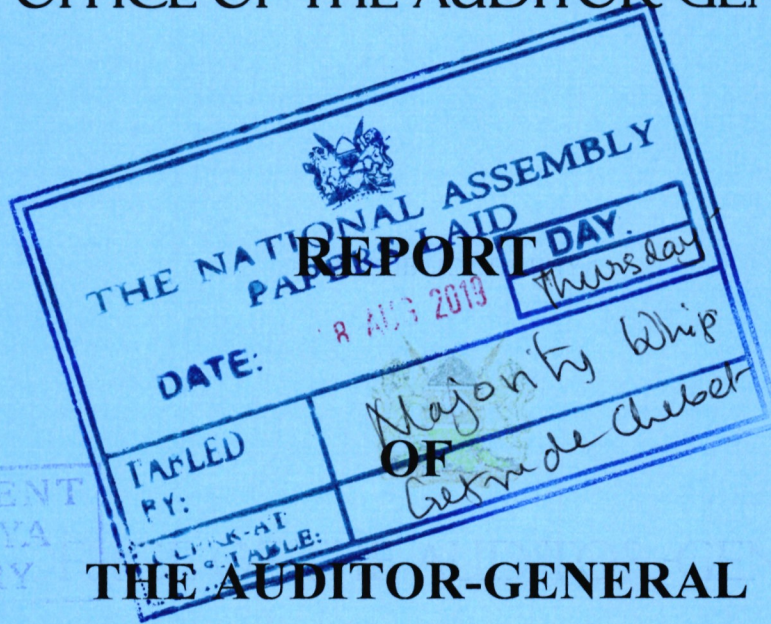


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



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THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND -  
AWENDO CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE 2018





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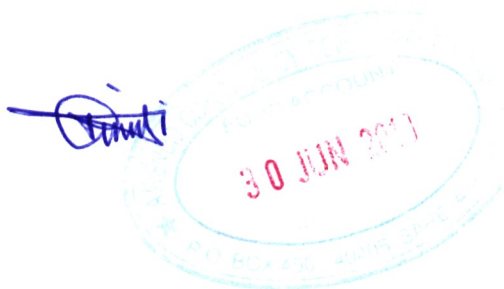
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND AWENDO  
CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

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

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



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

**Reports and Financial Statements**

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

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**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

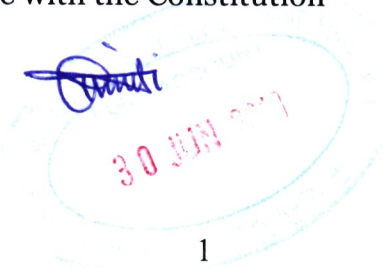
**(a) Background information**

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**Mandate**

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

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



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

**Reports and Financial Statements**

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

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**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

**Core Values**

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

**(b) Key Management**

The NG-CDF AWENDO day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

**(c) Fiduciary Management**

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

No	Designation	Name
1.	Accounting Officer	<b>Yusuf Mbuno</b>
2.	A.I.E holder	<b>Janes Awiti</b> <b>Majengo</b>
3.	Sub-County Accountant	<b>Zipporah Kebeno</b>
4.	Chairman NG-CDFC	<b>Gilbert Omalla</b>
5.	Member NG-CDFC	<b>Alice Amolo</b>

**(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of NG-CDF –AWENDO Constituency. The reports and recommendation of ARMC when adopted by the NG-CDF 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.



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

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

**(e) NGCDF AWENDO Constituency Headquarters**

P.O. Box 450-40405  
Sare Awendo  
Rongo-Migori Road  
Awendo, Kenya

**(f) NGCDF AWENDO Constituency Bankers**

Telephone: (254) 0710444849  
E-mail: [jmajengo@ngcdf.go.ke](mailto:jmajengo@ngcdf.go.ke)  
Website: [www.go.ke](http://www.go.ke)

**(f) NGCDF AWENDO Constituency Bankers**

1. Equity  
Awendo  
P.O. Box 450-40405  
Awendo, Kenya

**(g) Independent Auditors**

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

**(h) 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)  
 AWENDO CONSTITUENCY  
 Reports and Financial Statements  
 For the year ended June 30, 2018**

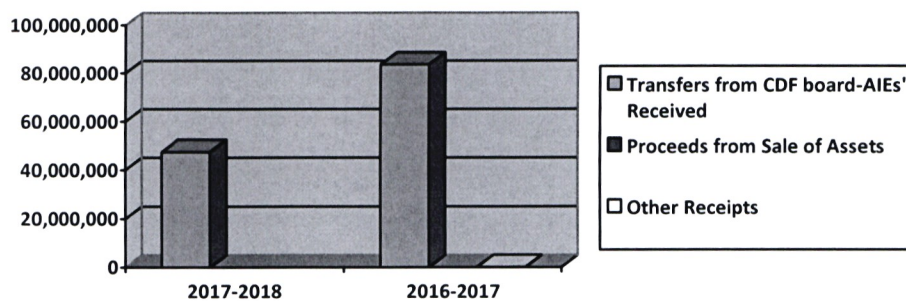
**II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE**

It is with pleasure to present the Awendo Constituency Development Fund financial records for the financial year 2015/2016 which ended on 30<sup>th</sup> June 2018. I hope the financial records will be able to provide an insight as to our performance as a NG-CDF committee.

