

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 07 AUG 2019

DAY

Wednesday

TABLED
BY:

Hon. Benjamin Wanjiku
(Majority Party Whip)

REPORT BY: Halima Ahmed

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
MANDERA WEST CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2018

PARLIAMENT
OF KENYA
LIBRARY





OFFICE OF THE AUDITOR GENERAL

21 FEB 2019

RECEIVED
P O. BOX 88-70100 GARISSA HUB

Revised Template 30th June 2018



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND MANDERA
WEST CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2018**

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

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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	1
II. FORWARD BY THE NGCDF COMMITTEE CHAIRMAN	4
III. STATEMENT OF NGCDF COMMITTEE MANAGEMENT RESPONSIBILITIES	5
IV. STATEMENT OF RECEIPTS AND PAYMENTS	6
V. STATEMENT OF ASSETS AND LIABILITIES	7
VI. STATEMENT OF CASHFLOW	8
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED.....	9
VIII. SIGNIFICANT ACCOUNTING POLICIES	11
IX. NOTES TO THE FINANCIAL STATEMENTS.....	15



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

(b) Key Management

The NGCDF MANDERA WEST 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	Yussuf Abdi
3.	Sub-County Accountant	Felix O. Emolem
4.	Chairman NGCDFC	Mohamed Noor
5.	Secretary NGCDFC	Mohamed Ibrahim

(d) Fiduciary Oversight Arrangements

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

P.O. Box 37-70303
OPP TAKABA AP CAMP
Mandera - Elwak Highway
TAKABA, KENYA

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MANDERA WEST CONSTITUENCY**

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

(f) NGCDF MANDERA WEST Constituency Contacts

Telephone: (254) 728205570
E-mail: cdfmanderawest@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF MANDERA WEST Constituency Bankers

Equity Bank
P.O Box 536-70300
Mandera

(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

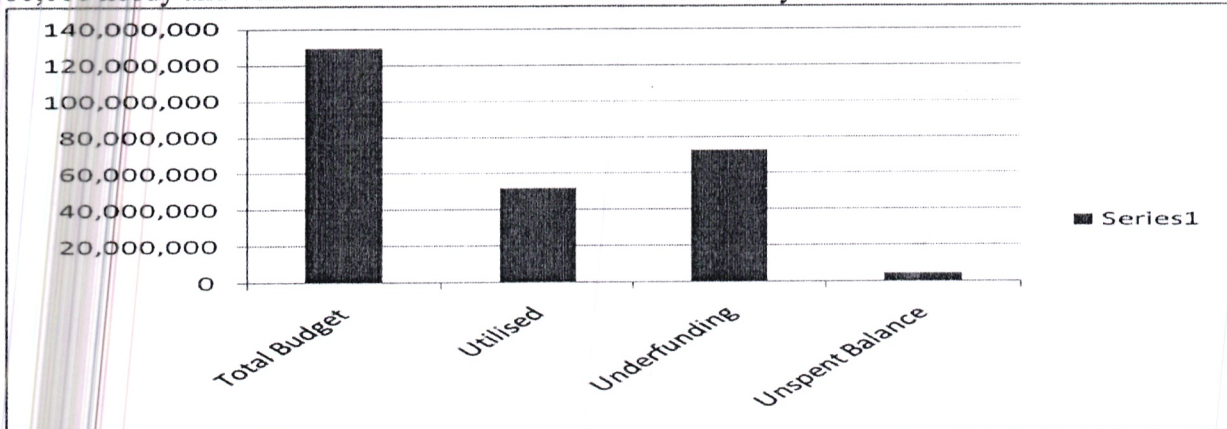
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MANDERA WEST CONSTITUENCY**

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

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

The NG-CDF Mandera West had a total budget of Kshs 129,592,543 in 2017-18 which includes previous financial year balances. The fund could not utilise an amount of Kshs 77,665,432 due to underfunding of Kshs 72,784,484. Disbursement was made to the PMCs promptly and the projects were implemented well. Over the years the entity improved water, sanitation, education access road through construction and desilting of dams in various villages, construction of various public dispensaries and toilets, construction of primary and secondary schools, payment of fees to over 16,000 needy and vulnerable students across the constituency.



EMERGING ISSUES RELATED TO MANDERA WEST NGCDFCC

- Increasing population and settlements
- Increasing school enrolment
- Increasing vulnerability of communities and school/tertiary institutions going students

IMPLEMENTATION CHALLENGES

- Huge resources available Vs needs gap
- Low/lack of Capacity in some PMCs
- Security threats/Clan conflicts
- Low literate levels
- Persistent droughts leading lack of water sources for construction and usage

Prevalent droughts, inter clan conflicts have been a deterrent factor and the situation exasperated by the immense gap between the resources available and the needs of the community. The Mandera West NG-CDF has ensured that the resources have been equally distributed to spread the gains from the fund. Despite the numerous challenges, the fund has been at the fore front in the provision of basic social amenities, improved the general economic standards of the population and has thus has been considered transformational by the community. By and large the impact of NG-CDF is felt and appreciated in the constituency

Sign. *(Signature)*

CHAIRMAN NG-CDFC

DATE *15/02/2019*



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

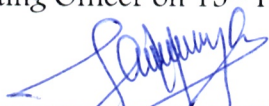
The Accounting Officer in charge of the NGCDF-MANDERA WEST Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2018. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-MANDERA WEST Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2018, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-MANDERA WEST 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-MANDERA WEST 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-MANDERA WEST Constituency financial statements were approved and signed by the Accounting Officer on 15th February 2019.



Fund Account Manager
Name: Yussuf A. Ali



Sub-County Accountant
Name: Felix O. Emolem
ICPAK Member Number: 11731



REPUBLIC OF KENYA

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



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MANDERA WEST 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 - Mandera West Constituency set out on pages 6 to 39, which comprise the statement of financial assets as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and 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 - Mandera West Constituency as at 30 June 2018 and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and complies with the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Award of Contracts for Primary School Projects

Included in the transfer to other government entities balance of Kshs.14,421,550 is Kshs.9,097,500 relating to transfer to primary schools. However, a review of the projects records revealed the following anomalies;

- (i) Some of the companies awarded the contracts lacked vital tender documents which were mandatory requirements in the evaluation criteria such as certificate of incorporation and tax compliance certificate contrary to Section 80(2) of the Public Procurement and Asset Disposal Act, 2015.

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

- (ii) There were no work plans prepared contrary to Section 25(1) of the National Government Constituencies Development Fund Regulations, 2016.
- (iii) Further, there were no letters of acceptance of offer by the contractors as well as delivery notes for desks delivered to 3 primary schools in Takaba-Lagsure ward.
- (iv) The desks were also not received vide counter receipt note (S13) nor recorded in the ledger register. Further, they were not issued out vide counter issue note (S11) as required by stores regulations.
- (v) The original bills of quantities for some of the projects had cancellation and adjustments of figures which were not counter signed by the tenderers.

Under the circumstances, the propriety of the expenditure of Kshs.9,067,500 as at 30 June 2018 could not be ascertained.

2. Unaccounted for Bursary Fund

Included in the other grants and other payments balance of Kshs.26,270,871 reflected under note 7 to the financial statements is an expenditure on bursaries for secondary schools and tertiary institutions amounting to Kshs.18,108,700 which in turn includes Kshs.2,148,000 relating to these bursaries. A review of the expenditure revealed that the bursaries had not been acknowledged through official receipts or letters by the beneficiary institutions. Further, cheque dispatch register was not maintained.

In addition, it was noted that the minutes of the bursary vetting committee were not availed for audit review. It was therefore not possible to ascertain the criteria used in vetting the beneficiaries.

Consequently, the probity of the expenditure on bursaries of Kshs.2,148,000 as at 30 June 2018 could not be ascertained.

