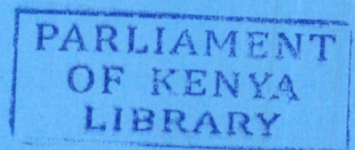


KENYA



Enhancing Accountability

REPORT



OF

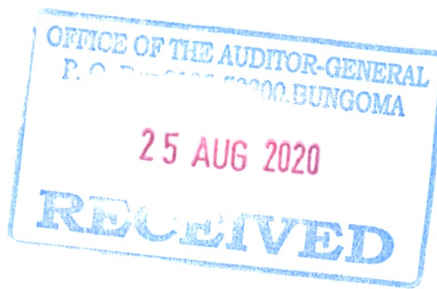
THE AUDITOR-GENERAL

ON

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

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





NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - BUTULA
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2019

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

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

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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

Core Values

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

(b) Key Management

The NGCDF BUTULA Constituency day-to-day management is under the following key organs:

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Winstone Lihanda Ashihundu
2.	A.I.E holder	Locheria Nyikal Basil
3.	Sub-County Accountant	Lilian Amusolo
4.	Chairman NGCDFC	Moses Ochowa
5.	Chairman NGCDFC	Allan Odipo
6.	Secretary NGCDFC	Collete Ayomba Ong'ong'o

(d) Fiduciary Oversight Arrangements

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

P.O. Box 53-50405, Butula
Bumala-Ejinja Road
Butula, BUSIA - KENYA

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

Reports and Financial Statements

For the year ended June 30, 2019

(f) NGCDF BUTULA Constituency Contacts

Telephone: (254) 724 028 813

E-mail: cdfbutula@ngcdf.go.ke

Website: www.ngcdf.go.ke

(g) NGCDF BUTULA Constituency Bankers

National Bank of Kenya

Busia Branch

Account Name: Butula NGCDF

Account Number: 010201037115600

(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)
BUTULA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

This is a true reflection of Butula NGCDFC budget performance against actual amounts for current year based on economic classification and programmes. The NGCDF have improved the Education and Security infrastructures within the Constituency which is evident from the Transfers to Other Government entities and Other Grants and transfers.

During the 2018/2019 FY, Butula NGCDF budget allocation was KES 109,040,875.52.

The total funds received and spent during the 2018/2019 FY was KES 74,784,483.15.

The budget performance was as follows;

▪ Compensation of employees	-	KES	2,340,058
▪ Use of goods and services	-	KES	10,003,797
▪ Transfers to other government units	-	KES	36,537,500
▪ Other grants and transfers	-	KES	57,232,639
▪ Acquisition of Assets	-	KES	2,162,421
▪ Other Payments	-	KES	4,677,027

The budget performance against the actual amounts achieved an average of 53.3% utilization for the economic classification and programmes.

Key achievements of the fund

- It has led to the initiation of development projects at the local level thereby availing financial resources at the grassroots level, thus, empowering communities economically.
- It has led to the expansion of education infrastructure through construction of new schools.
- Bursary awards have increased enrolment and retention rates education institutions.
- It has led to the increase in accessibility of clean water.
- It has led to reduced insecurity through establishment of administration police camps and police stations

Challenges

1. Late or delayed release of funds from the treasury and the NGCDF
2. Increased population and poverty
3. Insufficient technical support
4. Delayed approval of the projects by the CDF BOARD for the case of conditionally approved.
5. Late approval of projects and reallocations

Recommendations

- The NGCDF BOARD secretariat should speed up the approval of any other projects requiring documents from the constituency once the documents are availed.
- Timely release of funds from the NGCDF BOARD to the constituency to make sure that all the Constituency allocation is disbursed by the end of the Financial Year.
- Our main goal has always/and will always remain as DEVELOPMENT, and we wants always to COMPLETE projects within ONE FINANCIAL YEAR but always making sure adequate funds are allocated to that particular project.

Allan Odipo
Chairperson - NGCDFC

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

Reports and Financial Statements

For the year ended June 30, 2019

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 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-BUTULA 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, 2019. 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-BUTULA 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, 2019, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-BUTULA 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-BUTULA 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-BUTULA Constituency financial statements were approved and signed by the Accounting Officer on 20/8/2019 2019.

