

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 08 MAY 2019 DAY: Wednesday

REPORT

TABLED BY: LOM

CLERK-AT THE-TABLE: Getrude Chebet

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OF

THE AUDITOR-GENERAL

ON

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

FOR THE YEAR ENDED
30 JUNE 2018



11/11/11

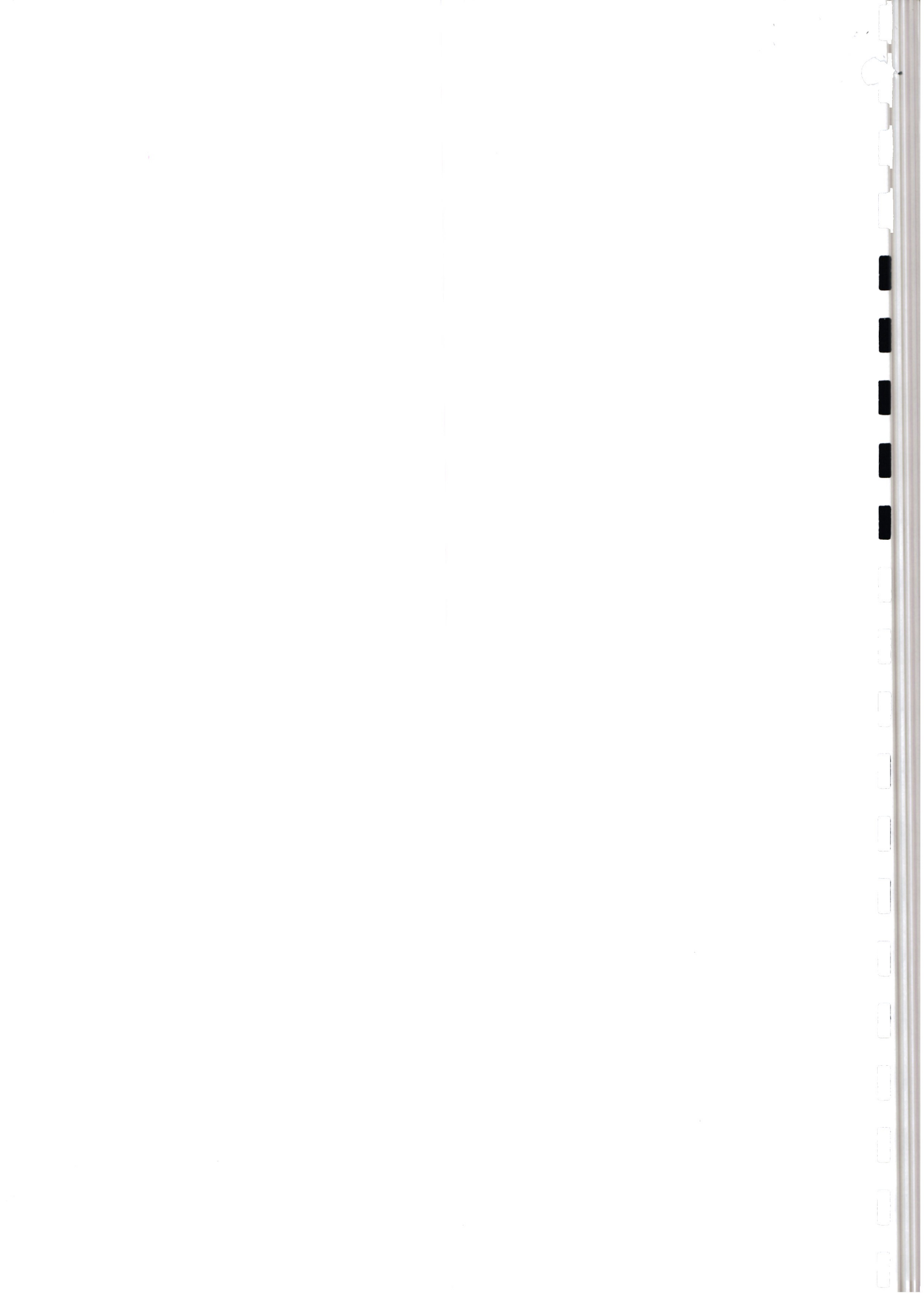


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND SIGOR
CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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