3. Unsupported Committee Expenses

Included in the use of goods and services balance of Kshs.9,171,845 reflected under note 5 to the financial statements is an expenditure relating to other committee expenses and committee allowance all amounting to Kshs.1,582,000. However, out of these, an amount of Kshs.890,000 had no supporting documents such as work tickets for the vehicles hired, monitoring and evaluation reports, Constituency Development Fund Committee meeting minutes, invitation letters and meeting attendance registers. Further, some of the committee members drew allowances in order to carry out need assessment of the constituents. However, the report on need assessment was not availed for audit verification.

Under the circumstances, the probity of the expenditure of Kshs.890,000 as at 30 June 2018 could not be confirmed.

4. Non-Maintenance of Financial Records for the Project Management Committees

Records of the bank accounts held by the various Project Management Committees and the quarterly reports to the constituency committee were not maintained by the Fund management. There were no PMC's bank statements and cash books maintained and subsequently no reconciliations were carried out for the PMCs accounts.

Consequently, it was not possible to ascertain whether the funds or grants disbursed to the PMCs were properly managed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no key audit matters to communicate in my report.

Other Matter

1. Budgetary Control and Performance

1.1 Budget Performance Analysis

Review of summary statement of budget appropriation: recurrent and development revealed that during the year under review, the Fund had an approved budget amounting to Kshs.129,592,543, out of which an amount of Kshs.42,782,198 was unspent balance for the financial year 2016/2017. Budget utilization on receipts and expenditure are as detailed below: -

Item	Budget Kshs	Actual Kshs	Difference Under Kshs	Actual % of Budget
Receipts	129,592,543	56,808,059	72,784,484	56%
Expenditure	129,592,543	51,927,111	77,665,432	59.9%

The above analysis reflects actual receipts of Kshs.56,808,059 against budgeted amount of Kshs.129,592,543 resulting in a short fall of Kshs.72,784,484 representing 56% of undisbursed funds from the National Government Constituencies Development Fund Board.

Further, the Fund had an under expenditure of Kshs.77,665,432 representing 59.9% of the approved budget of Kshs.129,592,543.

1.2 Under Expenditure on Overall Budget

The Fund recorded an overall 59.9% under expenditure during the year under review as follows: -

Item	Approved Budget Kshs.	Actual Expenditure Kshs.	Under Expenditure Kshs.	% Difference
Compensation of employees	1,876,102	1,412,758	463,344	24.6
Use of goods and services	12,080,178	9,171,910	2,908,268	24
Transfer to other Government units	70,066,551	14,421,550	55,645,001	79
Other grants and transfers	42,581,175	26,270,871	16,310,304	38
Acquisition of assets	550,022	550,022	0	100
Other payments	2,438,514	100,000	2,338,514	95.9
Total	129,592,543	51,927,111	77,665,432	59.9

From the analysis above, the Fund realized under expenditure in 5 out of the 6 items during the year under review.

1.3. Project Implementation and Management

During the year under review, the Fund allocated Kshs.61,318,207 to 59 projects in various sectors including Education, Security, Sport, Environment and others. Analysis as per Project Implementation Status(PIS) presented for audit review revealed that twenty-one (21) projects were completed, one (1) had not started and thirty-seven (37) projects were on going as analyzed in the table below:-

Sector	Project Status	Project Cost Kshs.	Number of projects
Sports	Complete	1,736,206	3
	Ongoing	0	0
	Not started	0	0
Environment	Complete	1,057,000	9
	Ongoing	0	0
	Not started	0	0
Security	Complete	0	0
	Ongoing	6,050,000	5
	Not Started	0	0
Education	Complete	10,486,465	7

Sector	Project Status	Project Cost Kshs.	Number of projects
	Ongoing	35,100,000	32
	Not started	0	0
Others	Complete	4,550,023	2
	Ongoing		0
	Not started	2,338,514	1

2. Appointment of the Constituency Oversight Committee

The Fund had not appointed Constituency Oversight Committee, contravening Section 53(1) of the National Government Constituency Development Fund Act, 2015.

Under the circumstances, it has not been clear how the Fund operated without an oversight committee.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit so as 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 procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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. In preparing the financial statements, management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so. Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

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

Those charged with governance are responsible for overseeing the Fund's 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 review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

Further, in planning and performing the audit of the financial statements and review 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 Fund's policies and procedures may deteriorate.

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

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

exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to 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 June 2019

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

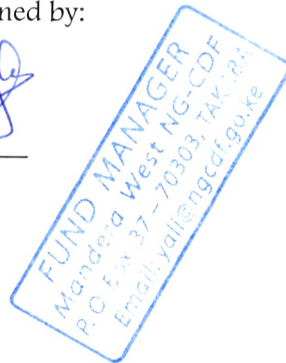
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017 - 2018	2016 - 2017
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	56,353,447	51,448,276.60
Proceeds from Sale of Assets	2	-	
Other Receipts	3	1,345,443	
TOTAL RECEIPTS		57,698,890	51,448,276.60
PAYMENTS			
Compensation of employees	4	1,412,758	3,401,524
Use of goods and services	5	9,171,845	9,974,674
Transfers to Other Government Units	6	14,421,550	68,401,984
Other grants and transfers	7	26,270,871	40,081,626
Acquisition of Assets	8	550,022	1,866,000
Other Payments	9	100,000	-
TOTAL PAYMENTS		51,927,046	123,725,808
SURPLUS/DEFICIT		5,771,844	(72,277,531)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MANDERA WEST Constituency financial statements were approved on 15th February 2019 and signed by:



Fund Account Manager
Name: Yussuf A. Ali




Sub-County Accountant
Name: Felix O. Emolem
ICPAK Member Number: 11731



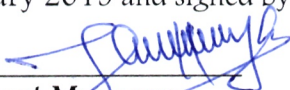
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MANDERA WEST CONSTITUENCY**

**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 the cash book)	10A	6,226,455	454,611.97
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		6,226,455	454,611.97
Current receivables - Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		6,226,455	454,611.97
TOTAL FINANCIAL LIABILITIES			
Accounts payable - Retention	12	-	-
NET FINANCIAL ASSETS		6,226,455	454,611.97
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	454,612	72,732,123.37
Surplus/Defict for the year		5,771,844	(72,277,531.40)
Prior year adjustments	14	-	20
NET FINANCIAL POSITION		6,226,455	454,611.97

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MANDERA WEST Constituency financial statements were approved on 15th February 2019 and signed by:


Fund Account Manager
Name: Yussuf A. Ali




Sub-County Accountant
Name: Felix O. Emolem
ICPAK Member Number: 11731



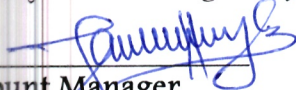
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MANDERA WEST CONSTITUENCY**

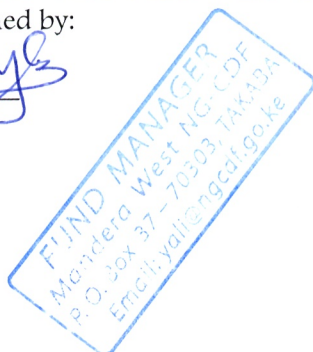
**Reports and Financial Statements
For the year ended June 30, 2018**