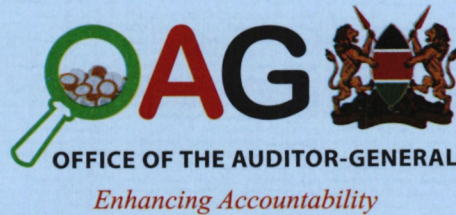

Fund Account Manager
Locheria Nyikal Basil




Sub-County Accountant
Lilian Amusolo

REPUBLIC OF KENYA

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



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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Butula Constituency set out on pages 9 to 31, which comprise of the statement of assets and liabilities as at 30 June, 2019, statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter 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 - Butula Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in Opening Balances

The reflected opening balances had varied with the audited financial statements as shown below:

Component	Reflected Opening Balance (Kshs.)	Audited Balance (Kshs.)	Variance (Kshs.)
Compensation of Employees	1,920,291	657,816	1,262,475
Use of Goods and Services	7,378,990	2,375,088	5,003,902
Transfer to Other Government Units	32,626,290	12,000,000	20,626,290

Component	Reflected Opening Balance (Kshs.)	Audited Balance (Kshs.)	Variance (Kshs.)
Other Grants and Transfers	69,568,788	17,562,630	52,006,158
Acquisition of Assets	367,990	0	367,990
Total	111,862,349	32,595,534	79,266,815
Surplus (Deficit)	(37,508,902)	41,757,913	(79,266,815)
Net Increase in Cash and Cash Equivalent	(38,168,959)	41,757,913	(79,926,872)

The above variances were not explained and reconciled.

In the circumstances, the accuracy, completeness, and validity of the above balances in the financial statements for the year ended 30 June, 2019 could not be confirmed.

2. Inaccuracy in Statement of Assets and Liabilities

The statement of assets and liabilities reflects total financial assets balance of Kshs.3,709,372 and nil liabilities. However, the statement reflects net liabilities at the bottom instead of net financial position balance of Kshs.3,709,372.

The error was not corrected.

In the circumstances, the accuracy, completeness, and validity of the statement of financial assets and liabilities as at 30 June, 2019 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Butula Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.218,960,082 and Kshs.116,662,814 respectively, resulting to an under-funding of Kshs.102,297,268 or 47% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.218,960,082 and Kshs.112,953,442 respectively, resulting to an under expenditure of Kshs.7,268,221 or 48% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. However, the Management has indicated the issues as resolved. However, Parliament has not discussed the 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 Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Delay in Project Implementation

Review of Project Implementation Status Report as at 30 June, 2019 showed that twenty-eight (28) projects budgeted to be implemented at a total cost of Kshs.64,669,021 during the year under review revealed that three (3) projects with a total cost of Kshs.8,926,568 had not started, seven (7) of the projects at Kshs.22,200,000 were still on going all totalling to Kshs.31,126,568 and eighteen (18) of the projects at Kshs.33,542,453 had been completed.

Further, review of the Project Implementation Status Report and physical verification revealed that the works of completion of administration block at Lugulu AC Secondary School initiated during the 2013/2014 financial year at a cost of Kshs.1,000,000 remained stalled and incomplete. Though in the deliberations of the Fund's Committee it was agreed that the project should receive additional funding amount of Kshs.3,000,000 to ensure its logical completion, no allocation in the 2019/2020 approved projects code list.

In the circumstances, I am unable to confirm whether the public will receive value for money for the delayed projects.

2. Abandoned Works at the Fund Office

Included in the balance of acquisition of assets total of Kshs.2,162,421 is refurbishment works at the NGCDF Office of a contract sum of Kshs.2,076,421. Review of records and physical verification, showed that the contractor had vacated the site after 56% of the contract sum.

Consequently, it was not possible to ascertain whether the value for money was achieved from the expenditure of Kshs.2,076,421 spent on the project.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall 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 overall governance.

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

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

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 Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall 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 applicable 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.


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

01 November, 2021

Report of the Auditor-General on National Government Constituencies Development Fund - Butula Constituency for the year ended 30 June, 2019

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

BUTULA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

V. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board	1	74,784,483	74,353,447
TOTAL RECEIPTS		74,784,483	74,353,447
PAYMENTS			
Compensation of employees	2	2,340,058	1,920,291
Use of goods and services	3	10,003,797	7,378,990
Transfers to Other Government Units	4	36,537,500	32,626,290
Other grants and transfers	5	57,232,639	69,568,788
Acquisition of Assets	6	2,162,421	367,990
Other Payments	7	4,677,027	
TOTAL PAYMENTS		112,953,442	111,862,349
SURPLUS/DEFICIT		(38,168,959)	(37,508,902)