This year being our first year in office, we are able to provide comparative figures to our financial records for the previous year 2016/2017 and 2017/2018. There has been a decline in terms of performance as compared to the last financial year. This was attributed by change in office whereby the new committee took time to understand their role. However the committee is committed to an improved performance for the financial year that follows.

Figure 1.

**RECEIPTS**



The table above indicate the relationship between the receipt received in 2017-2018 in comparison with financial year 2016-2017. There is a decline in the disbursement of AIE from board to Constituency. This was attributed by the fact that the NG-CDF Awendo gave priority to bursary which took time to leave the account.

*[Handwritten signature]*

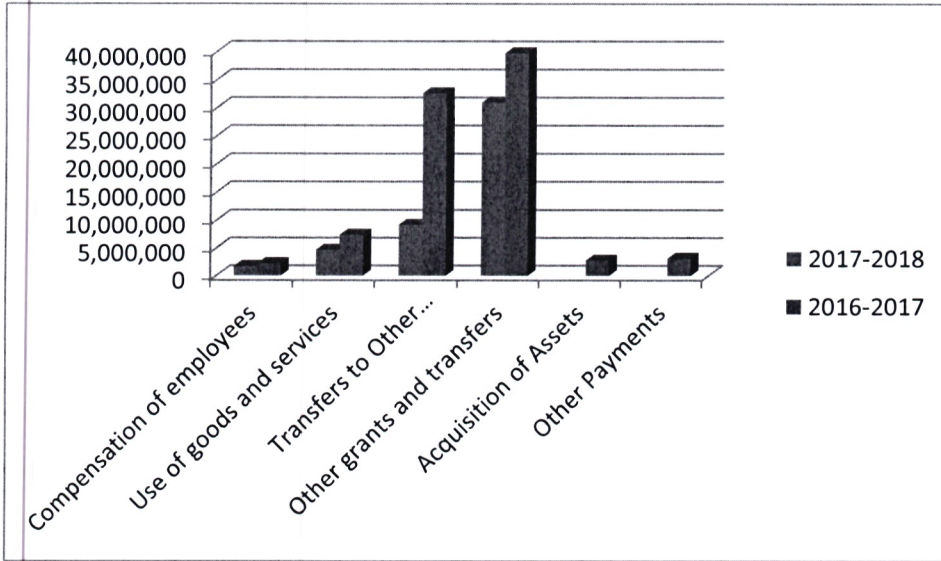
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**