VI. STATEMENT OF CASHFLOW

		2017 - 2018	2016 - 2017
Receipts for operating income			
Transfers from CDF Board	1	56,353,447	51,448,276.60
Other Receipts	3	1,345,443	-
		57,698,890	51,448,276.60
Payments for operating expenses			
Compensation of Employees	4	1,412,758	3,401,524
Use of goods and services	5	9,171,845	9,974,674
Transfers to Other Government Units	6	14,421,550	68,401,984
Other grants and transfers	7	26,270,871	40,081,626
Other Payments	9	100,000	-
		51,377,024	121,859,808
Adjusted for:			
Adjustments during the year	14	-	20
Net cash flow from operating activities		6,321,866	(70,411,511.40)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(550,022)	(1,866,000)
Net cash flows from Investing Activities		(550,022)	(1,866,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		5,771,844	(72,277,511.40)
Cash and cash equivalent at BEGINNING of the year	13	454,612	72,732,123.37
Cash and cash equivalent at END of the year		6,226,455	454,611.97

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MANDERA WEST Constituency financial statements were approved on 15th February 2019 and signed by:


Fund Account Manager
Name: Yussuf A. Ali




Sub-County Accountant
Name: Felix O. Emolem
ICPAK Member Number: 11731



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

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	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 CDF Board	86,810,345	42,782,198	129,592,543	58,153,502	71,439,041	44
Proceeds from Sale of Assets						
Other Receipts						
TOTAL	86,810,345	42,782,198	129,592,543	58,153,502	71,439,041	45
PAYMENTS						
Compensation of Employees	1,588,000	288,102	1,876,102	1,412,758	463,344	1
Use of goods and services	10,224,931	1,855,247	12,080,178	9,171,845	2,908,332	76
Transfers to Other Government Units	41,017,500	29,049,051	70,066,551	14,421,550	55,645,001	21
Other grants and transfers	31,091,378	11,489,797	42,581,175	26,270,871	16,310,304	62
Acquisition of Assets	550,022	0	550,022	550,022	0	100
Other Payments	2,338,514	100,000	2,438,514	100,000	2,338,514	4
TOTAL	86,810,345	42,782,198	129,592,543	51,927,046	77,665,497	40

(a) Revenue does not include AIA

(b) The Fund could not utilize Kshs 77,665,497 due to underfunding of Kshs 71,439,041



Compensation of Employees, Use of Goods & Services, Transfers to Other Government Units, Other grants and transfers, Other

Payments had significant underutilization mainly due to the aforementioned underfunding from the NG-CDF Board.

The NGCDF-MANDERA WEST Constituency financial statements were approved on 15th February 2019 and signed by:



Fund Account Manager
Name: Yussf A. Ali



Sub-County Accountant
Name: Felix O. Emolem
ICPAK Member Number: 11731



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

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-MANDERA WEST 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) –
MANDERA WEST 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 annexure to the financial statements.



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST 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 AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Funds

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST 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 except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2017 for the period 1st July 2017 to 30th June 2018 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

15. Related Party Transactions

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2017 - 2018	2016 - 2017
		Kshs	Kshs
	AIE No.		
Normal Allocation	A829914	-	4,094,827.60
	A855058	-	36,853,449
	A855529	-	500,000
	A839687	-	10,000,000
	A855920	5,500,000	
	A892713	12,948,275	
	A892783	37,905,172	
Conditional grants			-
Receipt from other Constituency			
TOTAL		56,353,447	51,448,276.60

2. PROCEEDS FROM SALE OF ASSETS

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

2

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Interest Received	-	-
Other Receipts Not Classified Elsewhere (Stale Cheques Reversed)	1,345,443	-
Total	1,345,443	-

4. COMPENSATION OF EMPLOYEES

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Basic wages of contractual employees	1,405,558	3,394,924
Basic wages of casual labour	-	-
Personal allowances paid as part of salary	-	-
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Other personnel payments	-	-
Employer contribution to NSSF gratuity	7,200	6,600
Total	1,412,758	3,401,524



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Utilities, supplies and services	-	-
Office rent	700,000	870,000
Communication, supplies and services	-	-
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	1,300,000	1,285,100
Hospitality supplies and services	-	-
Other committee expenses	600,000	1,517,000
Committee allowance	982,000	2,425,000
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	1,299,910	2,805,855
Fuel ,oil & lubricants	-	-
Other operating expenses	4,289,935	1,071,719
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	-
	-	-
Total	9,171,845	9,974,674



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST 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 primary schools	9,097,500	46,820,000
Transfers to secondary schools	5,324,050	21,581,984
Transfers to Tertiary institutions	-	-
Transfers to Health institutions	-	-
TOTAL	14,421,550	68,401,984

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Bursary -Secondary	5,885,000	7,006,000
Bursary -Tertiary	12,223,700	13,729,764
Bursary-Special schools	-	-
Mocks & CAT	-	1,300,000
water	-	-
Agriculture (food security)	-	-
Electricity projects	-	-
Security	800,000	3,850,000
Roads	-	-
Sports	1,736,206	4,267,931
Environmental Projects	1,057,000	1,637,931
Emergency Projects (specify)	4,568,965	8,290,000
Total	26,270,871	40,081,626



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets	2017 - 2018	2016 - 2017
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles	-	-
Purchase of office furniture and fittings	-	-
Purchase of computers ,printers and other IT equipments	550,022	1,866,000
Purchase of photocopier	-	-
Purchase of other office equipments	-	-
Purchase of soft ware	-	-
Acquisition of Land	-	-
		-
Total	550,022	1,866,000

9. OTHER PAYMENTS

Purchase & Delivery of Furniture for Khadi's Office	100,000	-
specify	-	-
specify	-	-
TOTAL	100,000	-



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency		2017 - 2018	2016 - 2017
	Account Number	Kshs (30/6/2018)	Kshs (30/6/2017)
Equity Bank Mandera Branch	,1000296633736	6,226,455	454,611.97
		-	-
Total		6,226,455	454,611.97
10B: CASH IN HAND)			
		-	-
		2017 - 2018	2016 - 2017
		Kshs (30/6/2018)	Kshs (30/6/2017)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
Total		-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

Name of Officer		Amount Taken	Amount Surrendered	Balance (30/6/2018)
	Date imprest taken	Kshs	Kshs	Kshs
			-	-
TOTAL		-	-	-

12. RETENTION

Supplier/Contractor	PV no	2017 - 2018	2016 - 2017
		-	-
TOTAL		-	-

13. BALANCES BROUGHT FORWARD

	2017 - 2018	2016 - 2017
	Kshs (1/7/2017)	Kshs (1/7/2016)
Bank accounts	454,611.97	72,732,123.37
Cash in hand	-	-
Imprest		-
Total	454,612	72,732,123

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

	2017- 2018 Kshs	2016-2017 Kshs
Bank accounts	-	20
Cash in hand	-	-
Imprest	-	-
Total	-	20

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2017- 2018 Kshs	2016-2017 Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods and Services	-	-
	-	-
	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (<i>specify</i>)	-	-
	-	-

15.3: UNUTILIZED FUNDS (See Annex 3)

	Kshs	Kshs
Compensation of employees	463,344	188,102.48
Use of goods and services	2,908,332	964,901.20
Amounts due to other Government entities (see attached list)	55,645,001	18,629,051.44
Amounts due to other grants and other transfers (see attached list)	16,310,304	10,920,831.97
Acquisition of assets	0	0
Others (<i>specify</i>)	2,338,514	700,000
	77,665,497	31,402,887.09



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MANDERA WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 4)