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



Fund Account Manager
Locheria Nyikal Basil





Sub-County Accountant
Lilian Amusolo

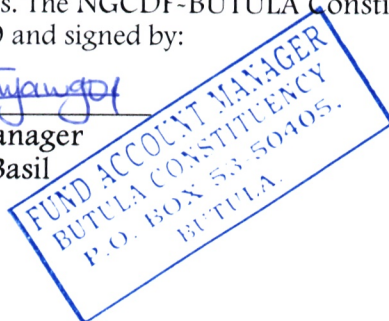
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
 BUTULA CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2019**


VI. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	8	3,709,372	41,878,331
Total Cash and Cash Equivalents		3,709,372	41,878,331
TOTAL FINANCIAL ASSETS		3,709,372	41,878,331
NET FINANCIAL ASSETS		<u>3,709,372</u>	<u>41,878,331</u>
REPRESENTED BY			
Fund balance b/fwd 1st July...	9	41,878,331	120,418
Surplus/Deficit for the year		(38,168,959)	(37,508,902)
NET LIABILITIES		3,709,372	(37,388,484)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BUTULA Constituency financial statements were approved on 20/8/2019 2019 and signed by:


 Fund Account Manager
 Locheria Nyikal Basil



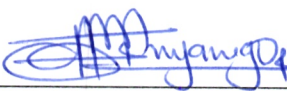

 Sub-County Accountant
 Lilian Amusolo

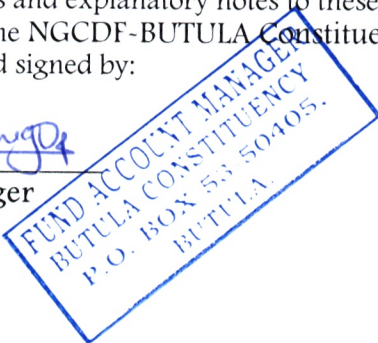
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
BUTULA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**


VII. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from CDF Board	1	74,784,483	74,353,447
Total Receipts		74,784,483	74,353,447
Payments			
Compensation of Employees	2	2,340,058	657,816
Use of goods and services	3	10,003,797	2,375,088
Transfers to Other Government Units	4	36,537,500	12,000,000
Other grants and transfers	5	57,232,639	17,562,630
Other Payments	6	4,677,027	
Total Payments		110,791,021	32,595,534
Total Receipts Less Total Payments		(36,006,538)	41,757,913
Net cash flow from operating activities		(36,006,538)	41,757,913
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	(2,162,421)	
Net cash flows from Investing Activities		(2,162,421)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(38,168,959)	(38,168,959)
Cash and cash equivalent at BEGINNING of the year	9	41,878,331	120,418
Cash and cash equivalent at END of the year		3,709,372	41,878,331

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BUTULA Constituency financial statements were approved on 20/6/2019 2019 and signed by:


Fund Account Manager
Locheria Nyikal Basil




Sub-County Accountant
Lilian Amusolo

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND BOARD –
BUTULA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

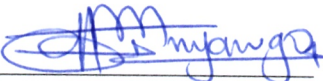
**VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT
COMBINED**

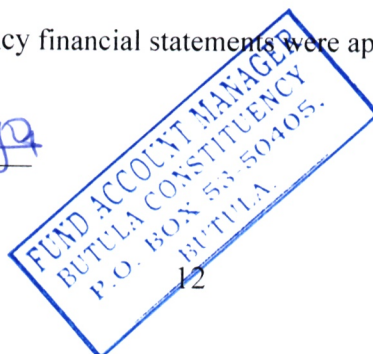
Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	109,040,876	109,919,206	218,960,082	116,662,814	102,297,268	53.28
TOTAL RECEIPTS	109,040,876	109,919,206	218,960,082	116,662,814	102,297,268	53.28
PAYMENTS						
Compensation of Employees	2,742,453	1,508,644	4,251,097	2,340,058	1,911,039	55.05
Use of goods and services	7,071,227	4,613,677	11,684,904	10,003,797	1,681,107	85.61
Transfers to Other Government Units	46,200,000	16,000,000	62,200,000	36,537,500	25,662,500	58.74
Other grants and transfers	51,527,196	59,619,857	111,147,053	57,232,639	53,914,414	51.49
Acquisition of Assets	1,500,000	8,526,421	10,026,421	2,162,421	7,864,000	21.57
Other Payments		19,650,607	19,650,607	4,677,027	14,973,580	
TOTAL	109,040,876	109,919,206	218,960,081	112,953,442	106,006,639	51.59