**AWENDO CONSTITUENCY**

**Reports and Financial Statements**

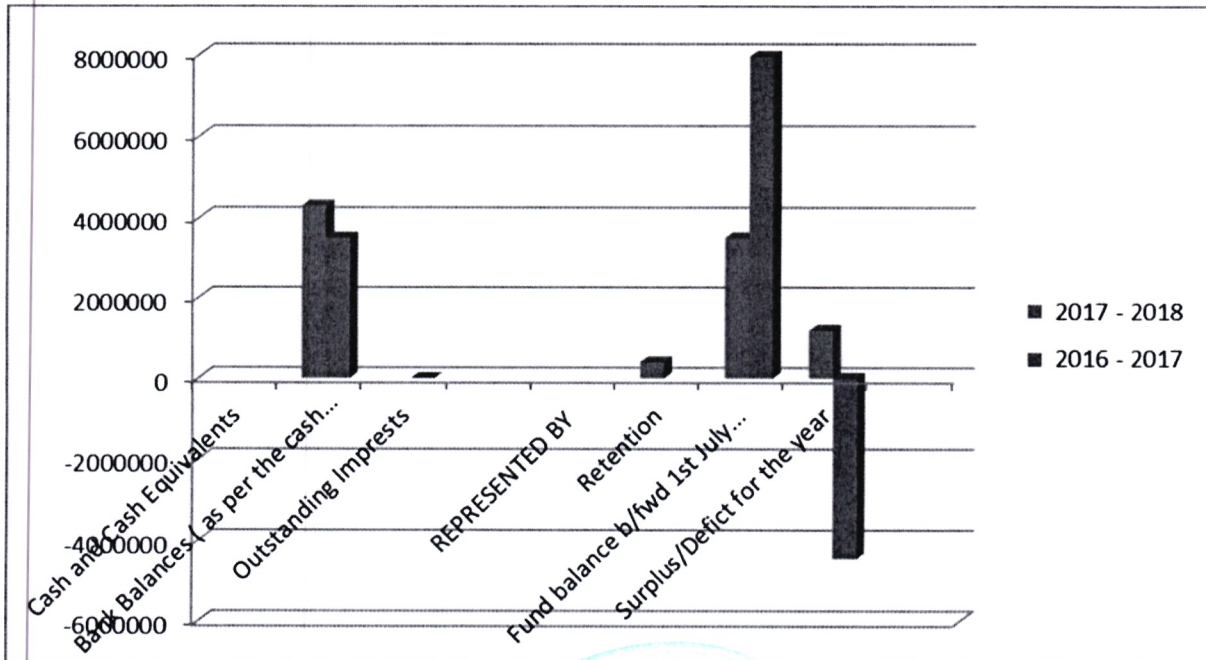
**For the year ended June 30, 2018**


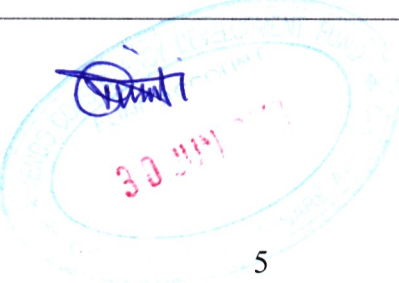
**PAYEMENTS**



Payments were high in the financial year 2016-2017 as compared with 2017-2018. This was attributed by the fact that the new staffs were recruited late.

**ASSETS AND LIABILITIES**



  
  
 5

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

**Reports and Financial Statements**

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

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Our main areas of achievement include being able to facilitate the completion of some of the on-going project such as payment of school bus such as Gamba secondary school and Awendo centre of excellent school bus. Others are Completion of Angogo Secondary school, Nyakuru water borehole, construction of Kenya National Library. Also to be mentioned is the timely disbursement of bursary fund to needy student which was given priority.

Emerging issues in CDF regards the role of different players in implementing projects. This is especially in terms of procurement roles of PMCs and the oversight role of both locals and various government departments. There is need for a clear coordination structure between the various arms of government.

The main challenge with regard to the implementation of the project is limited resources against immense needs of the people and the retirement of sub-county accountants. This is not a problem we can wish away now but hope that proper prioritization of projects will occur,

I hope we will all benefit from this report in trying to achieve the CDF motto of '*Maendeleo kwa Wote*'.

**Sign**



**CHAIRMAN NGCDF COMMITTEE**

**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 NG-CDF-AWENDO 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 NG-CDF-AWENDO 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 NG-CDF-AWENDO Constituency further confirms the completeness of the accounting records maintained for the CDF AWENDO, 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 NG-CDF-AWENDO 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 NG-CDF-AWENDO Constituency financial statements were approved and signed by the Accounting Officer on 30/6 2018.

.....  
**Fund Account Manager**  
Name: **Janes Awiti**

.....  
**Sub-County Accountant**  
Name: **Zipporah Kebeno**

# REPUBLIC OF KENYA

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Website: [www.kenao.go.ke](http://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- AWENDO CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2018

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#### REPORT ON THE FINANCIAL STATEMENTS

##### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund- Awendo Constituency set out on pages 8 to 32, which comprise the statement of financial assets as at 30 June 2018, statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund – Awendo 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 Public Finance Management Act, 2012.

##### Basis for Qualified Opinion

#### 1. Transfer to Other Government Units

##### 1.1. Construction of a Classroom at Lwanda Kukuro Primary School

Included in the transfer to other government units' expenditure of Kshs.9,174,725 is an amount of Kshs.600,000 which was paid for construction of a classroom at Lwanda Kukuro Primary School. Documentation and expenditure records relating to the project were not provided for audit review. Consequently, the validity and propriety of the expenditure of Kshs.600,000 could not be confirmed.

#### 2. Transfers from NG-CDF Board

The summary statement of appropriation reflects transfers from NG-CDF Board of Kshs.50,914,848 while the statement of receipts and payments reflects the receipt of Kshs.47,405,172, leading to unreconciled and unexplained variance of Kshs.3,509,676. In the circumstances, the accuracy of the receipts could not be ascertained.

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

### **3. Unreconciled Difference in Expenditure**

In addition, the summary statement of appropriation reflects total payments of Kshs.46,210,532 while the statement of receipts and payments reflects the total expenditure of Kshs.46,610,532, resulting in unreconciled difference of Kshs.400,000. In the circumstances, the accuracy of the total expenditure could not be ascertained.