	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	16,807.50	-
	16,807.50	-



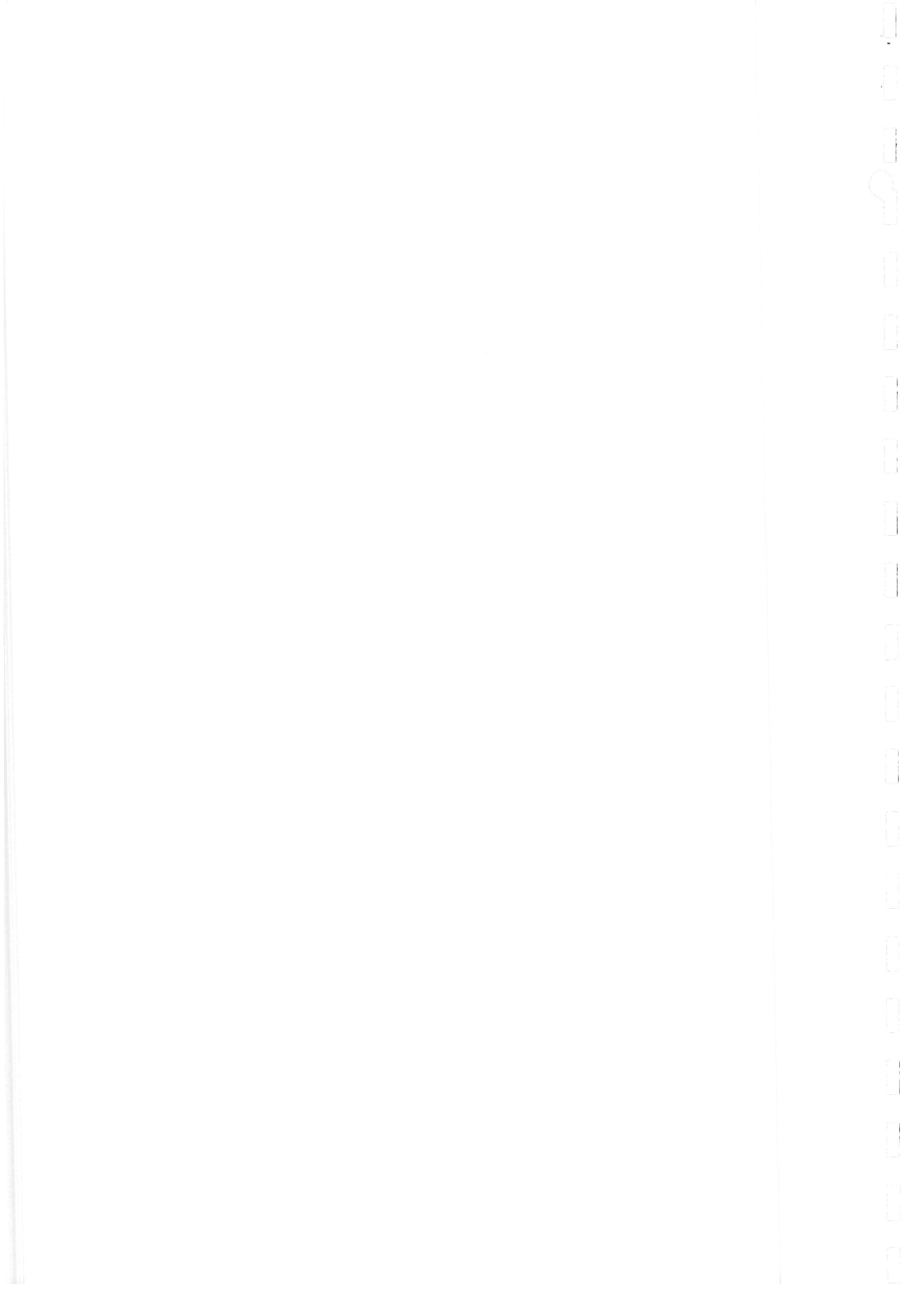
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018 (Kshs'000)

ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees	NG-CDFC staffs salaries	463,344	188,102	
Use of goods & services	Committee sitting allowances, travel and subsistence and other general office administrations	2,908,267	964,901	
Amounts due to other Government entities				
Votebook Balances	Health Sector Votebook Balances	-	1	
Votebook Balances	Secondary Education Sector Votebook Balances	-	1	
Darwed Primary	Project Retentions	-	50,000	
Qorobosaglan Primary	Project Retentions	-	15,000	
Ogode Primary	Project Retentions	-	15,000	
Tesoramu Primary	Project Retentions	-	15,000	
Bachile Primary	Project Retentions	-	75,000	
Takaba Day Secondary	Project Retentions	-	75,000	
Wangaidahan Primary School	Project Retentions	-	30,000	
Kubdishan Primary School	Project Retentions	-	30,000	
Sukela primary School	Fencing of the remaining 300 Meters of the School Compound with Cedar Post fencing and returning hedges around the complete fencing	-	1,400,000	
Sukela Primary School	Renovation of underground Water Tank	-	600,000	
Didkuro primary School	Renovation of 4no. Classrooms	-	1,500,000	
Gulani Primary School	Construction of 2no. Classrooms (800,000.00) and Twin Toilets (300,000.00)	-	1,100,000	



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

Takaba Girls Secondary	Purchase of School Bus	-	9,000,000	
Burduras Secondary School	Completion of Laboratory	-	112,025	
Darwed Mix Sec School	Completion of Laboratory	-	112,025	
Dandu Sec School	Construction of Kitchen, 2 Number stores, Savoury	-	2,500,000	
Takaba Sec School	Renovation of 6no. Classrooms	-	2,000,000	
Votebook Balances	Health Sector Votebook Balances	1	-	
Votebook Balances	Secondary Education Sector Votebook Balances	1	-	
Darwed Primary	Project Retentions	50,000	-	
Qorobosaglan Primary	Project Retentions	15,000	-	
Ogode Primary	Project Retentions	15,000	-	
Tesoramu Primary	Project Retentions	15,000	-	
Bachile Primary	Project Retentions	75,000	-	
Takaba Day Secondary	Project Retentions	75,000	-	
Kubdishan Primary School	Project Retentions	30,000	-	
Gulani Primary School	Construction of 2no. Classrooms and Twin Toilets	1,100,000	-	
Takaba Girls Secondary	Purchase of School Bus	9,000,000	-	
Takaba Sec School	Renovation of 6no. Classrooms	300,000	-	
Alokoba Primary School	Construction of 2no. Classroom and Twin Toilets	1,900,000	-	
Gambela Primary School	Construction of 1no. Classroom	800,000	-	
Iyanabakula Primary School	Construction of 1no. Classroom	800,000	-	
Ardahalo Primary School	Construction of 2no. Classrooms	1,600,000	-	
Sukela Primary School	Construction of 1no. Classroom	800,000	-	
Bolowle Primary School	Construction of 1no. Classroom	800,000	-	



