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REPORT

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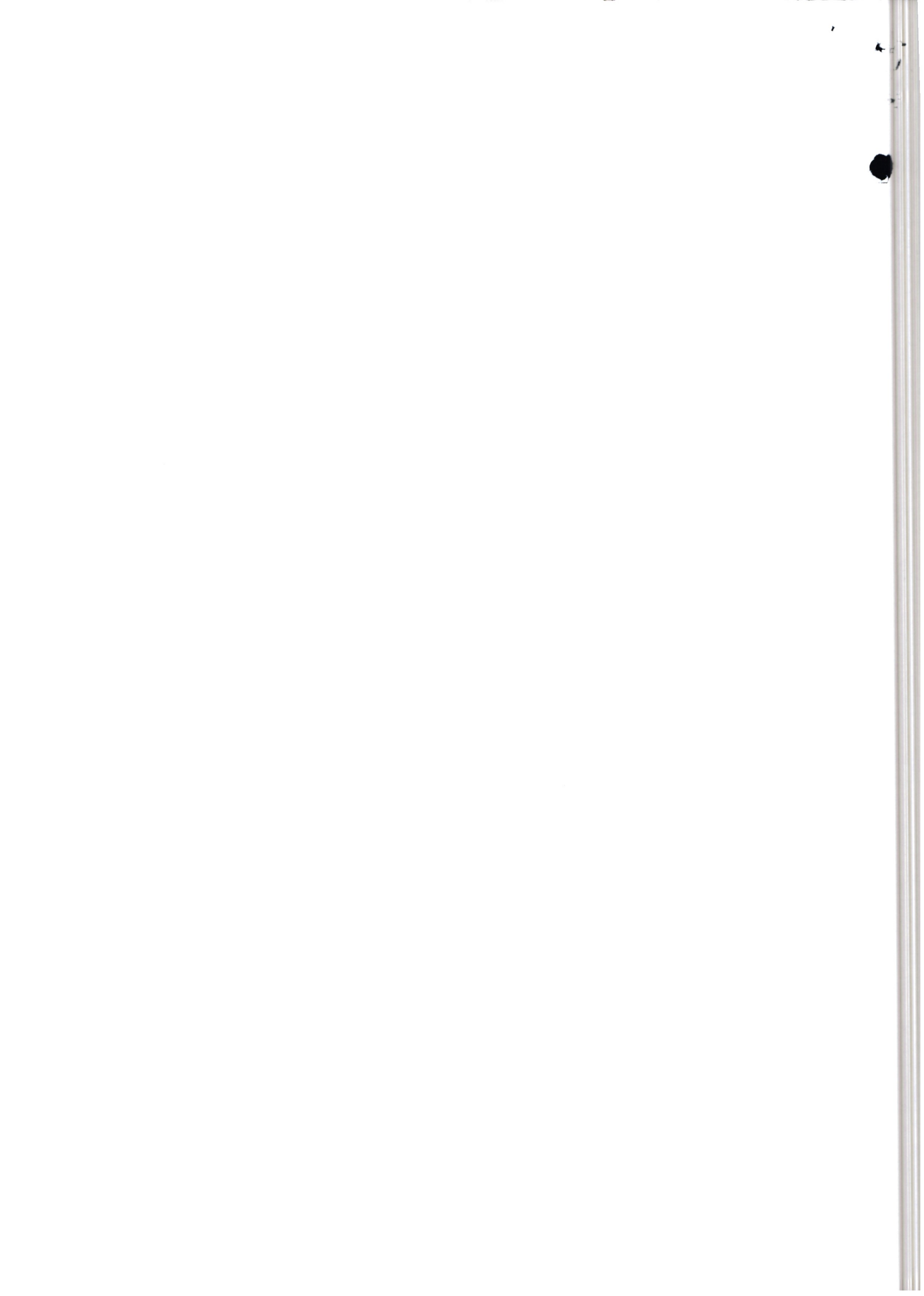
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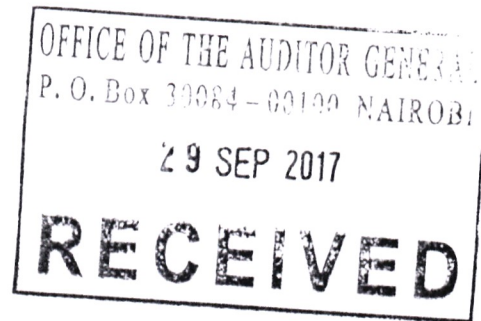
THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND –
HOMA BAY CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2017**





**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
HOMABAY TOWN CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2017**

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
TOWN CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - HOMABAY TOWN
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The *National Government Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 now repealed by the NGCDF Act 2015. The *National Government Constituencies Development Fund* is represented by the Cabinet Secretary for Devolution and Planning, who is responsible for the general policy and strategic direction of the *National Government Constituencies Development Fund*. The objective of the fund to ensure that specific portion of the national annual budget is devoted to the constituencies for purposes of infrastructural development, wealth creation and in the fight against poverty at the constituency level for functions within the National Government.

(b) Key Management

The *Homabay Town Constituency's* 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 2017 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Mr. Yusuf Mbuno
2.	A.I.E holder	Mr. Ronald Ingala Khaggayi
3.	D. Accountant	Mr. Francis Omondi Oyoo

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of HOMABAY TOWN Constituency. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the National Government Constituency Development Fund Committee (NGCDFC) for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) HOMABAY TOWN NGCDF Headquarters

P.O. Box 240 – 40300,
Kabunde Multipurpose Hall,
Off Homabay – Rongo Road,
HOMABAY, KENYA.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - HOMABAY TOWN
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

(f) HOMABAY TOWN NGCDF Contacts

Telephone: (+254) 722 577340
E-mail: cdfhomabaytown@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) HOMABAY TOWN NGCDF Bankers

1. Equity Bank (Kenya) Ltd
Homabay Branch
P.O. Box 75104
00200
Nairobi, Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

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

The Homabay Town NGCDF is grateful for the financial year that has been. Though there were various challenges including how to complete the numerous projects especially which fall under the devolved governance structure, we are thankful that the committee was able to work well with other government institutions.