### **4. Net Financial Position**

The statement of financial assets as at 30 June 2018 reflects net financial position of Kshs.4,304,326 after netting-off liabilities amounting to Kshs.400,000. However, contrary to the guidelines issued by the Public Sector Accounting Standards Board, the statement of financial assets erroneously shows at the bottom net liabilities instead of the net financial position of Kshs.4,304,326.

### **5. Unsupported Adjustments**

The summary statement of appropriation indicates an original budget of Kshs.86,810,345, an adjustment of Kshs.21,788,986 bringing the total final approved budget to Kshs.108,599,331. However, the adjustments under payments in the statement of appropriation were not adequately supported by approved code list showing the 2016 - 2017 financial year items that were to be financed in 2017-2018 financial year. In the absence of a list of rolled over projects, the validity of the adjustments could not be confirmed.

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

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections, I have determined that there are no key audit matters to communicate in my report.

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, I confirm 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 of a Classroom at Adago Primary School**

Included in the transfers to other government entities expenditure of Kshs.9,174,725 is an amount of Kshs.400,000 which was paid for construction of a classroom at Adago Primary School. The funds were initially meant for fencing but the school management and project implementation committee instead re-allocated the funds to construction of a classroom. The management did not provide for audit review any authority from the NG-CDF Board to support the re-allocation of funds. Consequently, the regularity and value for money of the project could not be ascertained.

### **2. Construction of a Classroom at Pheres Oluoch Kanindo Secondary School**

Included also in the transfer to other government units' expenditure of Kshs.9,174,725 is an amount of Kshs.500,000 which was paid for construction of a classroom at Pheres Oluoch Kanindo Mixed Secondary School. Physical verification of the project revealed that only 57 percent of the work was done after which the contractor moved out of the site. Consequently, the value for money and regularity of the expenditure of Kshs 500,000 incurred on the project could not be confirmed.

### **3. Construction of Houses at Dede Administration Police Camp**

Included in other grant and transfers expenditure of Kshs.30,965,407 is an amount of Kshs.800,000 which was paid for construction of Administration Police houses at Dede Administration Police Camp. Physical verification done at the project site revealed that the contractor had done only the substructure and superstructure estimated to be equivalent to 46 percent of the contract price. There was no work-in-progress as the contractor had left the site. Consequently, the regularity and value for money of the expenditure incurred on the project could not be confirmed.

### **4. Budget Performance Analysis**

The NGC-DF Awendo Constituency had an approved final budget of Kshs.108,599,331 for the year 2017/2018. However, the actual receipts for the year were 50,914,848, resulting in a budget deficit of Kshs.57,684,483 or 53% on the expected revenue.

The actual expenditure was Kshs.46,210,532 against the approved budget of Kshs.108,599,331, leading to a gross under-expenditure of Kshs.62,388,799 or 57%. Significant under-expenditure occurred on the following items:

<b>Item Description</b>	<b>Approved Budget (Kshs)</b>	<b>Actual Expenditure (Kshs)</b>	<b>Under-Expenditure (Kshs)</b>	<b>Under-Expenditure in (%)</b>
Compensation of employees	3,279,676	1,770,411	1,509,265	46%

Item Description	Approved Budget (Kshs)	Actual Expenditure (Kshs)	Under-Expenditure (Kshs)	Under-Expenditure in (%)
Use of goods and services	7,067,069	4,699,989	2,367,080	33%
Transfer to other Government units	47,405,985	8,774,725	38,631,260	81%
Other grants and transfers	50,846,601	30,965,407	19,881,194	39%

In the circumstances, the under-expenditure on the approved budget items implies that the Fund was not able to achieve some of its core objectives and, thereby impacting negatively on the efficiency and effectiveness of the service delivery to the constituents.

## 5. Projects Verification

Thirteen projects with a total expenditure of Kshs.13,024,725 were physically verified and observations made as summarized below:

Project Name	Activity	Budget	% Level of Completion	Observations
Rinya Mixed Secondary School	Construction of a classroom	1,500,000	57	Expenditure returns not provided for audit.
Wawaya Primary School	Construction of a classroom	574,725	95	Painting not done.
St Nicholas Koyier Secondary School	Construction of a classroom	500,000	49	Project still incomplete after the expected completion date.
Nyakuru Mixed Secondary School	Construction of a borehole	1,100,000	100	Complete and is in use.
Dede Chief's Camp	Construction of Administration Police staff houses	1,200,000	30	A variation in materials used when compared to Bill of Quantities.
Alara Dago Primary School	Fencing of the school compound	400,000	70	Irregular reallocation of funds from fencing to the renovation of two classrooms.
Otacho Primary School	Fencing of the school compound	400,000	100	Complete.
Lwanda Kokuro Primary School	Construction of a classroom	600,000	55	Abandoned project. Expenditure and procurement details not provided for audit.
Pheres Oluoch Kanindo Mixed Secondary School	Construction of 1 classroom	500,000	57	Abandoned project.
Awendo Library	Construction of a library	4,000,000	49	Incomplete project
Pehill High School	Reroofing of 2 dormitories	850,000	100	Complete and is in use.