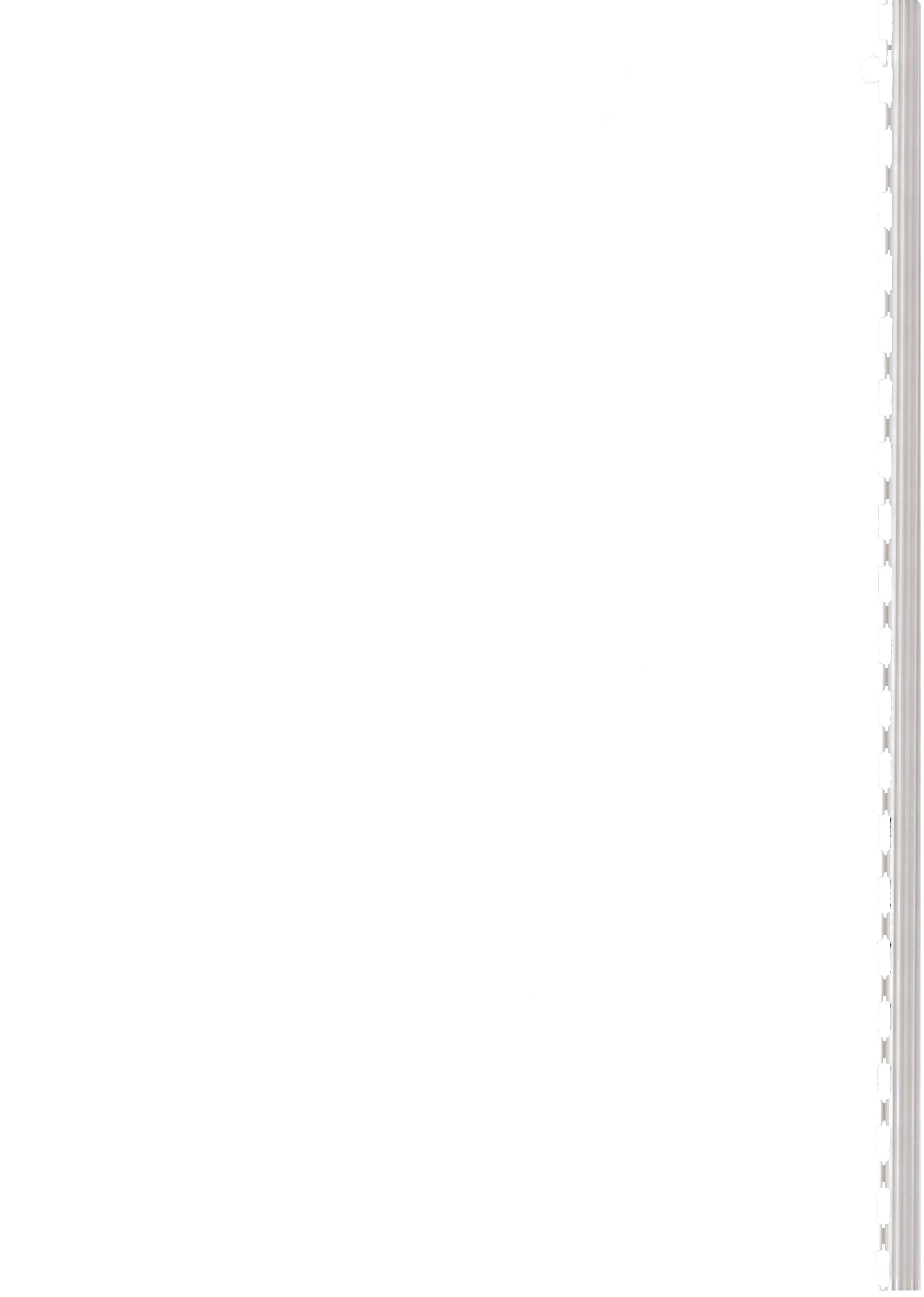


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SIGOR
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