There has been increased cooperation between the NGCDFC and the PMCs which has enhanced supervision and quality of work.

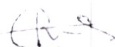
The NGCDFC was able to 100% utilize its budget allocation for the year however, the limit in funding as a result of reduced allocation affected activities like administration, M&E, Sport and Environmental activities.

Most of the projects were completed and or are nearing completion. This we hope we will have very few projects in coming years which can be classified as on-going.

Among the challenges we have been facing is need to have a more professional staff to handle the office which we hope to achieve in due course. We hope that in future, our reporting will be able to capture the real position on the ground at a first glance.

With the necessary technical support from the NGCDF Board and other relevant government departments, we can be able to achieve high levels of efficiency.

Thank you and God bless.



.....
CAREEN A. ODIYO
CHAIRMAN NG-CDFC



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - HOMABAY TOWN
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

III. STATEMENT OF NGCDF 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 agency shall prepare financial statements in respect of that agency. 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 HOMABAY TOWN National Government Constituency Development Fund is responsible for the preparation and presentation of the HOMABAY TOWN NGCDF financial statements, which give a true and fair view of the state of affairs of the HOMABAY TOWN NGCDF for and as at the end of the financial year (period) ended on June 30, 2017. 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 NGCDF; (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 *NGCDF*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

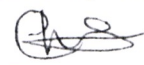
The Accounting Officer in charge of the HOMABAY TOWN NGCDF accepts responsibility for the *NGCDF's* financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *NGCDF's* financial statements give a true and fair view of the state of *NGCDF's* transactions during the financial year ended June 30, 2017, and of the *NGCDF's* financial position as at that date. The Accounting Officer charge of the HOMABAY TOWN NGCDF further confirms the completeness of the accounting records maintained for the *NGCDF*, which have been relied upon in the preparation of the *NGCDF's* financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the HOMABAY TOWN NGCDF confirms that the NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF'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 *NGCDF'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's* financial statements were approved and signed by the Accounting Officer on
3rd AUG, 2017.


Fund Account Manager


Chairman CDFC



REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – HOMA BAY TOWN CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Homa Bay Town Constituency set out on pages 5 to 48, which comprise the statement of assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters described in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Homa Bay Town Constituency as at 30 June 2017, 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 do not comply with the National Government Constituencies Development Fund Act, 2015.

Further, as required by Article 229(6) of the Constitution, based on the procedures performed I confirm that public money has not been applied lawfully and in an effective way.

Basis for Adverse Opinion

1. Inaccuracies in Financial Statements

1.1 Comparative Figures

The following differences were noted between financial statements for the year under review and comparative balances in the 2015/2016 statement of receipts and payments:

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund – Homa Bay Town Constituency for the year ended 30 June 2017

Item	Statements of Receipts and Payment 2015/2016 Kshs.	Comparative Figures 2016/2017 Kshs.	Difference Kshs.
Compensation of employees	2,612,656	2,611,756	900
Use of goods and services	18,223,402	16,624,302	1,599,100
Transfers to other Government units	41,500,000	42,900,000	(1,400,000)
Other grants and transfers	49,060,401	49,260,401	(200,000)
Summary of fixed asset register	23,709,000	23,744,000	(35,000)

Consequently, the accuracy of the financial statements for the year ended 30 June 2017 cannot be confirmed.

1.2 Project Management Committee Bank Balances

Included in the financial statements under Note 15 and Annex 5 are Project Management Committee (PMC) account balances amounting to Kshs.269,913 that were not supported by bank certificates..

Consequently, the accuracy and validity of the aggregate PMC bank balances cannot be confirmed.

2. Payments for Use of Goods and Services

Included in financial statements under Note 5 is use of goods and services expenditure of Kshs.11,690,038. However, the following observations were made in relation to the expenditure:

- i. An amount totalling Kshs.10,113,570 to undertake the Constituency Development Fund Committee facilitation, trainings, monitoring & evaluation of constituency administrative sittings, committee allowances & purchase of assorted office items on various projects was not accounted for.
- ii. Project Management Committee minutes were not availed to confirm actual authorization and occurrence of the activities.
- iii. No receipt vouchers (S13), stores ledgers and issue vouchers (S11) were presented to confirm purchase of the goods and their issuance from stores for consumption.

Therefore the management contravened Section 184 (I) of the Public Finance Management Regulations which states that all receipts and payment vouchers of public moneys shall be properly supported by appropriate authority and regulations.

Consequently, the occurrence and propriety of the expenditure of Kshs.10,113,570 cannot be confirmed.

3. Prior-year Issues

During the year under review, the Fund did not resolve all the issues highlighted in the report of the Auditor-General of the previous 2015/16) year. Failure to address the issues contravenes the reporting requirements set by the Public Sector Accounting Standards Board.

4. Misclassification of Emergency Funds

Included in the financial statements under Note 6 is Kshs.34,180,000 being transfers to other Government units. The amount includes Kshs.1,000,000 transferred under emergency to Kuja Mixed Secondary School and Bishop Okullu Magare Girls Secondary at Kshs.500,000 each, thereby overstating transfers to other Government units and understating emergency projects balance by Kshs.1,000,000 contrary, to Section 43(1) of the Public Finance Management Act,2012.