There was no any AIA received within the FY

This reflects the actual position based on the 50% receipt of funds from the NGCDF Board. The balance of 50% was disbursed after the end of the FY

The NGCDF-BUTULA Constituency financial statements were approved on 2018/1 2019 and signed by:


Fund Account Manager
Locheria Nyikal Basil




Sub-County Accountant
Lilian Amusolo

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

IX. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2018/2019		2018/2019	2018/2019	2018/2019
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration					
Employees' Salaries	2,742,453	1,508,644	4,251,097	4,251,097	-
Goods and Services	2,800,000	1,100,000	3,900,000	3,900,000	-
Committee Expenses	1,000,000	1,000,000	2,000,000	2,000,000	-
Sub-Total	6,542,453	3,608,644	10,151,097	10,151,097	-
2.0 Monitoring and Evaluation					
Goods and Services	1,271,227	513,677	1,784,904	1,784,904	-
Committee Expenses	1,000,000	1,000,000	2,000,000	2,000,000	-
Capacity Building of NG-CDFs/PMCs	1,000,000	1,000,000	2,000,000	1,081,241	918,759
Sub-Total	3,271,227	2,513,677	5,784,904	4,866,145	918,759
3.0 Emergency					
Emergency	5,738,993	2,730,000	8,468,993	160,193	8,308,801
Sub-Total	5,738,993	2,730,000	8,468,993	160,193	8,308,801
4.0 Bursary and Social Security Programme					
Bursary Secondary Schools	11,000,000	,188,437	17,188,437	17,241,376	(52,939)
Bursary Tertiary Schools	10,000,000	11,702,586	21,702,586	14,100,000	7,602,586
Sub-Total				31,341,376	

**FUND ACCOUNTS MANAGER
BUTULA CONSTITUENCY
P.O. BOX 53 50405.
BUTULA.**

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

	21,000,000	17,891,023	38,891,023		7,549,647
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5.0 Sports					-
Kingandole Ward Sports Tournament	63,470	-	363,470		363,470
Lugula Ward Sports Tournament	63,470	-	363,470		363,470
Marachi East Sports Tournament	63,470	-	363,470		363,470
Marachi Central Ward Sports Tournament	363,470	-	363,470		363,470
Marachi North Ward Sports Tournament	363,470	-	363,470		363,470
Marachi West Ward Sports Tournament	363,470	-	363,470		363,470
Butula Sports PMC	-	1,736,207	1,736,207	1,736,207	-
Sub-totals	2,180,817	1,736,207	3,917,024	1,736,207	2,180,817
6.0 Environment					
Musibiriri Primary School	181,735	-	181,735		181,735
Burinda Primary School	181,735	-	181,735		181,735
Bukhakhala Primary School	181,735	-	181,735		181,735
Musibiriri Primary School	181,735	-	181,735		181,735
St. Augustine Butunyi Primary School	181,735	-	181,735		181,735
Ekanjala Primary School	181,735	-	181,735		181,735
Butula Primary School	181,735	-	181,735		181,735
Siribo Primary School	181,735	-	181,735		181,735
Bulwani Primary School	181,735	-	181,735		181,735
Mungabwa Primary School	181,735	-	181,735		181,735
Butunyi Mixed Primary School	181,735	-	181,735		181,735
Bwaliro Primary School					

**FUND ACCOUNT MANAGER
BUTULA CONSTITUENCY
P.O. BOX 53-50405.
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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

	181,735	-	181,735		181,735
Butula Environment PMC		1,736,207	1,736,207	1,736,207	-
Sub-Total	2,180,817	1,736,207	3,917,024	1,736,207	2,180,817

7.0 Primary School Projects					
Sirandala Primary School	4,000,000		4,000,000	5,237,500	(1,237,500)
Bukhakhala Primary School	700,000		700,000	700,000	-
Busibi Primary School	700,000		700,000	700,000	-
St. Augustine Butunyi Primary School	700,000		700,000	700,000	-
Khunyangu Primary School	3,300,000		3,300,000	700,000	2,600,000
Ekanjala Primary School	700,000		700,000	700,000	-
Butula Primary School	700,000		700,000	700,000	-
Musibiriri Primary School	700,000		700,000	700,000	-
Siribo Primary School	700,000		700,000	700,000	-
Mungabwa Primary School	700,000		700,000	700,000	-
Bwaliro Primary School	700,000		700,000	700,000	-
Bulwani Primary School	2,600,000		2,600,000		2,600,000
Siunga Primary School				700,000	(700,000)
Igula Primary School				700,000	(700,000)
Burinda Primary School				700,000	(700,000)
Sikura Primary School				700,000	(700,000)
Sub-Total				15,037,500	