1



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

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

(c) Fiduciary Management

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

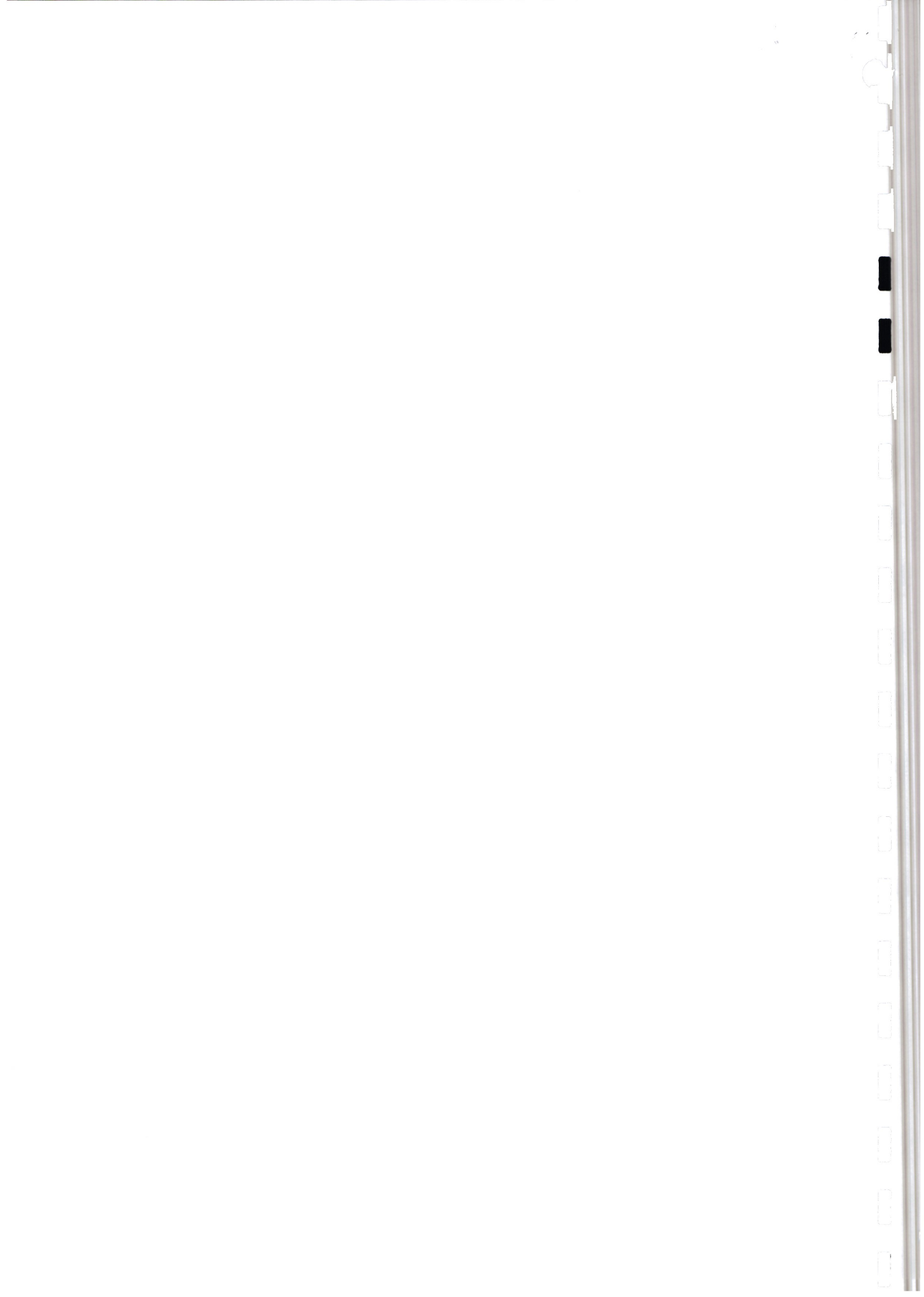
No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Musa Krop Merisia
3.	Sub-County Accountant	Stephen Kokeno
4.	Chairman NGCDFC	Christopher Ngoleruk
5.	Member NGCDFC	Nicholas Molo