Project Name	Activity	Budget	% Level of Completion	Observations
Saka Primary School	Fencing of the school compound	400,000		Irregular reallocation of funds from fencing to the purchase of land.
Gamba Mixed Secondary School	Purchase of school bus	1,000,000		Expenditure, procurement and ownership documents not provided for audit review.
<b>Total</b>		<b>13,024,725</b>		

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

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

### Basis for Conclusion

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

### Responsibilities of Management and Those Charged with Governance

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

In preparing the financial statements, management is responsible for assessing the ability of National Government Constituencies Development Fund- Awendo Constituency to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the

management either intends to cease operations, or have no realistic alternative but to do so.

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

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

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

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

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express 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.

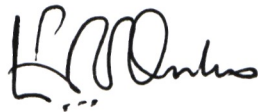
Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the 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 sustaining its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the National Government Constituencies Development Fund- Awendo Constituency to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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


**Nairobi**


**08 July 2019**

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

<b>I. STATEMENT OF RECEIPTS AND PAYMENTS</b>			
	<b>Note</b>	<b>2017-2018</b>	<b>2016-2017</b>
		Ksh	Ksh
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	<b>1</b>	<b>47,405,172</b>	<b>83,577,211</b>
Proceeds from Sale of Assets	<b>2</b>		
Other Receipts	<b>3</b>		<b>40,000</b>
<b>TOTAL RECEIPTS</b>	-	<b>47,405,172</b>	<b>83,617,211</b>
<b>PAYMENTS</b>			
Compensation of employees	<b>4</b>	<b>1,770,411</b>	<b>2,293,436</b>
Use of goods and services	<b>5</b>	<b>4,699,989</b>	<b>7,388,940</b>
Transfers to Other Government Units	<b>6</b>	<b>9,174,725</b>	<b>32,633,991</b>
Other grants and transfers	<b>7</b>	<b>30,965,407</b>	<b>39,770,970</b>
Acquisition of Assets	<b>8</b>		<b>2,800,000</b>
Other Payments	<b>9</b>		<b>3,175,586</b>
<b>TOTAL PAYMENTS</b>	-	<b>46,610,532</b>	<b>88,062,923</b>
<b>SURPLUS/DEFICIT</b>		<b>794,640</b>	<b>(4,445,712)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-AWENDO Constituency financial statements were approved on 30/6 2018 and signed by:

  
**Fund Account Manager**  
**Name: Janes Awiti**

  
**Sub-County Accountant**  
**Name: Zipporah Kebeno**

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

**AWENDO CONSTITUENCY**


**Reports and Financial Statements**

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

<b>II. STATEMENT OF FINANCIAL ASSETS</b>			
	<b>Note</b>	<b>2017-2018</b>	<b>2016-2017</b>
			Ksh
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	4,704,316	3,509,676
Cash Balance	10B		-
<b>Total cash and cash equivalent</b>		<b>4,704,316</b>	<b>3,509,676</b>
Current Receivable - Outstanding Imprests		-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>4,704,316</b>	<b>3,509,676</b>
<b>FINANCIAL LIABILITIES</b>			
Current Payables			
Retention	12	(400,000)	
<b>NET FINANCIAL POSITION</b>		<b><u>4,304,316</u></b>	<b>3,509,676</b>
<b>REPRESENTED BY</b>			
<b>Fund balance b/fwd. 1st July...</b>	13	3,509,676	7,955,388
<b>Surplus/Deficit for the year</b>		794,640	(4,445,712)
<b>Prior year adjustments</b>	14		
<b>NET LIABILITIES</b>		<b><u>4,304,316</u></b>	<b>3,509,676</b>
		-	

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-AWENDO Constituency financial statements were approved on 30/6 2018 and signed by:

  
**Fund Account Manager**  
**Name: Janes Awiti**

  
**Sub-County Accountant**  
**Name: Zipporah Kebeno**

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

**Reports and Financial Statements**

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**IV. STATEMENT OF CASHFLOW**