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 Adverse Opinion section, I have determined that there are no key audit matters to communicate in my report

Other Matter

1. Budget Analysis

During the year under review, the Fund had a final budget of Kshs.100,691,278 while the actual expenditure amounted to Kshs.100,650,837 representing an aggregate under-absorption of Kshs.40,441 equivalent to 1% of the total budget. The under-absorption mainly occurred on transfers to other government units where the budget was under-absorbed by 35%. In addition, over -expenditures were noted on other grants and transfers by 30% and use of goods and services by 160%. Budget analysis revealed the following material variances between budgeted balances and actual amounts;

Item	Budget (Kshs)	Actual (Kshs)	Variance (Kshs)	Percentage Variance
Transfers to other government units	52,467,232	34,180,000	18,287,231.95	65%
Other grants and transfers	39,010,812	50,838,200	(11,827,387.60)	130%
Other payments	2,1000,000	1,450,000	650,000	69%
Use of goods and services	4,490,690	11,690,038	(7,199347.90)	260%

No evidence was made available to show that that these material over- expenditures were authorized as required. Further, the original budget was adjusted by Kshs.18,794,726.25 against unspent balances for the financial year 2015/16 under *Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund – Homa Bay Town Constituency for the year ended 30 June 2017*

Note IV - Summary Statement of Appropriation. However, there was no document showing that a new list of projects was submitted to the Board for approval as per Section 26(1) of the National Government Constituencies Development Act, 2015.

Consequently, the constituents were denied the benefits that could accrue from the implementation of some of the budgeted projects.

2. Project Expenditures

Note 6 to the financial statements reflects transfers to other government entities totaling Kshs.34,180,000.00. The transfers were made to various secondary and primary schools in the year under review. Project verification and examination of related documents revealed that the Project Management Committees did not file returns for Shauri Yako Primary School and Bishop Okullu Magare Girls amounting to Kshs.1,000,000 and Kshs.500,000 respectively. None-filing of returns contravenes Section 15 (1) of the National Government Constituencies Development Fund Act, 2015 which states that there shall be appointed a project management committee for each project in a constituency that shall implement projects in consultation with the relevant departments of government, maintain proper records of all minutes, accounting documents and other records in relation to projects being implemented, open and maintain an independent bank account for each project and prepare returns and file them with the Constituency Development Fund Committee.

Consequently, the propriety of the expenditure of Kshs.1,500,000 cannot be confirmed.

3. Purchase of Desks and Chairs

Included in the financial statements under Note 6 are transfers to other government entities amounting to Kshs.34,180,000 which include procured desks and chairs from a youth group for Kshs.505,000 through payment voucher No.3 of 01 February 2017. However, requisitions, quotations, local purchase order, invoice, delivery note, inspection and acceptance committee minutes, ledger card, issue voucher and list of beneficiaries were not provided. This is contrary to Section 104(1) of the Public Finance Management Regulations, 2012 states that all receipts and payment vouchers of public moneys shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by appropriate authority and documentation.

Consequently, the occurrence and propriety of the expenditure of Kshs.505,000 cannot be confirmed

4. Construction of Roads

Included in the financial statements under Note 7 is an other grants and payments aggregate balance of Kshs.50,838,200 which includes Kshs.26,155,000 for opening, grading, gravelling and installing culverts on various roads within the constituency. However, the road projects were not approved and budgeted for, roads were also not branded and as a result, the existence of the works reported could not be confirmed.

Project management committee returns inclusive of tender documents, certificates of completion, bills of quantities and bank statements were not availed for audit review. Further, the categories of roads rehabilitated were devolved to the county governments and therefore the involvement of National Government funds in their construction was unlawful as per Section 24(a) of the National Government Constituencies Development Fund Act 2015, which states that a project under this Act shall only be in respect of works and services falling within the functions of the national government under the Constitution.

Consequently, the propriety and regularity of the expenditure of Kshs.26,155,000 incurred on roads cannot be confirmed and further, the management breached the Law.

5. Payment for Sports Activities

Included in the financial statements under Note 7 are other grants and payments of Kshs.50,838,200 which includes Kshs.2,785,800 spent on sporting activities but which amount was not supported by pre-numbered receipts, signed payment schedules, programs, tender documents, stores ledger and receipt/issue vouchers. In addition, payments amounting to Kshs.1,050,000 were paid through imprests advanced to an officer through warrant No.2640725 of 10 November 2016 of Kshs.450,000 and No. 2640676 of 14 November 2016 of Kshs.600,000. This contravened the Public Procurement and Assets Disposal Regulations, 2016 that limit low value procurements to Kshs.30,000 and Section 104(l) of Public Finance Management Regulations, 2015 stipulate that all receipts and payment vouchers of public moneys shall be supported by pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation.

Consequently, the occurrence and propriety of the expenditure of Kshs. 2,785,800 cannot be confirmed.

6. Emergency Funds

Included in the financial statements under Note 7 are other grants and other payments totaling Kshs.50,838,200 which include emergency fund balance of Kshs.3,707,000 out of which Kshs.3,300,000 was spent on the projects listed below:

No.	Project	Amount (Kshs)
1.	Kanyabala Chief's Office	600,000
2.	Rodi Chief Camp	500,000
3.	Maguti Primary School	400,000
4.	Imbo Health Centre	1,000,000
5.	Got Kokech Primary School	400,000
6.	Miyare Co. advocates	400,000
	Total	3,300,000

However, the following anomalies were observed in relation to the expenditures:

- Imbo Health Centre was funded at Kshs.1,000,000 despite health having being a devolved supposed to be funded by the County government. Further, the building was not completed.
- The project files for these projects were not made available for audit review.
- Physical verification at Kanyabala Chiefs Camp on 16 May 2018 indicated that the building was still incomplete. Plastering, floor tiling, ceiling, window glasses, painting and fittings had not been done.
- The nature and details of the court case No.CMCC 5234 of 2015 and H/bay CMCC No.4 of 2016 relating to Miyare Company Advocates was not provided.