(d) Fiduciary Oversight Arrangements

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

NG-CDF Office Building
P.O. Box 1-30603
WEI WEI KENYA



SIGOR CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

(f) NGCDF SIGOR Constituency Contacts

Telephone: (254) 0725132194

E-mail: cdfsigor@cdf.go.ke

Website: www.go.ke

(g) NGCDF SIGOR Constituency Bankers

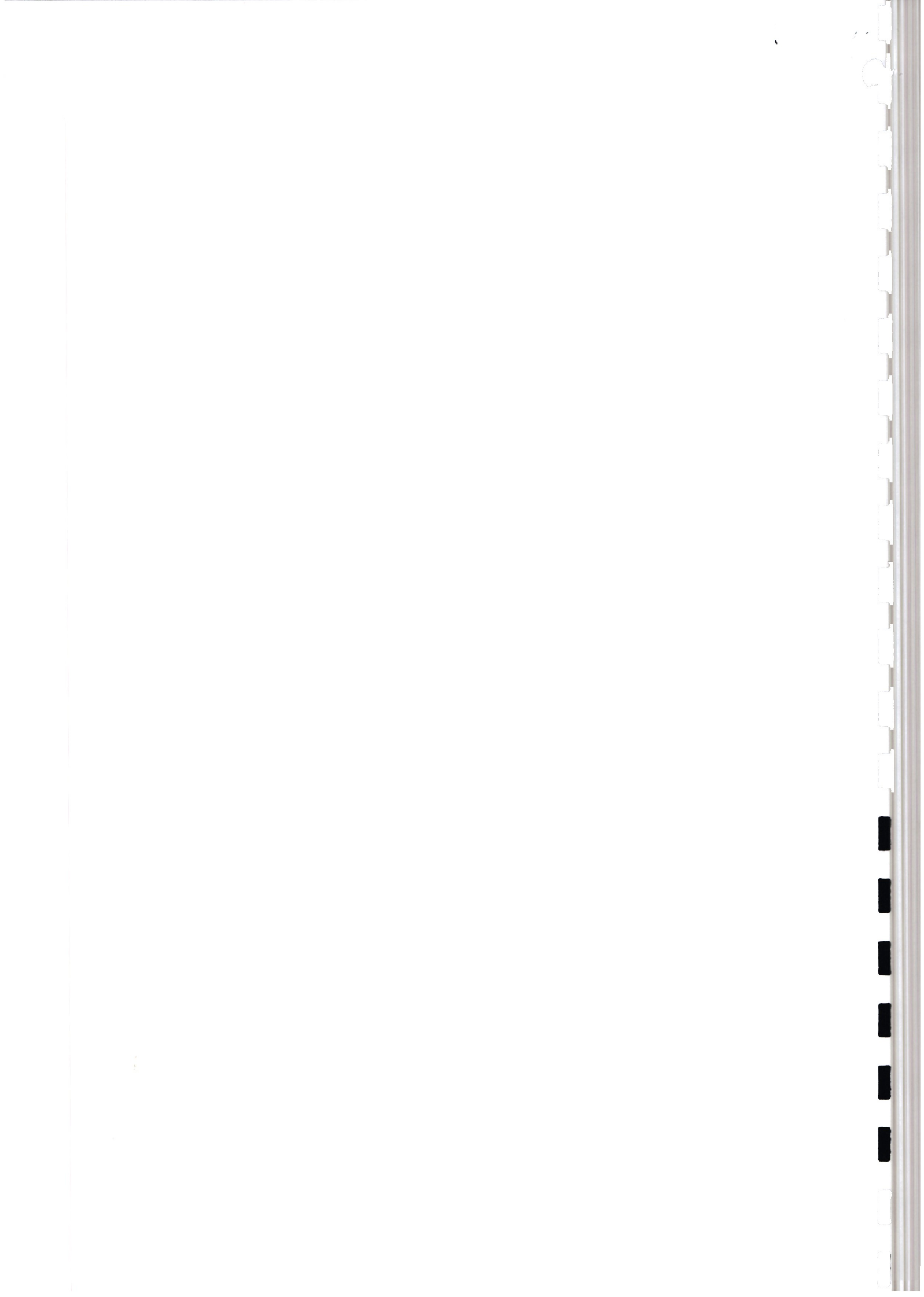
1. Equity Bank
Account No 1070296968337
Kapenguria Branch

(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



II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

The financial year 2017/2018 has been a year of tremendous growth in terms of projects within the constituency and this has seen a number of development projects taking place within the constituency courtesy of Sigor NG-CDFC. As an entity we managed to utilise 99% of our budget allocation.

The Key achievements have been access to quality and equal opportunity in education by giving bursaries to the less fortunate children both in secondary and tertiary level, the NGCDFC was able to award bursaries to over 6,700 students both in secondary and tertiary level.

Infrastructure in most of the public primary and secondary schools classrooms, administration blocks, dormitory, in the five wards (Sekerr, Masol, Lomut and Weiwei) have been constructed or rehabilitated, hence creating a conducive working environment for both students and teachers which boosts morale and general education standards of the schools

Emerging issues, implementation challenges and recommendations

Some of the emerging issues related to implementation of projects is failure by institutions to present bursary acknowledgement letters as well as presenting the cheques at the bank for clearance leading to huge balances of unrepresented cheques on the bank reconciliation statements and eventually stale cheques, poor submission of returns by the PMCs and late disbursement of funds.

