,000.00	10,346,000.00
Shades	0.00	0.00
Total	28,701,018.00	93,043,629.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9.ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2017-2018	2016-2017
	Kshs	Kshs
Purchase of Buildings	0.00	0.00
Construction of Buildings	6,00,00.00	15,555,623.00
Refurbishment of Buildings	0.00	0.00
Purchase of Vehicles and Other Transport Equipment	0.00	0.00
Overhaul of Vehicles and Other Transport Equipment	0.00	0.00
Purchase of Household Furniture and Institutional Equipment	0.00	0.00
Purchase of Office Furniture and General Equipment	0.00	0.00
Purchase of ICT Equipment, Software and Other ICT Assets	0.00	124,900
Purchase of Specialised Plant, Equipment and Machinery	0.00	0.00
Rehabilitation and Renovation of Plant, Machinery and Equip.	0.00	0.00
Acquisition of Land	0.00	0.00
Acquisition of Intangible Assets	0.00	698,000.00
Total	6,000,000.0	16,378,523.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2017-2018	2016 - 2017
	Kshs	Kshs
Equity bank-Ol-kalou branch	35,182,808.00	9,554,114.00
Total	35,182,808.00	9,554,114.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. BALANCES BROUGHT FORWARD

	2017-2018	2016-2017
	Kshs	Kshs
Bank accounts		
Cash in hand	9,554,114.00	45,250,302
Imprest	0.00	0.00
	0.00	0.00
Total	<u>9,554,114.0</u>	<u>45,250,302</u>

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

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2016/17
Land				
Buildings and structures	15,555,623.00	6,000,000.00	0.00	21,555,623.00
Transport equipment	22,220,521.00	0.00	0.00	22,220,521.00
Office equipment, furniture and fittings	565,847.00	0.00	0.00	565,847.00
ICT Equipment, Software and Other ICT Assets		0.00	0.00	1,037,030.00
Other Machinery and Equipment	275,703.00	0.00	0.00	275,703.00
Heritage and cultural assets		0.00	0.00	
Intangible assets	698,000.00	0.00	0.00	698,000.00
Total	40,352,724.00	6,000,000	0.00	46,352,724.00

OTHER GRANTS AND TRANSFERS

SECTOR	PAYEE	CASHBOOK VOUCHER NO	CHEQUE NO	AMOUNT
ROADS AND BRIDGES				
	Olkalou Constituency roads committee	30	10448	5,100,000
	Olkalou Constituency roads committee	46	10498	650,000
subtotals				5,750,000
BURSARIES				
	Olkalo NG-constituency development funds	22	10409	4,500,000
	Olkalo NG-constituency development funds	26	10420	7,500,000
	Cashbook adjustments column 3			121,047
subtotals				12,121,047
SPORTS				
	Olkalou constituency sports committee	11	10388	700,000
	Olkalou constituency sports committee	23	10413	556,764
subtotals				1,256,764
ENVIRONMENT				
	Olakalou constituency environment committee	10	10387	500,000
	Olakalou constituency environment committee		10389	500,000
	Olakalou constituency environment committee	37	10482	1,736,207
subtotals				2,736,207
EMERGENCY PROJECTS				
	Kieni primary school	12	10390	100,000
	Olakalou constituency environment committee	14	10394	250,000
	Umoja primary school	15	10395	320,000
	Muiri primary school	33	10471	250,000
	Kanjulri primary school	33	10472	250,000
	Harambee primary school	33	10473	200,000
	Mugathika primary school	41	10490	250,000
	Dundori CCM primary school	42	10491	48,000
	Gichungo primary school	43	10492	110,000
	Kagaa primary school	44	10493	200,000
	Karugutu primary school	56	10557	300,000
	Rutara primary school	56	10558	51,000
	Kahigu primary school	56	10559	48,000
	Kiganjo primary school	56	10560	200,000
	Nyandarua Central Security Committee	56	10561	100,000