These activities did not appear urgent and unforeseen and therefore emergency funds should not have been expended on them. The expenditures contravened Section 8(3) The National Government Constituencies Development Fund Act, 2015 which states that emergency shall be construed to mean an urgent and unforeseen need for expenditure for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of constituents.

Consequently, the regularity of the expenditures totaling Kshs.3,300,000 cannot be confirmed and also the Fund breached the law.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management is aware of the intention to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor-General's Responsibilities for the Audit of the Financial Statements

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.

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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease 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 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

01 February 2019

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - HOMABAY TOWN
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

STATEMENT OF RECEIPTS AND PAYMENTS

I. HOMABAY TOWN NGCDF STATEMENT OF RECEIPTS AND PAYMENTS			
	Note	2016 - 2017	2015 - 2016
		Kshs.	Kshs.
RECEIPTS			
Transfers from CDF board	1	81,896,551.70	110,261,452.00
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		81,896,551.70	110,261,452.00
PAYMENTS			
Compensation of employees	4	2,492,599.20	2,611,756.00
Use of goods and services	5	11,690,037.50	16,624,302.00
Transfers to Other Government Units	6	34,180,000.00	42,900,000.00
Other grants and transfers	7	50,838,200.00	49,260,401.00
Acquisition of Assets	8	-	-
Other Payments	9	1,450,000.00	-
TOTAL PAYMENTS		100,650,836.70	111,396,459.00
SURPLUS/DEFICIT		(18,754,285.00)	(1,135,007.00)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The HOMABAY TOWN NGCDF financial statements were approved on 3RD AUG, 2017 and signed by:



Chairman - NGCDFC



Fund Account Manager




**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - HOMABAY TOWN
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

STATEMENT OF ASSETS

II. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES			
	<i>Note</i>	2016 - 2017	2015 - 2016
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	<i>10A</i>	40,441.25	18,794,726.25
Cash Balances (cash at hand)	<i>10B</i>	-	-
		40,441.25	18,794,726.25
Receivables - Outstanding Imprest	<i>11</i>	-	-
TOTAL FINANCIAL ASSETS		40,441.25	18,794,726.25
REPRESENTED BY			
Payables - Retention	<i>12</i>	-	-
Fund balance b/fwd 1st July 2016	<i>13</i>	18,794,726.25	19,929,733.25
Surplus/Deficit for the year		(18,754,285.00)	(1,135,007.00)
Prior year adjustments	<i>14</i>	-	-
NET LIABILITIES		40,441.25	18,794,726.25

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The HOMABAY TOWN NGCDF financial statements were approved on 3RD AUG, 2017 and signed by:



Chairman - NGCDFC



Fund Account Manager



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - HOMABAY TOWN
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

III. STATEMENT OF CASHFLOW

		2016 - 2017 Kshs	2015 - 2016 Kshs
Receipts for operating income			
Transfers from CDF Board	1	81,896,551.70	110,261,452.00
Other Receipts	3	-	-
		81,896,551.70	110,261,452.00
Payments for operating expenses			
Compensation of Employees	4	2,492,599.20	2,611,756.00
Use of goods and services	5	11,690,037.50	16,624,302.00
Transfers to Other Government Units	6	34,180,000.00	42,900,000.00
Other grants and transfers	7	50,838,200.00	49,260,401.00
Other Payments	9	1,450,000.00	-
		100,650,836.70	111,396,459.00
Adjusted for:			
Adjustments during the year		-	-
Net cash flow from operating activities		(18,754,285.00)	(1,135,007.00)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(18,754,285.00)	(1,135,007.00)
Cash and cash equivalent at BEGINNING of the year	15	18,794,726.25	19,929,733.25
Cash and cash equivalent at END of the year	16	40,441.25	18,794,726.25

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The HOMABAY TOWN NGCDF financial statements were approved on 3RD AUG 2017 and signed by:

Chairman CDFC

Refalo
Fund Account Manager



IV. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	81,896,551.70	18,794,726.25	100,691,277.95	100,691,277.95	-	100
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
	81,896,551.70	18,794,726.25	100,691,277.95	100,691,277.95	-	100
PAYMENTS						
Compensation of Employees	2,880,000.00	(257,456.00)	2,622,544.00	2,492,599.20	129,944.80	95
Use of goods and services	4,490,689.60	-	4,490,689.60	11,690,037.50	(7,199,347.90)	260
Transfers to Other Government Units	38,029,310.50	14,437,921.45	52,467,231.95	34,180,000.00	18,287,231.95	65
Other grants and transfers	34,396,551.60	4,614,260.80	39,010,812.40	50,838,200.00	(11,827,387.60)	130
Acquisition of Assets	-	-	-	-	-	-
Other Payments	2,100,000.00	-	2,100,000.00	1,450,000.00	650,000.00	-
TOTALS	81,896,551.70	18,794,726.25	100,691,277.95	100,650,836.70	40,441.25	100

(a) There were no revenue items forming part of "AIA"

(b) There was no significant underutilization of transfers to government units and to any other grant/transfer.

i. Use of Goods and Services is over-utilised as a result of expenditure in the last financial year being utilised in the current financial year under review.

NANANA GOV. MIL. COMMUNITY DEVELOPMENT FUND - HOMABAY TOWN CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2017**

- ii. *Over-utilisation of use of goods and services is also as a result of the classification of some expenditure which in nature went towards the implementation of certain projects in terms of supervision and provision of raw materials like fuel and repair services to graders.*
- iii. *Some of the projects which were not implemented last year were implemented in the current financial year under review hence the over performance in those votes.*

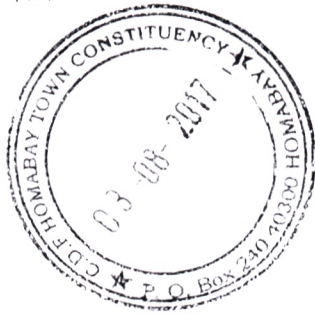
The HOMABAY TOWN NGCDF financial statements were approved on 3RD AUG, 2017 and signed by:



Chairman CDF



Fund Account Manager



NATIONAL GOVERNMENT COMMUNITY DEVELOPMENT BANK
Reports and Financial Statements
For the year ended June 30, 2017

HONOLULU, HAWAII

JUNE 30, 2017

CONFIDENTIAL

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V. 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 and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *NGCDF* and all values are rounded to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the *NGCDF*.