<b>Receipts for operating income</b>	Notes	2017-2018	2016-2017
		Kshs	Kshs
Transfers from CDF Board	1	47,405,172	83,577,211
Other Receipts	3		40,000
		47,405,172	83,617,211
<b>Payments for operating expenses</b>			
Compensation of Employees	4	1,770,411	2,293,436
Use of goods and services	5	4,699,989	7,388,940
Transfers to Other Government Units	6	8,774,725	32,633,991
Other grants and transfers	7	30,965,407	39,770,970
Other Payments	9		3,175,586
			85,262,923
<b>Adjusted for:</b>			
<b>Retentions</b>	12	400,000	
Adjustments during the year			
<b>Net cash flow from operating activities</b>		46,610,532	85,262,923
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	2,800,000
<b>Net cash flows from Investing Activities</b>		-	(2,800,000)
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		794,640	(4,445,712)
<b>Cash and cash equivalent at BEGINNING of the year</b>	13	3,509,676	7,955,388
<b>Cash and cash equivalent at END of the year</b>		4,304,316	3,509,676

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-AWENDO Constituency financial statements were approved on 30/6 2018 and signed by:



**Fund Account Manager**  
**Name: Janes Awiti**



**Sub-County Accountant**  
**Name: Zipporah Kebeno**

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

V. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	86,810,345	21,788,986	108,599,331	50,914,848	57,684,483	47
Proceeds from Sale of Assets		-	-	-	-	0
Other Receipts (AIA)						
<b>PAYMENTS</b>						
Compensation of Employees	2,430,000	849,676	3,279,676	1,770,411	1,509,265	54
Use of goods and services	5,382,931	1,684,138	7,067,069	4,699,989	2,367,080	67
Transfers to Other Government Units	39,574,951	7,831,034	47,405,985	8,774,725	38,631,260	19
Other grants and transfers	39,422,463	11,424,138	50,846,601	30,965,407	19,881,194	61
Acquisition of Assets						
<b>Other Payments( Audit fee)</b>						0
<b>TOTALS</b>	<b>86,810,345</b>	<b>21,788,986</b>	<b>108,599,331</b>	<b>46,210,532</b>	<b>62,388,799</b>	<b>43</b>

(a) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

- i. As NG-CDF Act dictates, the fund were not disbursed from the board because we had written many bursary cheques which were still holding money in our account hence we could not request the

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

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board to transfer more money since we were having more than 10,000,000 in our NG-CDF Awendo equity account

- ii. 54% of the Compensation to employee budget was utilized. This was below the 90% threshold and was attributed by the fact that a great chunk funds received was taken to bursary
- iii. Over half of the fund was still held by the board as at 30<sup>th</sup> June 2018 therefore we could only utilized 67% of goods and supplies as was prioritized in the first disbursement.
- iv. We gave out priority to Bursary project leaving other project in the first receipt from the board. That is why we only utilized 19%
- v. Some projects such as sports, Emergency, Strategic plan and CIH was not prioritized in the first disbursements, this means we could have not utilized there allocation because we were waiting for more funds from the board.

The NGCDF-AWENDO Constituency financial statements were approved on 30/6 2018 and signed by:



**Fund Account Manager  
Name: James Awiti**



**Sub-County Accountant  
Name: Zipporah Kebeno**

## **VI. 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-AWENO Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

### **3. Reporting Currency**

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

### **4. Significant Accounting Policies**

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

#### **a) Recognition of Receipts**

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

#### **Tax Receipts**

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

#### **Transfers from the Exchequer**

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

## **SIGNIFICANT ACCOUNTING POLICIES**

### **External Assistance**

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

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

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

During the year ended 30<sup>th</sup> June 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.

## **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) –  
AWENDO CONSTITUENCY*

**Reports and Financial Statements**

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

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**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 1<sup>st</sup> July 2017 to 30<sup>th</sup> June 2018 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

**12. Comparative Figures**

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

**13. Subsequent Events**

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

**14. Errors**

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

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

**15. Related Party Transactions**

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

**VII. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

<b>Description</b>		<b>2017-2018</b>		<b>2016-2017</b>
		<b>Kshs</b>		<b>Kshs</b>
NGCDF Board	A892934	37,905,172	839582	36,853,449
AIE NO	855756	5,500,000		9,100,000
AIE NO		4,000,000	825906	8,080,659
AIE NO			825997	4,094,828
AIE NO			855599	24,948,275
AIE NO			855590	500,000
AIE NO				
<b>TOTAL</b>		<b>47,405,172</b>		<b>83,577,211</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

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

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

*NOTES TO THE FINANCIAL STATEMENTS*

**3. OTHER RECEIPTS**

	<b>2017- 2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	0	0
Rents	0	0
Receipts from Sale of tender documents	0	0
Other Receipts Not Classified Elsewhere	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**4. COMPENSATION OF EMPLOYEES**

	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Basic wages of contractual employees	1,770,411	2,293,436
Basic wages of casual labour	0	0
<b>Personal allowances paid as part of salary</b>		
House allowance	0	0
Transport allowance	0	0
Leave allowance	0	0
Gratuity	0	0
Other personnel payments	0	0
<b>Total</b>	<b>1,770,411</b>	<b>2,293,436</b>