subtotals				2,677,000
SECURITY PROJECTS				
	Milangine police station	28	10443	250,000
	Mathakwa police atation	28	10444	150,000
	DCC office Milangine	28	10445	250,000
	Bosnia Chiefs Office	28	10446	150,000
	Kirimaini Chiefs Office	49	10505	80,000
	Kanyiriri Assistant Cheifs office	49	10506	80,000
	Munyeki Chiefs Office	49	10507	200,000
	Kanyiriri Police Post	49	10508	200,000
	Mawingu Cheifs Office	49	10509	300,000
	Okalou Police Station	49	10510	350,000
	Kamuchege Cheifs Office	49	10511	150,000
	Gituamba Chiefs Office	49	10512	150,000
	Captain Do's Office	49	10513	100,000
	Rumathi Assistant Cheifs Office	49	10514	100,000
	Simba police post	49	10515	150,000
	Mathakwa Chiefs Office	49	10516	100,000
	Gichungo Police Post	49	10517	150,000
	Tumaini Chiefs Office	49	10518	100,000
	Passenga Chiefs Office	49	10519	30,000
	Passenga Chiefs Office	49	10520	20,000
	Silanga Asst Chiefs Office	49	10521	50,000
	Githunguri Asst Chiefs office	49	10522	150,000
	Mukindu Asst Chiefs Office	49	10523	150,000
	Gikumbo Assistant Chiefs Office	49	10524	150,000
	Manyatta Assistant Chiefs Office	49	10525	150,000
	Passenga Police Post	49	10526	300,000
	Manyatta AP post	49	10527	150,000
subtotals				4,160,000
	TOTALS			28,701,018

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TRANSFERS TO OTHER GOVERNMENT UNITS

SECTOR	PAYEE	CASHBOOK VOUCHER NO	CHEQUE NO	AMOUNT
PRIMARY SCHOOLS				
	Kirathimo primary school			
	Mlimani primary school		10421	700,000
	Wiyumiririe special school		10422	700,000
	Wiyumiririe special school		10423	700,000
	Ngorika Primary School		10424	600,000
	Gatarwa primary school		10425	100,000
	Karugutu primary school		10426	300,000
	Highlands primary school		10427	300,000
	Kanyiriri primary school		10428	700,000
	ST.Joseph primary school		10429	700,000
	Nyakiambi primary school		10430	300,000
	Kibendera primary school		10431	400,000
	Dundori CCM primary school		10432	700,000
	Kandutura primary school		10433	700,000
	Bahati primary school		10435	700,000
	J.M.Kariuki primary school		10436	700,000
	Kamande primary school		10437	700,000
	Mukindu primary school		10438	300,000
	Umoja primary school		10439	300,000
	Wagatabuthi primary school		10440	700,000
	Kahonge primary school		10441	700,000
	Munyeki Primary school		10442	700,000
	Micharage primary school		10533	300,000
	Mbora primary school		10534	300,000
	Kamuyu primary school		10535	200,000
	Rutara Primary school		10536	250,000
	Ngorika Primary school		10537	700,000
	Ngorika Primary School		10538	80,000
	Ngorika Primary School		10540	27,455
	Ngorika Primary School		10541	200,000
	Plot 11 Primary School		10542	700,000
	Malan Primary School		10543	700,000
	Gathima Primary School		10544	700,000

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	Rurii Primary School		10546	300,000
SUBTOTALS				16,157,455
SECONDARY SCHOOLS				
	MATUNDA SECONDARY SCHOOL		10434	50,000
	Mawingu Secondary School		10547	700,000
	Kahia Secondary School		10548	540,000
	Matunda Secondary School		10549	700,000
	Matunda Secondary School		10550	100,000
	Kurungu Secondary School		10551	200,000
	Kalmbaga Secondary School		10552	300,000
	Kalou Secondary School		10553	400,000
	Kanjui Secondary School		10554	700,000
	Ngorika Secondary School		10555	800,000
SUB-TOTALS				4,490,000
	TOTALS			20,647,455