2. Recognition of revenue and expenses

The *NGCDF* recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the *NGCDF*. In addition, the *NGCDF* recognises all expenses when the event occurs and the related cash has actually been paid out by the *NGCDF*.

3. In-kind contributions

In-kind contributions are donations that are made to the *NGCDF* 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 *NGCDF* includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

4. 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. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
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authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
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SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. 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 *NGCDF* 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.

6. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *NGCDF's* budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the *NGCDF's* actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

7. Comparative figures

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

8. 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 June 30, 2017.

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
TOWN CONSTITUENCY
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VI. NOTES TO THE FINANCIAL STATEMENTS

I. NOTES TO THE FINANCIAL STATEMENTS			
1. TRANSFERS FROM OTHER GOVERNMENT AGENCIES			
Description	AIE NO.	2016 - 2017	2015 - 2016
		Kshs	Kshs
Normal Allocation			
	A829559	4,094,827.60	-
	A855015	36,853,449.00	-
	A855231	40,948,275.10	-
	A724223	-	20,000,000.00
	A724084	-	30,000,000.00
	A830930	-	30,000,000.00
	A825621	-	29,261,452.00
	A825699	-	1,000,000.00
TOTAL		81,896,551.70	110,261,452.00

1.1.1.1.1.1.1 PROCEEDS FROM SALE OF ASSETS

2. PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS			
Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
Receipts from the Sale of Buildings			
Receipts from the Sale of Vehicles and Transport Equipment		-	-
Receipts from the Sale Plant Machinery and Equipment		-	-
Receipts from the Sale of office and general equipment		-	-
	Total	-	-

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
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For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS			
Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
Interest Received		-	-
Rents		-	-
Sale of tender documents		-	-
Other Receipts Not Classified Elsewhere (specify)		-	-
Total		-	-

4. COMPENSATION OF EMPLOYEES			
Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
Basic wages of contractual employees		1,853,999.20	2,064,100.00
Basic wages of casual labour		545,000.00	438,600.00
Personal Allowances paid as part of salary			
House allowance		-	-
Transport allowance		-	-
Leave allowance		-	-
Other personnel payments		-	-
Gratuity		-	-
Employer contribution to NSSF		93,600.00	109,056.00
Total		2,492,599.20	2,611,756.00

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
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For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES			
Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
Utilities, supplies and services		5,419,967.00	12,652,402.35
Office rent		-	-
Communication, supplies and services		-	-
Domestic travel and subsistence		120,000.00	56,000.00
Printing, advertising and information supplies & services		-	-
Rentals of produced assets		-	-
Training expenses		850,070.50	350,899.65
Hospitality supplies and services		500,000.00	85,000.00
Insurance costs		-	-
Other committee expenses		1,552,000.00	1,150,000.00
Committee allowance		1,248,000.00	2,080,000.00
Specialised materials and services		-	-
Office and general supplies and services		2,000,000.00	250,000.00
Fuel ,oil & lubricants		-	-
Other operating expenses		-	-
Routine maintenance – vehicles and other transport equipment		-	-
Routine maintenance – other assets		-	-
		-	-
Total		11,690,037.50	16,624,302.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
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NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
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For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES			
Description	2016 - 2017		2015 - 2016
	Kshs		Kshs
Transfers to primary schools	28,830,000.00		20,450,000.00
Transfers to secondary schools	5,350,000.00		20,050,000.00
Transfers to Tertiary institutions	-		1,400,000.00
Transfers to Health institutions	-		1,000,000.00
TOTAL	34,180,000.00		42,900,000.00

7. OTHER GRANTS AND OTHER PAYMENTS			
Description	2016 - 2017		2015 - 2016
	Kshs		Kshs
Bursary -Secondary	16,112,000.00		16,250,000.00
Bursary -Tertiary	992,000.00		636,500.00
Bursary-Special schools	-		-
Mocks & CAT water	1,086,400.00		700,000.00
Agriculture (food security)	-		-
Electricity projects	-		-
Sports	-		2,050,000.00
Roads	26,155,000.00		20,200,000.00
Sports	2,785,800.00		2,400,000.00
Environment	-		500,000.00
Emergency Projects (specify)	3,707,000.00		6,523,901.00
Total	50,838,200.00		49,260,401.00

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
TOWN CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS			
<u>Non-Financial Assets</u>		2016 - 2017	2015 - 2016
		Kshs	Kshs
Purchase of Buildings		-	-
Construction of Buildings		-	-
Refurbishment of Buildings		-	-
Purchase of Vehicles		-	-
Purchase of Bicycles & Motorcycles		-	-
Overhaul of Vehicles		-	-
Purchase of Office furniture and fittings		-	-
Purchase of computers ,printers and other IT equipments		-	-
Purchase of photocopier		-	-
Purchase of other office equipments		-	-
Purchase of soft ware		-	-
Acquisition of Land		-	-
Total		-	-

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
TOWN CONSTITUENCY

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For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS			
Description		2016 - 2017	2015 - 2016
		Kshs.	Kshs.
Social Hall		1,450,000.00	
specify		-	
specify		-	
TOTAL		1,450,000.00	