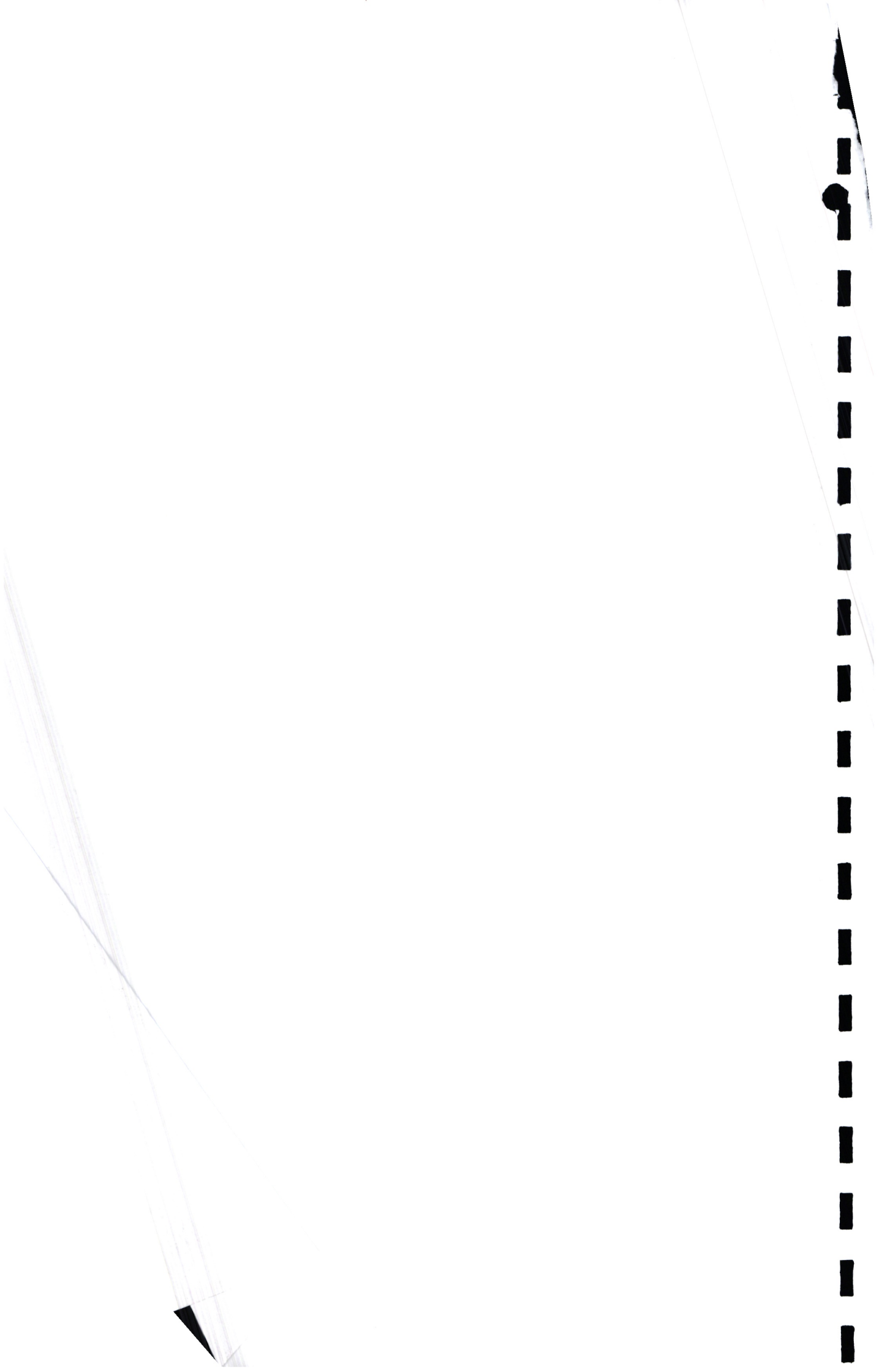


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

Didkuro primary School	75 Meters Concrete Chain Link Fencing of school compound	1,000,000	-	
Gutole Primary School	75 Meters Concrete Chain Link Fencing of school compound	1,000,000	-	
Hardimtu Primary School	Construction of 1no. Classroom	800,000	-	
Malaba Primary School	Construction of 1no. Classroom	50,000	-	
Dobu Primary School	Construction of 1no. Classroom	800,000	-	
Makutano Primary School	Construction of 1no. Classroom (800,000.00) and Twin Toilets (300,000.00)	1,100,000	-	
Karsadima Primary School	Construction of 1no. Classroom	800,000	-	
Gobogala Primary School	Construction of 1no. Classroom (800,000.00) and Twin Toilets (300,000.00)	1,100,000	-	
Kinisa Primary School	Construction of 1no. Classroom	800,000	-	
Sigirso Primary School	Construction of 1no. Classroom (800,000.00) and Twin Toilets (300,000.00)	1,100,000	-	
Abubakar Integrated Primary School	Construction of 1no. Classroom	800,000	-	
Imam Shafi Integrated Primary School	Construction of 1no. Classroom	800,000	-	
Sake Primary School	Construction of 1no. Classroom	800,000	-	
Tesoramu Primary School	Construction of 2no. Classrooms	1,600,000	-	
Eresteno Primary School	Construction of 2no. Classrooms	1,600,000	-	

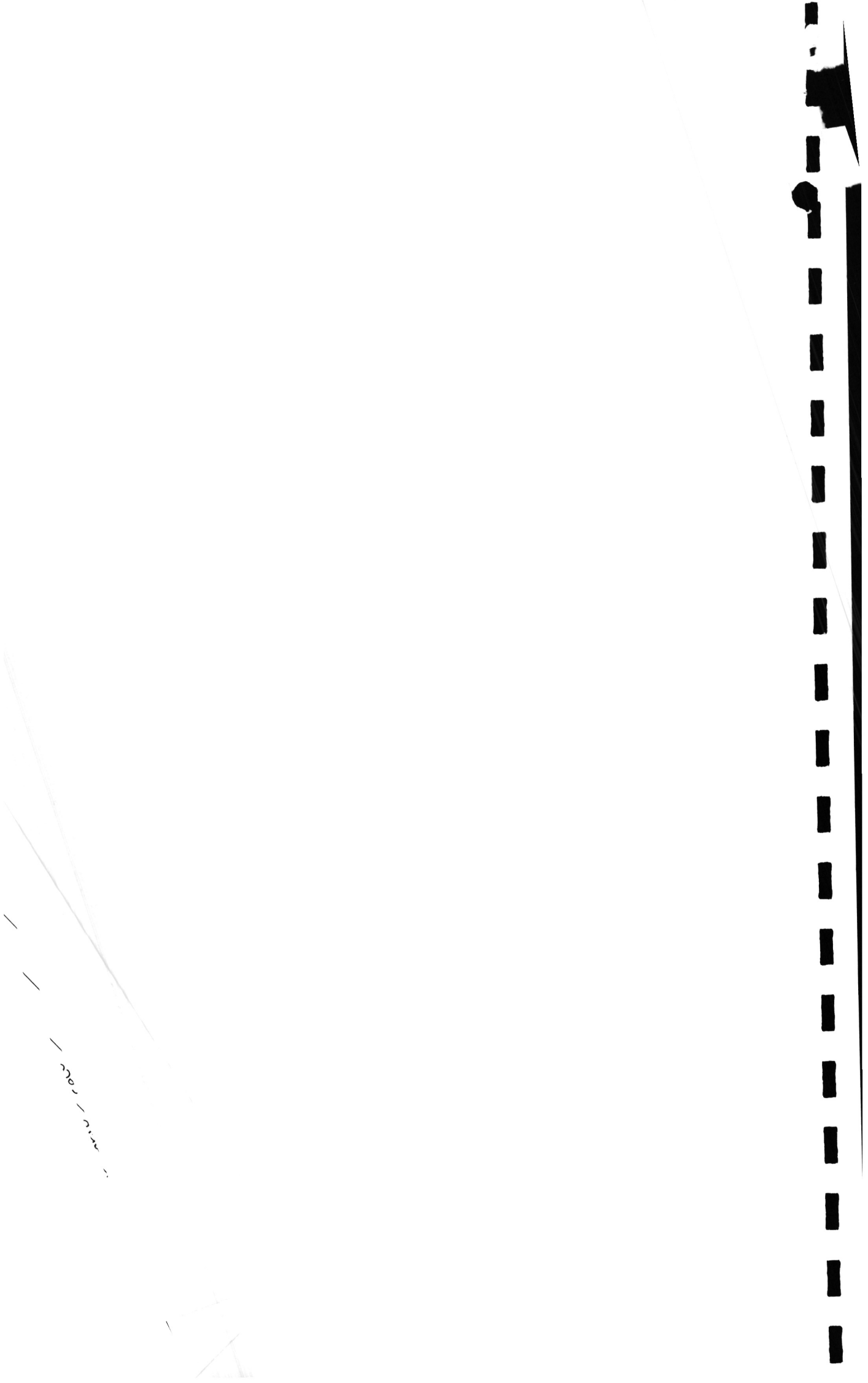
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