NOTES TO THE FINANCIAL STATEMENTS

**5. USE OF GOODS AND SERVICES**

Description	2017-2018	2016-2017
Utilities, supplies and services	57,200	606,080
Office rent		
Communication, supplies and services		50,000
Domestic travel and subsistence	222,500	214,100
Printing, advertising and information supplies & services	108,735	200,000
Training expenses		250,000
Hospitality supplies and services	86,000	100,000
Insurance costs		
Specialized materials and services		106,100
Office and general supplies and services	12,080	105,000
Fuel ,oil & lubricants	495,000	577,783
Routine maintenance – vehicles and other transport equipment	810,809	581,627
Other committee expenses	1,229,465	2,267,050
Committee allowance	1,678,200	2,331,200
<b>TOTAL</b>	<b>4,699,989</b>	<b>7,388,940</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

<b>Description</b>	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers to National Government entities	0	0
Transfers to primary schools (see attached list)	2,674,725	13,312,000
Transfers to secondary schools (see attached list)	2,500,000	11,583,448
Transfers to tertiary institutions (see attached list)	4,000,000	6,500,000
Transfers to health institutions (see attached list)		1,238,543
<b>TOTAL</b>	<b>9,174,725</b>	<b>32,633,991</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	<b>2017-2018</b>	<b>2016- 2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Bursary – secondary schools (see attached list)	13,120,330	11,093,700
Bursary – tertiary institutions (see attached list)	12,349,653	12,138,500
Bursary – special schools (see attached list)	0	0
Mock & CAT (see attached list)	0	0
Security projects (see attached list)	1,200,000	8,265,000
Sports projects (see attached list)		2,458,500
Environment projects (see attached list)	2,295,424	1,610,165
Emergency projects (see attached list)	2,000,000	4,205,105
<b>Total</b>	<b>30,965,407</b>	<b>39,770,970</b>

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**8. ACQUISITION OF ASSETS**

<b>Non-Financial Assets</b>	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	0
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	0	2,800,000
Purchase of ICT Equipment, Software and Other ICT Assets	0	0
Purchase of Specialized Plant, Equipment and Machinery	0	0
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets	0	0
<b>Total</b>	<b>0</b>	<b>2,800,000</b>

**9. OTHER PAYMENTS**

	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Strategic plan	0	0
ICT Hub	0	0
TIVET	0	0
	<b>0</b>	<b>0</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**10A: Bank Accounts (cash book bank balance)**

<b>Name of Bank, Account No. &amp; currency</b>	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
<i>Equity Bank Awendo, Account No. 1430263965406</i>	4,304,316	3,509,676
<i>Name of Bank, Account No.</i>	0	0
<i>Name of Bank, Account No.</i>	0	0
<b>Total</b>	<b>4,304,316</b>	<b>3,509,676</b>
<b>10B: CASH IN HAND</b>		
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other Locations ( <i>specify</i> )	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<i>[Provide cash count certificates for each]</i>		

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
<b>Total</b>				<b>0</b>

**12 RETENTION**

	<b>2017 - 2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Geolom Investments ltd	300,000	0
Geolom investment ltd	100,000	0
<b>Total</b>	<b>400,000</b>	<b>0</b>

The contractor was awarded the construction of Kenya national library

**13. BALANCES BROUGHT FORWARD**

	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	9,102,848	5,643,797
Cash in hand		
Imprest		
<b>Total</b>	<b>9,102,848</b>	<b>5,643,797</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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**For the year ended June 30, 2018**

**NOTES TO THE FINANCIAL STATEMENTS**

**14. PRIOR YEAR ADJUSTMENTS**

	<b>2017- 2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	0	0
Cash in hand	0	0
Imprest	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**15. OTHER IMPORTANT DISCLOSURES**

**15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

	<b>2017- 2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	<b>0</b>	<b>0</b>

**15.2: PENDING STAFF PAYABLES (See Annex 2)**

	<b>Kshs</b>	<b>Kshs</b>
Senior management	0	0
Middle management	0	0
Unionisable employees	0	0
Others ( <i>specify</i> )	0	0
	<b>0</b>	<b>0</b>

**15.3: UNUTILIZED FUNDS (See Annex 3)**

	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	849,676	40,000
Use of goods and services	1,684,138	0
Amounts due to other Government entities (see attached list)	7,831,034	0
Amounts due to other grants and other transfers (see attached list)	11,424,138	16,036,046
Acquisition of assets	0	0
Others ( <i>specify</i> )	0	500,000
	<b>21,788,986</b>	<b>16,536,046</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**15.4: PMC account balances (See Annex 5)**

	<b>2017- 2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account Balances (see attached list)	0	0
	<b>0</b>	<b>0</b>