10A: BANK BALANCES (CASH BOOK BANK BALANCE)			
Name of Bank, Account No. & currency	Account Number	2016 - 2017	2015 - 2016
		Kshs (30/6/2016)	Kshs (30/6/2015)
<i>Equity Bank Kenya Ltd, Homabay Branch</i>	<i>0980261595074</i>	40,441.25	18,794,726.25
		-	-
		-	-
Total		40,441.25	18,794,726.25

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY TOWN CONSTITUENCY

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10B: CASH IN HAND			
		2016 - 2017	2015 - 2016
		Kshs (30/6/2016)	Kshs (30/6/2015)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
Total		-	-
		<i>[Provide cash count certificates for each]</i>	

10C: OUTSTANDING IMPRESTS				
<i>Name of Officer</i>	<i>Date imprest taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance (30/6/2016)</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
Total		-	-	-

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
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For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD			
		2016 - 2017	2015 - 2016
		Kshs (1/7/2016)	Kshs (1/7/2015)
Bank accounts		18,794,726.25	11,605,471.25
Cash in hand		-	-
Imprest		-	8,324,262.00
Total		18,794,726.25	19,929,733.25
	<i>[Provide short appropriate explanations as necessary]</i>		

14. PRIOR YEAR ADJUSTMENTS

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – HOMABAY
TOWN CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Construction of buildings	xxx	xxx
Construction of civil works	xxx	xxx
Supply of goods	xxx	xxx
Supply of services	xxx	xxx
	xxx	xxx

15.2: PENDING STAFF PAYABLES (See Annex 2)

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

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	xxx	xxx
Amounts due to other grants and other transfers (see attached list)	xxx	xxx
Others (<i>specify</i>)	xxx	xxx
	xxx	xxx

15.4: PMC ACCOUNT BALANCES (See Annex 5)

	2016 - 2017	2015 - 2016
	Kshs	Kshs
PMC account Balances (see attached list)	269,913.45	1,609,406.50
Total	269,913.45	1,609,406.50

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - (HOMABAY TOWN CONSTITUENCY)
Reports and Financial Statements
For the year ended June 30, 2017 (Kshs'000)

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		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - (HOMABAY TOWN CONSTITUENCY)
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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		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – (HOMABAY TOWN CONSTITUENCY)
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ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
Amounts due to other Government entities		a	B	c	d=a-c		
1.							
2.							
3.							
	Sub-Total						
Amounts due to other grants and other transfers							
4.							
5.							
6.							
	Sub-Total						
	Sub-Total						
Others (specify)							
7.							
8.							
9.							
	Sub-Total						
	Grand Total						

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - (HOMABAY TOWN CONSTITUENCY)
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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land	-	-
Buildings and structures	23,000,000.00	23,000,000.00
Transport equipment	-	-
Office equipment, furniture and fittings	644,000.00	709,000.00
ICT Equipment, Software and Other ICT Assets	-	-
Other Machinery and Equipment	20,000.00	35,000.00
Heritage and cultural assets	-	-
Intangible assets	-	-
Total	23,664,000.00	23,744,000.00

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - (HOMABAY TOWN CONSTITUENCY)
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For the year ended June 30, 2017 (Kshs'000)

ANNEX 5 – PMC BANK BALANCES

	ACCOUNT NAME	ACCOUNT NUMBER EQUITY BANK (K) LTD HOMABAY BRANCH	BALANCE (AS AT 30 TH JUNE 2016)
1	Bishop Ochiel Otaro Mixed Secondary School PMC A/C	0980261759947	15,877.50
2	Chiga Mixed Secondary School PMC A/C	0980261768889	12,709.00
3	Disii Mixed Secondary School PMC A/C	0980262784191	2,055.00
4	Disii Primary School PMC A/C	0980262616211	6,010.00
5	Dr. Mbai Mixed Secondary School PMC A/C	0980261746911	16,230.00
6	Gogo Katuma Mixed Secondary School PMC A/C	0980261764725	32,100.00
7	Gof Kochungo Primary School PMC A/C	0980261799890	2,000.00
8	Got Kokech Primary School PMC A/C	0980261328638	1.00
9	H/Bay Constituency Roads PMC's A/C	0980266470825	1,490.00
10	Kambeke Primary School PMC A/C	0980261593908	4,036.00
11	Kanyabala Chief's Office PMC A/C	0980264467243	6,730.00
12	Kijawa Primary School PMC A/C	0980263640645	560.00
13	Kogwang Primary School PMC A/C	0980266500664	16,170
14	Kopiyo Primary School PMC A/C	0980261739112	25,137.00
15	Kotewa Primary School PMC A/C	0980262522607	121.00
16	Kuja Mixed Secondary School PMC A/C	0980261736008	93,900.00
17	Kuja Primary School PMC A/C	0980266196092	1,450.00
18	Lala Mixed Secondary School PMC A/C	0980261759144	1,600.00
19	Lang'otromo Secondary School PMC A/C	0980263648905	4,450.00
20	Lieta Kabunde Primary School PMC A/C	0980261732627	39,840.00
21	Loo Rateng' - Ndori Road PMC A/C	0980264382384	890.00
22	Maguje Primary School PMC A/C	0980261738862	2,089.00
23	Maguti Mixed Secondary School PMC A/C	0980264228556	6,450.00
24	Majiwa Primary School PMC A/C	0980268442199	100,000.00
25	Manga Primary School PMC A/C	-	0

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - (HOMABAY TOWN CONSTITUENCY)
Reports and Financial Statements
For the year ended June 30, 2017 (Kshs'000)