We wish to encourage more funding to the kitty so that development may be accelerated at constituency level



Sign

CHAIRMAN NGCDF COMMITTEE



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

SIGOR CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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


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

The Accounting Officer in charge of the NGCDF-SIGOR Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2018, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-SIGOR 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-SIGOR 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-SIGOR Constituency financial statements were approved and signed by the Accounting Officer on 21/3/2019 2018.


Fund Account Manager
Name: Krop Merisia




Sub-County Accountant
Name: Stephen Kokeno
ICPAK Member Number:



REPUBLIC OF KENYA

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NAIROBI

OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Sigor Constituency set out on pages 6 to 30, which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Sigor Constituency as at 30 June 2018, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1.0 Cash and Cash Equivalents Balances

The statement of financial assets as at 30 June 2018 reflects bank balances figure of Kshs.4,253,605. However, the bank reconciliation statement made available for audit review reflects un-presented cheques totaling Kshs.2,213,687 which had become stale and had not been reversed back to the cash book. No explanation was provided for this anomaly.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balances of Kshs.4,253,605 as at 30 June 2018 could not be confirmed.

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

2.0 Project Management Committee Balances

The financial statements submitted for audit do not disclose unutilized balances in the project management committee bank accounts as shown in Annex 4 on page 29 of the financial statements. Further, cash books, bank confirmation certificates and bank reconciliation statements for various project management committees which received funds from the NGCDF were not provided for audit review.

Under the circumstances, it has not been possible to confirm that all funds disbursed to the Project Management Committees were fully utilized and accounted for as at 30 June 2018.

3.0 Summary of Fixed Asset Register

The summary of fixed asset register as reflected under annex 4 indicates historical cost brought forward balance of Kshs.25,642,979 which is at variance with prior year audited figure of Kshs.22,579,052 resulting in unexplained difference of Kshs.3,063,927. Further, the acquired assets of Kshs.3,063,927 for the current year have not been added as the closing balance as at 30 June 2018 is reflected as Kshs.22,579,052.

Under the circumstances, the accuracy and completeness of the historical cost of fixed assets disclosed in the register of Kshs.22,579,052 could not be confirmed.

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

Key Audit Matters

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

Other Matters

1.0 Budget Performance

During the year under audit, the National Government Constituencies Development Fund -Sigor Constituency had an approved budget amounting to Kshs.98,189,655. against actual expenditure of Kshs.40,014,607 or 40.8% of the approved budget resulting to under-expenditure of Kshs.58,175,048 or 49.2 % of the approved budget as detailed below:

		Actual on Comparable Basis	% of Utilisation
	c=a+b	d	f=d/c %
Receipts	Kshs.	Kshs.	Kshs.
Transfers from NGCDF Board	98,189,655	43,405,172	44.4%
Payments			
Compensation of Employees	2,400,000	1,188,900	49.5%
Use of Goods and Services	10,179,605	4,810,780	47.3%
Transfers to Other Government Units	21,181,595	-	-
Other Grants and Transfers	45,093,964	30,951,000	68.6%
Acquisition of Assets	14,657,464	3,063,927	20.9%
Other Payments	4,677,027	-	-
TOTALS	98,189,655	40,014,607	40.8%

Failure to utilize funds as budgeted is an indication that programmes or activities are not being implemented as planned and thus not achieving the intended objectives of improving service delivery to the people of Sigor constituency.

1.2 Projects Verification

During the audit, five (5) projects with total disbursements amounting to Kshs.3,503,927 were physically verified during the month of February 2019. The details are provided below:

S/No	Name of Project	Project Activity	Disbursed Amount in 2017/2018 (Kshs.)	Field Visit Report
1.	Sigor CDF Office	Completion of ongoing Sigor NG CDF Office from plastering, flooring, painting and finishing.		Complete and in use
2.	Sigor CDF Perimeter wall	Construction of perimeter wall to completion	1,953,980	Ongoing
3.	Parek Primary School	Renovation of one classroom	100,000	Construction of toilets completed and in use, good workmanship
4.	Kapsoo Primary School	Renovation of four classrooms	200,000	Roof replaced, classrooms in use
5.	Chesta Primary School	Construction of Pit latrine	200,000	6 door pit latrine completed and in use