Hada Primary School	Construction of 1no. Classroom	800,000	-	
Kubihalo Primary School	Construction of 1no. Classroom	800,000	-	
Argesa Primary School	Construction of 2no. Classrooms	1,600,000	-	
Dadabo Primary School	Construction of 1no. Classroom (800,000.00) and Twin Toilets (300,000.00)	1,100,000	-	
Didkoba Primary School	Construction of 1no. Classroom	800,000	-	
Harbuyo Primary School	Construction of 1no. Classroom (800,000.00) and Twin Toilets (300,000.00)	1,100,000	-	
Dirib Mafuko Primary School	Construction of 1no. Classroom	800,000	-	
Dandu Primary School	Construction of Kitchen and Store	1,000,000	-	
Eldanaba Primary School	Construction of 20 M Length footbridge at Eldanaba Primary School	1,000,000	-	
Takaba Girls Secondary	Construction of 1no. Dormitory Phase I (2,000,000.00) and Twin Toilets (300,000.00)	2,300,000	-	
Darwed Mix Sec School	Construction of 1no. Classroom	800,000	-	
Gither Mix Day Sec School	Construction of 2no. Classrooms (1,600,000.00) and 2 Number Twin Toilets (600,000.00)	2,200,000	-	
Kotkoto Primary School	Construction of Masonry Water Tank	1,600,000	-	
Primary School	Concrete Posts with Chain-link Fencing of 325 Meters School Compound	2,500,000	-	



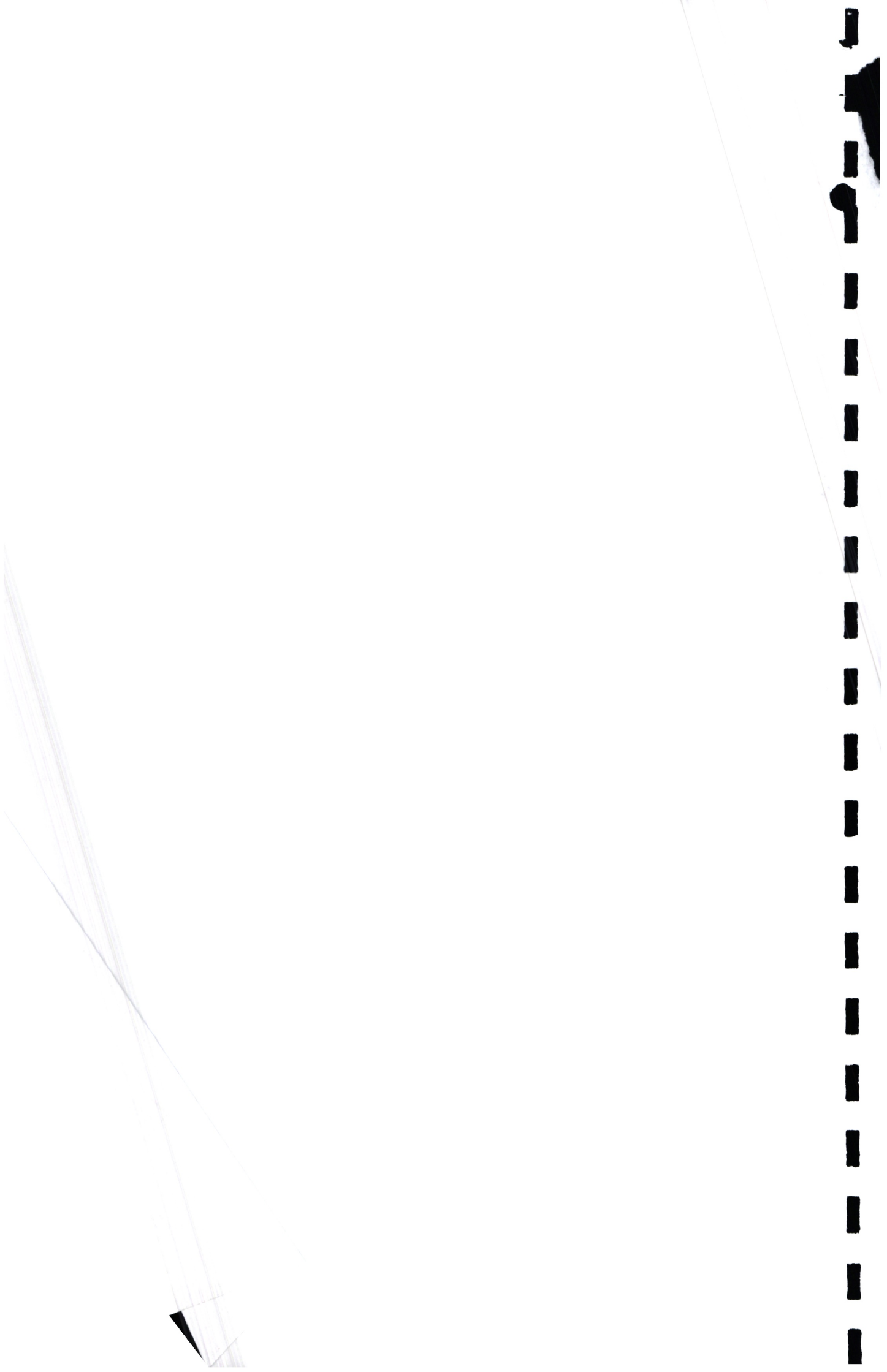
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

Mandera West Science Laboratory Equipments	Purchase of Lab Equipments for Six Secondary Schools	5,720,000	-	
Sub-Total		55,645,001	18,629,051	
Amounts due to other grants and other transfers				
Mandera West Sub-county Assistant Commissioner's Office	Renovation of Renovation of 3no. rooms	-	400,000.00	
Purchase of Furniture for Mandera West Sub-county Police administration Office	Purchase and delivery of 2 Number executive (60,000) and 2 Number Chairs (40,000) to Mandera West Sub-county Police administration Office	-	100,000.00	
Purchase of Furniture for Duduble Chief's office	Purchase and delivery of 2 Number executive Table (60,000) and 2 Number Chairs (40,000) to Duduble Chief's office	-	100,000.00	
Purchase of Furniture for Takaba Location Chief's Office	Purchase and delivery of 2 Number executive Table (60,000) and 2 Number Chairs (40,000) to Takaba Location Chief's Office	-	100,000.00	
Purchase of Furniture for Mandera West Administration Police Offices	Purchase and delivery of 2 Number executive Table (60,000) and 2 Number Chairs (40,000) to Administration Police Offices	-	100,000.00	
Sambur – Kotkot Road	Heavy Bush clearing of 20 km Sambur-Kotkot Road	-	3,000,000.00	
Didkuro – Burmayo Road	Heavy Bush clearing of 20 km Didkuro-Burmayo Road	-	3,000,000.00	
Takaba – Gither Road	Heavy Bush clearing of 20 km Takaba-Gither Road	-	3,000,000.00	
Agency	Votebook Balances	-	9,474.59	
Secondary	Votebook Balances	-	885,790.00	
	Votebook Balances	-	225,566.53	
	Votebook Balances	-	0.85	