FUND ACCOUNT MANAGER
BUTULA CONSTITUENCY
P.O. BOX 53 5044
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NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)

BUTULA CONSTITUENCY

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

	16,200,000		16,200,000		1,162,500
					-
8.0 Secondary School Projects					-
Buduma Girls Secondary School	2,000,000	2,000,000	4,000,000	1,500,000	2,500,000
Kingandole Secondary School	3,000,000	3,000,000	6,000,000	2,000,000	4,000,000
Sibembe Secondary School	1,000,000	1,000,000	2,000,000		2,000,000
Simuli Secondary School	1,000,000	1,000,000	2,000,000		2,000,000
Bumala AC Secondary School	2,000,000		2,000,000	2,000,000	-
Buhuyi Secondary School	2,000,000		2,000,000		2,000,000
Bulwani Secondary School	2,000,000		2,000,000		2,000,000
Buriya Secondary School		1,000,000	1,000,000		1,000,000
Madola Secondary School				700,000	(700,000)
Elukhari Secondary School				800,000	(800,000)
Bumala B Secondary School				2,000,000	(2,000,000)
Sub-Total	13,000,000	8,000,000	21,000,000	9,000,000	12,000,000
9.0 Tertiary institutions projects					
Butula Technical and Vocational Education Training	4,500,000		14,500,000		14,500,000
Benga Technical Training Institute	2,500,000	8,000,000	10,500,000	12,500,000	(2,000,000)
					-
Sub-Totals	17,000,000	8,000,000	25,000,000	12,500,000	12,500,000
10.0 Security Projects					

FUND ACCOUNT MANAGER
 BUTULA CONSTITUENCY
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 BUTULA

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

Burinda Chief Camp	4,000,000	6,000,000	10,000,000		10,000,000
Bukhalalire Chief Camp	2,000,000		2,000,000	2,000,000	-
Bumala Police Station	4,426,568		4,426,568		4,426,568
Burinda Chief Camp		7,000,000	7,000,000		7,000,000
Butula Market Solar Light		2,000,000	2,000,000	2,000,000	-
Bukhuyi Market Solar Light		2,000,000	2,000,000	2,000,000	-
Elugulu Market Solar Light		2,000,000	2,000,000	2,000,000	-
Bukhalalire Chief Camp		2,000,000	2,000,000	2,000,000	-
Kingandole Market Solar Light		2,000,000	2,000,000	2,000,000	-
Shikoma Market Solar Light		2,000,000	2,000,000	2,000,000	-
Siribo Market Solar Light		2,000,000	2,000,000	2,000,000	-
					-
Sub-Totals	10,426,568	27,000,000	37,426,568	16,000,000	21,426,568

11.0 Acquisitions of Assets					
NGCDF Vehicle	1,500,000	6,500,000	8,000,000	1,500,000	6,500,000
Renovation of NGCDF Office		2,026,421	2,026,421	2,026,421	-
				86,000	(86,000)
					-
Sub-Totals	1,500,000	8,526,421	10,026,421	3,612,421	6,414,000
12.0 Others					
Geographical Information System	10,000,000	10,000,000	20,000,000		20,000,000



FUND ACCOUNT MANAGER
BUTULA CONSTITUENCY
P.O. BOX 53 50405
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[Signature]

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

Strategic Plan		3,500,000	3,500,000	2,135,270	1,364,730
Innovation Hub		4,677,027	4,677,027	4,677,027	-
REA		10,000,000	10,000,000	-	10,000,000
Sub-Total	10,000,000	28,177,027	38,177,027	6,812,297	31,364,730
GRAND TOTAL	109,040,876	109,919,206	218,960,082	112,953,443	106,006,639



FUND ACCOUNT MANAGER
BUTULA CONSTITUENCY
P.O. BOX 53 50405.
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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

X.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-BUTULA 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 CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

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 CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

SIGNIFICANT ACCOUNTING POLICIES(CONTINUED)

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.