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USE OF GOODS AND SERVICES

ITEM	PAYEE	CASHBOOK VOUCHER NO	CHEQUE NO	AMOUNT
POSTAL				
	Postal cooperation of kenya	34	10476	10,960
RENT				
	Stephen .M.Karitu	35	10477	240,000
ELECTICITY BILLS				
	Kenya power		10376	3,459
	Kenya power	7	10384	8,683
SUBTOTALS				12,142
FUEL				
	Supervision Enterprises		10375	100,000
	Daratim Enterprises	5	10382	50,000
	Supervision Enterprises	6	10383	50,000
	Supervision Enterprises	8	10385	50,000
	Fifa holdings	9	10386	100,000
	Fifa holdings	29	10447	50,000
	Supervision Enterprises	39	10484	50,000
	Fifa holdings	58	10564	50,000
SUBTOTALS				500,000
GARAGE				
	Paul M.Njuguna	17	10401	44,379
	Comm of domm.taxes		10402	2,421
	Paul M.Njuguna	57	10562	156,530
	Comm of domm.taxes		10563	8,538
SUBTOTALS				211,868
COMMITTEE ALLOWANCES				
	Fund manager	C2	10391	400,000
	Fund manager	C3	10403	400,000
	Fund manager	C5	10405	131,000
	Fund manager	C7	10483	84,000

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	Fund manager	54	10532	241,000
SUBTOTALS				1,256,000
STATIONERIES AND OTHER UTILITIES				
	Fund manager	C1	10361	50,000
		C4	10404	40,000
		C6	10406	15,000
	Cawanjo General supplies	36	10478	30,890
SUBTOTALS				135,890
CLAIMS				
	Ludovick Ngera	50	10528	19,200
	John Kariuki Kimani	51	10529	21,000
	Simon Nduati	52	10530	30,000
	Nelson wanjohi	53	10531	9,000
SUBTOTALS				79,200
	TOTALS			2,446,060

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COMPENSATION TO EMPLOYEES

	NET SALARY	NHIF	PAYE	GROSS TOTALS
JULY	211,743	6,800	23,457	242,000
AUG	211,743	6,800	23,457	242,000
SEPT	149,955	0	12,045	162,000
OCT	149,955	0	12,045	162,000
NOV	114,955	0	12,045	127,000
DEC	114,955	0	12,045	127,000
JAN	114,955	0	12,045	127,000
FEB	114,955	0	12,045	127,000
MAR	172,967	5,350	19,683	198,000
APR	172,967	5,350	19,683	198,000
MAY	172,967	5,350	19,683	198,000
JUNE	172,967	5,350	19,683	198,000
SUBTOTALS	1,875,084	35,000	197,916	2,108,000
	Accrued salary to one staff			204,000
TOTALS				2,312,000

GRATUITY TO STAFF

PAYEE	PAYE CHEQUE NO	PAYE DEDUCTED	NET PAID	CHEQUE NO.
NELSON WANJOHI	10459	8,835	79,515	10459
FABITHA WANDIA	10460	9,300	83,700	10450
STEPHEN MUREITHI	10461	9,300	174,375	10452
NAOMI WANJIKU	10462	19,375	94,163	10453
WILSON K. WARUI	10463	10,462	43,943	10454
MIRRY WANGOT MWANGI	10464	4,882	43,943	10455
JUSTUS MUGAMBI	10465	4,882	174,375	10456
DAVID GACHWE	10466	19,375	104,625	10457
JACKSON WAGATHIMA	10467	11,625	50,220	10458
JOSEPH K. KIGOI	10468	5,580	83,700	10474
WILSON K. WARUI			43,943	10496
SUB-TOTALS		103616	976,502	
TOTALS		1,080,118		

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