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

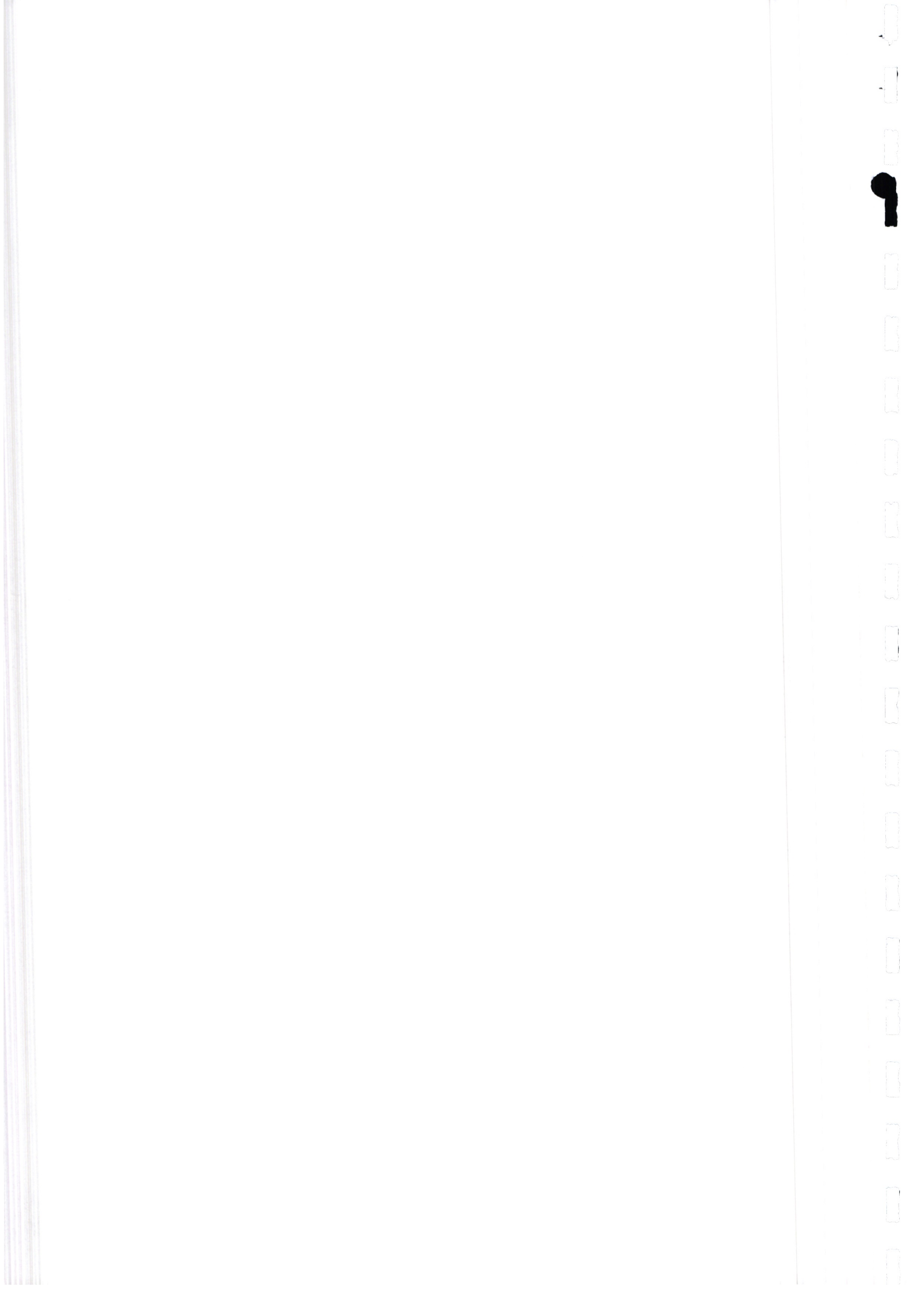
Sambur – Kotkot Road	Heavy Bush clearing of 20 km Sambur-Kotkot Road	3,000,000	-	
Didkuro – Burmayo Road	Heavy Bush clearing of 20 km Didkuro-Burmayo Road	3,000,000	-	
Takaba – Gither Road	Heavy Bush clearing of 20 km Takaba-Gither Road	3,000,000	-	
Emergency	Votebook Balances	578,441	-	
Bursary - Secondary	Votebook Balances	790	-	
Bursary - Tertiary	Votebook Balances	1,867	-	
Sports	Votebook Balances	1	-	
Takaba Primary School	Purchase, Planting watering and fencing of Trees at Takaba Primary School	679,206	-	
Takaba Police Station	Construction of Administration offices at Takaba Police Line	1,500,000	-	
Takaba Administration Police Station	Renovation of Takaba AP Administration Offices	850,000	-	
Gither Administration Police Station	Construction of 2 Rooms Staff Houses at Gither AP and Twin Toilets	1,800,000	-	
Gagaba Chief's Office	Construction of Chief's office at Gagaba Location	600,000	-	
Dandu Assistant County Commissioner's Office	Construction of Administration Offices for Assistant County Commissioner's office	1,300,000	-	
Sub-Total		16,310,304	10,920,832	
Acquisition of assets				
Purchase of equipments for Mandera West NG-CDF	Purchase of Office Equipment Balance	0	-	
Others (specify)				
Mandera West Sub-county Education Office	Purchase of 2 Number Honda Motor Bikes for Mandera West Sub-county Education Office	-	400,000.00	



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

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

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
SUKELA PRIMARY PMC	Equity	1020162653402	1,180.00	-
GUTOLE PRIMARY PMC	Equity	1020162622048	2,407.50	-
DANABA INTEGRATED PRIMARY PMC	Equity	1020170547472	90.00	-
DOBU PRIMARY PMC	Equity	1020170522241	390.00	-
KUBIHALO PRIMARY PMC	Equity	1020161612190	1,970.00	-
HARBUYO PRIMARY PMC	Equity	1020162167083	10,770.00	-
Total			16,807.50	-



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

ANNEX 5 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land				
Buildings and structures				
Transport equipment				
Office equipment, furniture and fittings	3,366,000	550,022	-	3,916,022
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	3,366,000	550,022		3,916,022



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

ANNEX 6 –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)
Paragraph 1.0	<p>1. Cash and Cash Equivalent</p> <p>The statement of assets reflects a bank balance of Kshs.454,612 as at 30 June, 2017. The balance was supported by certificate of bank balances, cash book, bank statement and bank reconciliation statement. However, a review of the bank reconciliation statement for the month of June 2017 revealed stale cheques amounting to Kshs.620,942 reflected as payments in Cash Book not yet recorded in the Bank Statement (Unrepresented Cheques). Some of the cheques which were paid to various learning institutions being payment of bursaries to needy students and Kenya Revenue Authority were reflected as unrepresented cheques. No explanation was given why the Cash Book was not updated.</p>	<p>The stale cheques of Kshs 620,942 were payments to various institutions of learning and statutory bodies. However the institutions delayed in presenting the cheques on time to be honoured by the Drawee bank. We have since replaced some of the stale cheques and credited back to the cash book as shown in the attached cash book extract and NG CDFC Minutes. We have however discussed that in subsequent financial year the Fund will use efficient way to address the issue of unrepresented cheques</p>	<p>NG-CDF Fund Account Manager</p>	<p>Not Resolved</p>	<p>March 2019</p>

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

	In the circumstances, the accuracy, completeness and validity of the cash and cash equivalents balance of Kshs.454,612 in the statement of assets could not be ascertained as at 30 June 2017.				
Paragraph 2.0	<p>2. Non-Maintenance of Financial and Accounting Records for The Project Management Committee Bank Accounts</p> <p>It was noted that records of bank accounts held by the various project management committees such as bank statements and cashbooks were not maintained by the National Government Constituencies Development Fund – Mandera West Constituency office. Further, there were no bank reconciliation statements for the Project Management Committee accounts.</p> <p>Under the circumstances, it has not been possible to ascertain whether the funds disbursed to the Project Management Committee bank accounts were used for intended purpose and accounted for as at 30 June 2017.</p>	The accounting records were not maintained due to lack of capacity by the PMCs in the Constituency. However PMCs have been advised to maintain records of all projects implemented such as bank statements, cash books and reconciliations	NG-CDF Fund Account Manager	Not Resolved	March 2019