	ACCOUNT NAME	ACCOUNT NUMBER EQUITY BANK (K) LTD HOMABAY BRANCH	BALANCE (AS AT 30 TH JUNE 2016)
26	Marindi AP Camp PMC A/C	0980267403951	480.00
27	Marindi Girls Secondary School PMC A/C	0980262152807	24,130.00
28	Masakla Primary School PMC A/C	0980261738851	100,257.00
29	Imbo Health Centre PMC A/C	0980264466760	4,890.00
30	Marindi Dispensary PMC A/C	0980262785730	7,348.00
31	Muche Primary School PMC A/C	0980264413334	2,945.00
32	Ndiru Primary School PMC A/C	0980262088557	5,065.00
33	Ngere Mixed Secondary School PMC A/C	0980261759721	236.00
34	Ngere Primary School PMC A/C	0980261759831	2,364.00
35	Nyagidha Mixed Secondary School PMC A/C	0980266406972	2,000.00
36	Nyagona - Nyanguu Road PMC A/C	-	0
37	Nyakahia Primary School PMC A/C	0980264454863	1,560.00
38	Nyakahia Secondary School PMC A/C	0980265987477	1,340.00
39	Nyakune - Riwa Road PMC A/C	0980266118832	5,090.00
40	Nyalkinyi Mixed Secondary School PMC A/C	0980	24,960.00
41	Nyalkinyi Primary School PMC A/C	0980	1,790.00
42	Nyanguu Primary School PMC A/C	0980	1,100.00
43	Nyatago Kachar Primary School PMC A/C	0980261754595	615.00
44	Nyauu Primary School PMC A/C	0980268395917	1,390.00
45	Ogande Girls Secondary School PMC A/C	0980262300238	454,625.00
46	Ogande Special School PMC A/C	0980266236187	13,070.00
47	Ojunge Mixed Secondary School PMC A/C	0980261729279	95.00
48	Olodo Primary School PMC A/C	0980268454675	120.00
49	Orego Primary School PMC A/C	0980263840143	5,560.00
50	Pala Masogo Mixed Secondary School PMC A/C	0980263676095	1,000.00
51	Pedo Primary School PMC A/C	0980261737804	2,120.00
52	Rabuor Masawa Mixed Secondary School PMC A/C	0980266041934	2,115.00

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - (HOMABAY TOWN CONSTITUENCY)
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	ACCOUNT NAME	ACCOUNT NUMBER EQUITY BANK (K) LTD HOMABAY BRANCH	BALANCE (AS AT 30 TH JUNE 2016)
53	Radiro Primary School FMC A/C	0980266276075	4,670.00
54	Rang'wena Primary School FMC A/C	0980261799747	1,725.00
55	Riwa Mixed Secondary School FMC A/C	0980263474286	1,346.00
56	Rodi Chief's Office FMC A/C	0980266152463	4,480.00
57	Rodi Primary School FMC A/C	0980262623835	32,530.00
58	Sero Mixed Secondary School FMC A/C	0980261742746	2,710.00
59	Sero Primary School FMC A/C	0980263669075	5,630.00
60	Shauri Yako Primary School FMC A/C	0980261745530	615.00
61	St. Patrick's Makongeni Primary School FMC A/C	0980261737570	785.00
62	St. Teresa's Nyauu Girls Secondary School FMC A/C	0980262200124	84,250.00
63	Wahambla Primary School FMC A/C	0980261737169	730.00
64	Wiamen Primary School FMC A/C		875.00
65	Wiobiero - Nyamila - Fundo Road FMC A/C	0980264780961	1,780.00
66	Wiobiero Primary School FMC A/C	0980268443443	230.00
67	Yao Primary School FMC A/C	0980263875593	408,890.00
	TOTAL		1,609,406.50

	ACCOUNT NAME	ACCOUNT NUMBER EQUITY BANK (K) LTD HOMABAY BRANCH	BALANCE (AS AT 30 TH JUNE 2017)
1	Adongo Primary School FMC A/C	0980271097763	48,580.00
2	Arujo Primary School FMC A/C	0980261756183	5,010.00
3	Bishop Okullu Magare Secondary School FMC A/C	0980262688799	0
4	Chuga Primary School FMC A/c	0980261746961	215.00
5	Got Kochungo Primary School FMC A/C	0980261799890	6,835.00
6	HomaBay Constituency Roads FMC's	0980266470825	3,960.00

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	ACCOUNT NAME	ACCOUNT NUMBER EQUITY BANK (K) LTD HOMABAY BRANCH	BALANCE (AS AT 30 th JUNE 2017)
7	Imbo Health Centre PMC A/C	0980264466760	9,340.00
8	Kambeke Primary School PMC A/C	0980261593903	5,486.00
9	Kanyabala Chiefs Camp PMC A/C	0980264467243	6,510.00
10	Kijawa Primary School PMC A/C	0980263640645	340.00
11	Kotewa Primary School PMC A/C	0980262522607	11.00
12	Kuja Mixed Secondary School PMC A/C	0980261736008	93,900.00
13	Kuja Primary School PMC A/C	0980266196092	1,340.00
14	Lake Primary School PMC A/C	0980262534689	2,356.00
15	Loorateng Primary School PMC A/C	0980264382384	2,670.00
16	Maguti Primary School PMC A/C	0980261767766	145.00
17	Maguti Secondary School PMC A/C	0980264228556	6,230.00
18	Muche Primary School PMC A/C	0980264413334	2,725.00
19	Ndiru Primary School PMC A/C	0980262088557	4,515.00
20	Nduta Primary School PMC A/C	0980299711771	724.00
21	Ngere Mixed Secondary School PMC A/C	0980261759831	2,364.00
22	Nyagidha Mixed Secondary School PMC A/C	0980266406972	240.00
23	Nyakahia Mixed Secondary School PMC A/C	0980264454863	1,560.00
24	Nyakune Primary School PMC A/C	0980263530538	2,510.00
25	Nyauu Primary School PMC A/C	0980268395917	-407.30
26	Ogande Primary School PMC A/C	0980266141178	20.00
27	Ogande Special School PMC A/C	0980266236187	4,041.00
28	Ogongo Katuma Primary School PMC A/C	0980261773246	152.00
29	Ojunge Mixed Secondary School PMC A/C	0980261729279	-578.25
30	Ojunge Primary School PMC A/C	0980271174470	670.00
31	Olodo Primary School PMC A/C	0980268454675	710.00
32	Orego Primary School PMC A/C	0980263840143	5,450.00