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 CONSTITUENCY DEVELOPMENT FUND(NGCDF)

BUTULA CONSTITUENCY

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

XI. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

	Description		2018-2019	2017 - 2018
			Kshs	Kshs
1330407	Normal Allocation	B005335	33,784,483	
		B030326	10,000,000	
		B030364	13,000,000	
		B006307	7,000,000	
		A699029	11,000,000	
		A855777		5,500,000
		A892807		30,948,275
		A892936		37,905,172
	TOTAL		74,784,483	74,353,447

2. COMPENSATION OF EMPLOYEES

	Description	2018-2019	2017 - 2018
		Kshs	Kshs
2110201	Basic wages of contractual employees	1,337,177	657,816
	Personal allowances paid as part of salary		
2120101	Employer contribution to NSSF	206,700	
2710120	Gratuity-Paid	796,181	
	TOTAL	2,340,058	657,816

3. USE OF GOODS AND SERVICES

	Description	2018-2019	2017 - 2018
		Kshs	Kshs
2210100	Utilities, supplies and services	61,019	
2210101	Electricity	14,527	
2210102	Water & sewerage charges	4,750	
2210200	Communication, supplies and services	11,000	
2210800	Hospitality supplies and services	30,050	915,630
2210802	Other committee expenses	1,003,311	
2210809	Committee allowance	4,543,580	1,364,800

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

2211100	Office and general supplies and services	1,794,645	
2211200	Fuel , oil & lubricants	15,500	6,000
2211300	Other operating expenses	310,000	8,658
2220100	Routine maintenance - vehicles and other transport equipment	80,145	
	Strategic Plan	2,135,270	
	TOTAL	10,003,797	2,375,088

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. TRANSFER TO OTHER GOVERNMENT ENTITIES

	Description	2018-2019	2017 - 2018
		Kshs	Kshs
2630204	Transfers to Primary schools	15,037,500	-
2630205	Transfers to Secondary schools	9,000,000	7,500,000
2630206	Transfers to Tertiary institutions	12,500,000	4,500,000
	TOTAL	36,537,500	12,000,000

5. OTHER GRANTS AND OTHER PAYMENTS

	Description	2018-2019	2017 - 2018
		Kshs	Kshs
2640101	Bursary –Secondary	17,241,376	9,787,260
2640102	Bursary –Tertiary	14,100,450	2,220,150
2640507	Security	18,000,000	5,000,000
2640509	Sports	1,736,207	-
2640510	Environment	1,736,206	-
2640200	Emergency Projects	4,418,400	555,220
	TOTAL	57,232,639	17,562,630

6. ACQUISITION OF ASSETS

	Non Financial Assets	2018-2019	2017 - 2018
		Kshs	Kshs
3110302	Refurbishment of Buildings	2,162,421	-
	TOTAL	2,162,421	-

7. OTHER PAYMENTS

	9 Other Payments	2018-2019	2017 - 2018
	ICT HUB	4,677,027	-
	TOTAL	4,677,027	-

8. Bank Accounts

	Name of Bank, Account No. & currency	Account Number	2018-2019	2017 - 2018
	National Bank of Kenya, Busia Branch Butula NG-CDF	01021037115600	3,709,372	41,878,331

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. BALANCES BROUGHT FORWARD

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	41,878,331	120,418
Total	<u><u>41,878,331</u></u>	<u><u>120,418</u></u>

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. OTHER IMPORTANT DISCLOSURES

10.1: UNUTILIZED FUND (See Annex 1)

	2018-2019	2017 - 2018
	Kshs	Kshs
Compensation of employees	1,911,039	2,064,184
Use of goods and services	1,681,107	3,739,98
Amounts due to other Government entities	25,662,500	23,000,000
Amounts due to other grants and other transfers	53,914,414	57,984,778
Acquisition of assets	7,864,000	7,076,421
Others	14,973,580	8,177,027
Totals	106,006,639	102,042,391

10.2: PMC account balances (See Annex 2)

			2018-2019	2017-2018
			Kshs	Kshs
PMC TOTALS	Various	Various	42,713,234	138,115

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF)
BUTULA CONSTITUENCY**

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

XII.ANNEXURES

ANNEX 1 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees		1,911,039		
Use of goods & services		1,681,107		
Amounts due to other Government entities		25,662,500		
Sub-Total		25,662,500		
Amounts due to other grants and other transfers		53,914,414		
Sub-Total				
Sub-Total				
Acquisition of assets		7,864,000		
Others (<i>specify</i>)		14,973,580		
Sub-Total				
Grand Total		106,006,639		