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

Paragraph 3.0	3. Unaccounted for Bursary Expenses	<p>The cheques attached with covering letter and beneficiaries list is physically delivered to the Institutions however, some of the Institutions delay in acknowledging the cheque payments as they wait the funds to be credited into their account. The fund managed to get official receipts/acknowledgement for some of the amounts being queried and we are making efforts to ensure all receipts of funds are fully accounted for by the recipient institutions in the future. Further cheques are physically delivered to different Institutions across the Republic and Institutions acknowledge receipt by way of Issuing official fees receipt/or stamp the copy of the cheque and the beneficiary list hence acts as dispatch record.</p> <p>It's a requirement that all applicants indicate their names, institution, level of study and registration number in the application form. All payment schedules indicate names of the bursary beneficiaries and sometimes due to regular updating of the list, the payment schedule may have one or two beneficiaries with level of studies missing</p>	NG-CDF Fund Account Manager	Not Resolved	March 2019
	<p>In the financial year 2016/2017, the NG CDF Committee for Mandera West Constituency disbursed bursaries amounting to Kshs.20,735,764 to various secondary schools and tertiary institutions for the benefit of needy students. However, examination of available records revealed that an amount of Kshs.3,326,000 disbursed to various institutions has not been acknowledged through official receipts or acknowledgement letters by the beneficiary institutions. Further, no cheque dispatch register was maintained to record the cheques that were issued out, the level of studies for the beneficiaries was not indicated in the schedules and the minutes of the vetting committee were neither attached to the payment vouchers nor availed for audit review hence it was not possible to ascertain the criteria used in vetting the beneficiaries.</p>				

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018 (Kshs'000)

		Vetting of the beneficiaries is done by the NG CDFC and minutes are maintained as proof of vetting done			
Paragraph 4.0	<p>4. Award of Contracts for Primary School Projects</p> <p>During the financial year 2016/2017, the National Government Constituency Development Fund – Mandera West disbursed Kshs. 9,500,000 to various Project Management Committees (PMCs) as grants for construction of classes and fencing works in various primary school projects within the Constituency. Examination of available records relating to the projects revealed that the tender notices and tender documents submitted by the tenderers did not set the criteria to be used for the evaluation of tenders hence there was no proper guideline on the specific requirements needed for the tenders. Further, no evaluation committee was appointed for the projects and therefore the tenders were not evaluated as required by section 80 of the Public procurement and Assets Disposal Act, 2015. In addition, payments made were not supported with tender opening register, certificate of practical</p>	<p>-The NG CDF Act,2015 section 36(1) provides for the implementation of the Projects through Project Management Committees at the Constituency level</p> <p>-Notification of grants are sent out to PMCs once projects are approved and funds released which contain detailed instructions on how the PMCs should conduct the procurement based on the applicable Procurement laws in place. However, the PMCs lack the capacity to properly document all procurement procedures. The fund has since identified the need to capacity build all PMCs.</p> <p>-Tender analysis was done and that the evaluation minutes with criteria was indeed used as the basis for recommending the successful bidder</p> <p>-Tender opening register form, contract agreement as practical completion certificates were in the files maintained by the PMCs and are now made available for audit verification</p>	NG-CDF Fund Account Manager	Not Resolved	March 2019

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018 (Kshs'000)

	<p>completions and contract agreement signed between the PMCs and the contractors.</p>	<p>-Inspection and acceptance committee was constituted as per PPDA 2015 section 48 and the committee verified the works as having being satisfactorily been completed -Notification of Grant is sent out to the PMCs detailing the guidelines to be used in procuring the project</p>			
<p>Paragraph 5.0</p>	<p>5. Irregular Burduras Secondary School Projects The National Government Constituency Fund - Mandera West paid Kshs.4,655,000 as grants to Burduras Secondary School Project Management Committee for the construction of science laboratory, one classroom, four toilets and completion of a dormitory. However, the projects were procured through request for quotations contrary to the threshold matrix in the Public Procurement and Disposal Regulations, 2006. Further, payments were made without certificate of practical completion. It was therefore not clear whether project was implemented in accordance with the specifications in the Bills of Quantities.</p> <p>Further, the tender notice made available did not set the criteria to be used for the evaluation of tenders, there was no evaluation committee appointed</p>	<p>Due to capacity issue the PMC could not properly document procurement procedures. The fund has trained the PMC to enable them acquire the knowledge to adhere to the procurement regulations</p> <p>Evaluation minutes was used to identify the winning bidder</p> <p>The fund made one payment for the three projects which were budgeted, approved, procured and implemented separately.</p> <p>Practical completion certificate, Confidential Business questionnaire were maintained in the PMC project file and are now made available for audit verification</p>	<p>NG-CDF Fund Account Manager</p>	<p>Not Resolved</p>	<p>March 2019</p>

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)


	for the projects and therefore the tenders were not evaluated as required by section 80 of the Public procurement and Assets Disposal Act, 2015. The Bills of the quantities for some of the projects were not properly filled since they were not signed on one or two pages by members of tender committee as required by section 60(1) of public procurement and disposal regulations, 2006.				
Paragraph 6.0	<p>6. Appointment of the Constituency Oversight Committee</p> <p>During the period under review, it was observed that constituency oversight committee was not appointed as required by section 53(1) of the National Government Constituencies Development Fund Act, 2015. No explanation was given for not appointing the committee.</p>	The fund has initiated the process of complying with the National Government Constituency Development Act, 2015 and it is Regulation, 2016 by writing to the Area Member of Parliament on the requirement of the Law by appointing constituency oversight committees.	NG-CDF Fund Account Manager	Not Resolved	March 2019
Paragraph 7.0	<p>1.0 Budgetary Control and Performance</p> <p>1.1 Budget Performance Analysis</p> <p>Review of the statement of budget appropriation revealed that during the year under review, the Mandera West National Government Constituency Development Fund had an approved budget amounting to Kshs.155,128,695. Out of the Kshs.155,128,695 budgeted for the financial year under review, an</p>	In the financial year 2016/2017 the Board released AIEs amounting to Kshs 124,180,419.97 out of the Kshs 155,128,695.09 budgeted, resulting to a shortfall of Kshs 30,948,275.12. The Fund utilized Kshs 123,725,808 of the monies received having unspent balance of Kshs 454,611.97. The delay in disbursement of all budgeted funds from the board made the fund unable to meet its expenditure needs	NG-CDF Fund Account Manager	Not Resolved	March 2019

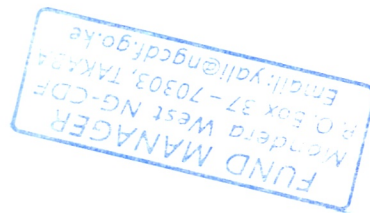


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANDERA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)


	<p>amount of Kshs.72,732,143 was unspent balance from the financial year 2015/2016. The above analysis reflects actual receipts of Kshs.124,180,420 against budgeted amount of Kshs.155,128,695 resulting to an under funding of Kshs.30,948,275 or 20% of the funds budgeted for the year. Further, the Fund spent an amount of Kshs.123,725,808 against a budgeted amount of Kshs.155,128,695 resulting to an under expenditure of Kshs.31,402,887 or 20% of the approved budget.</p>	<p>fully. We have since brought the same to the attention of the Board to ensure release of all budgeted funds to realize implementation of projects for the benefit of the constituents</p>			
--	--	--	--	--	--

Prepared by:


YUSUF A. ALI
FUND ACCOUNT MANAGER
MANDERA WEST
 Date: 15th February 2019



Confirmed by:


MOHAMED N. DAUD
CHAIRPERON, NG-CDFC
MANDERA WEST
 Date: 15th February 2019