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	ACCOUNT NAME	ACCOUNT NUMBER EQUITY BANK (K) LTD HOMABAY BRANCH	BALANCE (AS AT 30 TH JUNE 2017)
33	Pala Masogo Primary School PMC A/C	0980262611502	588.00
34	Pap Ndege Primary School PMC A/C	0980263771677	10,840.00
35	Pap Ndege Secondary School PMC A/C	0980269026996	6,990.00
36	Pundo Kalanya Primary School PMC A/C	0980261736094	2,460.00
37	Radiro Primary School PMC A/C	0980266276075	4,120.00
38	Riwa Mixed Secondary School PMC A/C	0980263474286	1,346.00
39	Roba Primary School PMC A/C	0980261733354	1,530.00
40	Rodi Security Chief's Camp PMC A/C	0980266152463	7,370.00
41	Rodi Primary School PMC A/C	0980262633835	3,145.00
42	Sero Primary School PMC A/C	0980263669075	3,760.00
43	Shauri Yako Primary School PMC A/C	0980261745530	615.00
44	Wahambila Primary School PMC A/C	0980261737169	2,400.00
45	Watata Primary School PMC A/C	0980261736854	3,461.00
46	Wiamen Primary School PMC A/C	0980266085074	1,450.00
47	Wiga Primary School PMC A/C	0980269136926	1,780.00
48	Yao Primary School PMC A/C	0980263875593	435.00
	TOTAL		269,913.45

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - (HOMABAY TOWN CONSTITUENCY)
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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
KSM/HBAY TOWN/CDF/2013-2014/(12)	<i>Irregularities in the use of Funds:</i> Included in the committee expenses figure of Kshs.2,551,500 are payments totalling Kshs.1,504,000 which were not properly supported.	The payment vouchers and other relevant schedules supporting the payments will be availed for verification.	Ronald Ingala Khaggayi (Fund Account Manager)	Not Resolved	Payment Vouchers supporting the expenditure to be produced by 30 th September 2017.
	<i>Abandoned Project:</i> Komolo Assistant Chief's Office was allocated Kshs.100,000 in the year 2008/2009 for the construction of the substructure. No additional funds have been allocated to the project which still stands uncompleted.	The project was not properly handed over from the larger Rangwe Constituency hence having not been given priority for funding. The NGCDFC will aim at finishing the project by prioritizing it in the current financial year 2017/18.	Mrs. Careen A. Odiyo (Chairperson – NGCDFC)	Not Resolved	The project to be considered for funding in the financial year 2017/18.
KSM/HBTOWN/CDF/2014/2015(15)	<i>Payments without supporting documents:</i> During the year under review, verification of payment vouchers worth Kshs. 18,260,632 against the cash book availed for audit revealed that payments	The payment vouchers and other relevant schedules supporting the payments will be availed for verification.	Ronald Ingala Khaggayi (Fund Account Manager)	Not Resolved	Payment Vouchers supporting the expenditure to be produced by 31 st October 2017.

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	<p>made includes roads totalling Kshs. 6,136,363, committee meeting allowance totalling Kshs.5,869,660, emergency Kshs. 5,252,156 and health totalling Kshs.1,000,000 lacked adequate and relevant supporting documents for payment to be effected as stipulated under the CDF Act 2013 ... and no proper explanation was provided by the management.</p>				
	<p><i>Compensation of Employees:</i> The compensation of employees figure reflected in the statement of receipt and payments stood at Kshs.2,142,365. No schedules were availed for audit verification.</p>	<p>The payments were duly authorised by the FAM. Relevant supporting documents to the effect will be provided.</p>	<p>Ronald Ingala Khaggayi (Fund Account Manager)</p>	<p>Not Resolved</p>	<p>Payment Vouchers supporting the expenditure to be produced by 30th September 2017.</p>
	<p><i>Use of Goods and Services:</i> The Use of goods and services figure reflected in the statement of receipt and expenditure stood at Kshs. 900, 000. No supporting schedules and records were availed for audit verification.</p>	<p>The payment vouchers and other relevant schedules supporting the payments will be availed for verification.</p>	<p>Ronald Ingala Khaggayi (Fund Account Manager)</p>	<p>Not Resolved</p>	<p>Payment Vouchers supporting the expenditure to be produced by 31st October 2017.</p>
	<p><i>Committee Expenses:</i> The committee allowance figure reflected in the statement of receipt and payment stood at</p>	<p>The payment vouchers and other relevant schedules supporting the payments will be availed for</p>	<p>Ronald Ingala Khaggayi (Fund Account Manager)</p>	<p>Not Resolved</p>	<p>Payment Vouchers supporting the expenditure to</p>

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	<p>Kshs. 1,449,000. No supporting schedules were availed with the payment vouchers totalling Kshs. 2,682,000 resulting in a difference.</p>	<p>verification.</p>		<p>be produced by 31st October 2017.</p>
	<p><i>Other grants and other payments:</i> No supporting documents were provided hence the accuracy of;</p> <ol style="list-style-type: none"> 1. Bursary 2. Emergency 3. Roads and Environment <p>Could not be confirmed.</p>	<p>The payment vouchers and other relevant schedules supporting the payments will be availed for verification.</p>	<p>Ronald Ingala Khaggayi (Fund Account Manager)</p> <p>Not Resolved</p>	<p>Payment Vouchers supporting the expenditure to be produced by 31st October 2017.</p>

Signed:



.....
 Mrs. Careen A. Odiyo
NG-CDFC Chairperson

.....
 Ronald Ingala Khaggayi
Fund Account Manager