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND BOARD

– BUTULA CONSTITUENCY

Reports and Financial Statements**For the year ended June 30, 2019****ANNEXURE II:- PMC BANK BALANCES AS AT 30TH JUNE 2019**

			2018-2019	2017-2018
PMC	BANK	A/C NO	Kshs	Kshs
Bumala A.C Mixed Sec	NBK	1242036877902		1,863
Siunga Dispensary	NBK	1242076627400		-
Nyalwanda Dispensary	NBK	1245076687700		263
Bujumba Girls Sec	NBK	1243076668900		-
Bujumba Boys Sec	NBK	1242036500601	1,500,000	15,419
Busike Primary Sch	NBK	1047101094000		-
Ikonzo Mixed Sec	NBK	1242037592702		-
Butula Water	NBK	1001114560800		40
Butula Roads	NBK	1021038985800		13,940
Burinda Primary	KCB	1161038329		3,180
Madola Secondary	KCB	1176167235		8,000
Busiada Girls Sec	KCB	1119914752		2,136
Benga Dispensary	KCB	1160630704		6,590
Bumala B Health Centre	KCB	1148924558		3,764
Esibembe Primary	KCB	1148418482		2,253
St. Joseph Ogongo	KCB	1147599009		61,075
Mafubu Dispensary	KCB	1159492018		17,592
Sigulu AP Line	KCB	1178556980		2,000
Sirandala Primary School	Sidian Bank - Busia Branch	1032150018130	4,000,000	
Bukhakhala Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Busibi Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
St. Augustine Butunyi Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Khunyangu Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Ekanjala Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Butula Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Musibiriri Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Siribo Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Mungabwa Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Bwaliro Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Siunga Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Igula Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Burinda Primary School	Sidian Bank -	1032150018130	700,000	

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND BOARD
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For the year ended June 30, 2019

	Busia Branch			
Sikura Primary School	Sidian Bank - Busia Branch	1032150018130	700,000	
Buduma Girls Secondary School	Sidian Bank - Busia Branch	1032150018120	1,500,000	
Kingandole Secondary School	Sidian Bank - Busia Branch	1032150018120	2,000,000	
Bumala AC Secondary School	Sidian Bank - Busia Branch	1032150018120	2,000,000	
Buriya Secondary School	Sidian Bank - Busia Branch	1032150018120	1,000,000	
Madola Secondary School	Sidian Bank - Busia Branch	1032150018120	700,000	
Elukhari Secondary School	Sidian Bank - Busia Branch	1032150018120	800,000	
Bumala B Secondary School	Sidian Bank - Busia Branch	1032150018120	2,000,000	
Benga TTI	Equity Bank - Busia Branch	780278975310	12,500,000	
Butula Sports PMC	National Bank - Busia Branch		1,736,207	
Butula ICT Hubs PMC	National Bank - Busia Branch		4,677,027	
TOTALS			42,713,234	138,115

ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	25,0000			25,0000
Buildings and structures	6,300,654	2,162,421		8,465,075
Transport equipment	4,565,000			4,565,000
Office equipment, furniture and fittings	487,387			487,387
ICT Equipment, Software and Other ICT Assets	1,228,129			1,228,129
Other Machinery and Equipment	18,005,520			18,005,520
Total	30,836,690	2,162,421		32,999,111

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND BOARD

– BUTULA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

XIII.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.

Referen ce No. on the externa l audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (<i>Name and designation</i>)	Status: (<i>Resolved / Not Resolved</i>)	Timeframe : (<i>Put a date when you expect the issue to be resolved</i>)
1. Proje ct Implem entatio n Status	During the year under review, the Fund was to implement a total of 27 projects/programs with original budget of Kshs.86,810,344 through different Project Management Committees. However, review of the projects implementation status report revealed that 14 or 52% of projects had not started, 10 or 37% were ongoing and 3 or 11% had been completed as at the time of audit	The Projects have been implemented to completion	FAM	Resolved	
2. Budget Perfor mance	Review of the Fund's statement of comparison of budget and actual amounts for the year under review revealed that the Fund spent Kshs.32,595,534 against a budgeted amount of Kshs.134,637,925 resulting in under-absorption of Kshs.102,042,391 representing 76%	The underabsorption was due to delays in disbursement of Funds from the Board.	FAM	Resolved	