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

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
	a	b	c	d=a-c		
<b>Construction of buildings</b>						
1.	0	0	0	0	0	
2.	0	0	0	0	0	
3.	0	0	0	0	0	
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Construction of civil works</b>						
4.	0	0	0	0	0	
5.	0	0	0	0	0	
6.	0	0	0	0	0	
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Supply of goods</b>						
7.	0	0	0	0	0	
8.	0	0	0	0	0	
9.	0	0	0	0	0	
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Supply of services</b>						
10.	0	0	0	0	0	
11.	0	0	0	0	0	
12.	0	0	0	0	0	
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Grand Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
		a	b	c	d=a-c		
<b>Senior Management</b>							
1.		0	0	0	0	0	
2.		0	0	0	0	0	
3.		0	0	0	0	0	
	<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Middle Management</b>							
4.		0	0	0	0	0	
5.		0	0	0	0	0	
6.		0	0	0	0	0	
	<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Unionisable Employees</b>							
7.		0	0	0	0	0	
8.		0	0	0	0	0	
9.		0	0	0	0	0	
	<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Others (specify)</b>							
10.		0	0	0	0	0	
11.		0	0	0	0	0	
12.		0	0	0	0	0	
	<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	<b>Grand Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	



**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018 (Kshs)**

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Sub-Total		0	0	
Grand Total		21,788,986	16,536,046	

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)  
 Reports and Financial Statements  
 For the year ended June 30, 2018 (Kshs)

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land	0	0	0	0
Buildings and structures	25,000,000.00	0	0	25,000,000.00
Transport equipment	4,343,000.00	0	0	4,343,000.00
Office equipment, furniture and fittings	3,181,914.00	0	0	3,181,914.00
ICT Equipment, Software and Other ICT Assets	110,000.00	0	0	110,000.00
Other Machinery and Equipment	0	0	0	0
Heritage and cultural assets	0	0	0	0
Intangible assets	0	0	0	0
<b>Total</b>	<b>32,634,914.00</b>	<b>0</b>	<b>0</b>	<b>32,634,914.00</b>

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – AWENDO  
CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018 (Kshs)**

**ANNEX 4 – PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2018**

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2017/18</b>	<b>Bank Balance 2016/17</b>
Wawaga primary school	Equity	1430262014095	579,750	
Otacho Primary School	Equity	1430277374368	349,890	
Mahena Primary School	Equity	1430261433157	300,632	
Awendo Primary School	Equity	1430272030651	201,085	
Alara Dago Primary School	Equity	1430264135249	63,280	
Saka Primary School	Equity	1430262237291	402,345	
Rinya Mixed Secondary School	Equity	1430270947055	8,930	
Gamba Mixed Secondary School	Equity	1430265069186	494	
Lidery Agencies- Nyakuru Mixed	Equity	1430272274959	1,824,183	
Pe Hill High School	Equity	1430272541882	2,340,339	
Marienga Primary School	Equity	1430261458078	3,435	
Malunga Primary School	Equity	1430277414870	2,890	
Rabondo Primary School	Equity	1430266360486	540,670	
Bonde Primary School	Equity	1430277406363	390	
Siruti Primary School	Equity	1430261764618	1,620	
Rabuor Kogelo Primary School	Equity	1430264204799	5,680	
Ombo Kware Primary School	Equity	1430262801588	400,000	
Utoma Primary School	Equity	1430261430073	15,499	
Bondo Otuchi Primary School	Equity	1430261471895	1,312	
Sony Sugar Primary School	Equity	1430277362940	890	
Sony Sugar Mixed Secondary School	Equity	1430262783988	750,080	
Gada Primary School	Equity	1430277362856	890	
Kwar Primary School	Equity	1430261437697	15,115	
Kachangwe Primary School	Equity	1430261442751	417,152	

**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018 (Kshs)**

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2017/18</b>	<b>Bank Balance 2016/17</b>
Ombasa Primary School	Equity	1430261463620	401,015	
St. Cecilia Primary School	Equity	1430271934050	70	
Ng'ong'a Primary School	Equity	1430277432964	450,000	
Akoko Primary School	Equity	1430263264915	50,230	
Obama Primary School	Equity	1430272313147	4,170	
Kindu Primary School	Equity	1430261975024	997	
Angaga Primary School	Equity	1430277461914	780	
Kokore Primary School	Equity	1430262502131	402,020	
Dago Primary School	Equity	1430277348441	705,780	
Nyambija Primary School	Equity	1430261975019	1,417	
Nyasore Primary School	Equity	1430261449617	2,380	
Dede Divisional Headquarter	Equity	1430264579798	3,127,705	
South Sakwa Chief's Camp	Equity	1430277585940	400,000	
<b>Total</b>			<b>13,773,115</b>	