1.3 Project Implementation

During the financial year under review, Sigor Constituency had budgeted to disburse Kshs.37,058,922 towards the implementation of forty eight (48) projects. However, an amount of Kshs.3,503,927 was disbursed to five(5) projects. The details of the projects are summarized below:

	Project Name	Project Activity	Amount Disbursed Kshs.	Start Date	Completion Date	% of Completion	Status
1	Construction of CDF Office	Completion of CDF Office	1,049,947	13/05/2018	30/06/2019	100	Complete and in use
2	Sigor CDF Perimeter wall	Construction of perimeter wall to completion	1,953,980	13/05/2018	30/06/2018	75	Ongoing
Emergency Projects							
3	Parek Primary	Renovation of one classroom	100,000	1/6/2018	28/05/2018	100	Complete and in use
4	Kapsoo Primary School	Renovation of four classrooms	200,000	1/6/2018	18/05/2018	100	Complete and in use
5	Chesta Primary School	Construction of Pit latrine	200,000	1/6/2018	18/05/2018	100	Complete and in use
	Total		3,503,927				

Projects not implemented may impact negatively on service delivery to the people of Sigor constituency.

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/ Qualified Opinion] 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

1.0 Other Grants and Transfers

1.1 Construction of CDF Office

The statement of receipts and payments reflects acquisition of assets figure of Kshs.3,063,927 which includes an amount of Kshs.3,003,927 incurred on the completion of constituency office administration block in Sigor. As previously reported, the initial contract

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

was awarded to a construction firm in the financial year 2015/2016 at a contract sum of Kshs.13,710,381. Available information revealed that the contractor was paid a total of Kshs.12,332,012 or about 90% of the contract sum. However, the procurement records such as tender advertisement, opening minutes, evaluation, award of tender minutes and contract document were not availed for audit review. The payment vouchers were also not supported by minutes of site meeting and interim certificates. It was further noted that the contractor abandoned the project after payment of 90% of the contract sum. The management did not explain why the contractor was paid without certificates of completion and evidence of work done.

Available information revealed that after the contractor vacated the site, the CDF management opted to directly procure materials and labour totalling Kshs.5,000,140 in the financial year 2016/2017. However, the management did not provide evidence that the procurement was done competitively as per the provisions of Public Procurement and Asset Disposal Act, 2015.

Though a physical verification of the project on 27 February 2019 confirmed that the project is complete and in use, the propriety of the total expenditure of Kshs.20,336,079 on construction of the CDF office for the year ended 30 June 2018 could not be confirmed.

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

REPORT ON INTERNAL CONTROLS EFFECTIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Qualified Opinion section of my report, 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.

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

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern/ sustain services, disclosing, as applicable, matters related to sustainability of services and using the alternative basis of accounting unless the Board either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

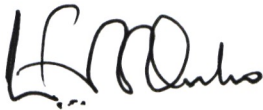
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

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

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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


Nairobi

17 April 2019


IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017 - 2018 Kshs	2016 - 2017 Kshs
RECEIPTS			
Transfers from NGCDF board	1	43,405,172	81,896,552
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	=	=
TOTAL RECEIPTS		43,405,172	81,896,552
PAYMENTS			
Compensation of employees	4	1,188,900	2,605,195
Use of goods and services	5	4,810,780	7,055,691
Transfers to Other Government Units	6	-	33,350,000
Other grants and transfers	7	30,951,000	54,771,382
Acquisition of Assets	8	3,063,927	5,878,040
Other Payments	9	=	=
TOTAL PAYMENTS		40,014,607	103,660,308
SURPLUS/(DEFICIT)		<u>3,390,565</u>	<u>(21,763,756)</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SIGOR Constituency financial statements were approved on 21/3/2019 ~~2018~~ and signed by:


 Fund Account Manager
 Name: Krop Merisia

**SIGOR CONSTITUENCY DEVELOPMENT FUND
 FUND ACCOUNT MANAGER**
21 MAR 2019
 Sign:.....
 P.O.Box 1 - 30603, WEIWEI


 Sub-County Accountant
 Name: Stephen Kokeno
 ICPAK Member Number:



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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

SIGOR CONSTITUENCY

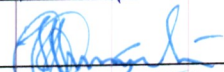
Reports and Financial Statements

For the year ended June 30, 2018


V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2017 - 2018	2016 - 2017
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	4,253,605	863,040
Cash Balances (cash at hand)	10B	=	=
Total Cash and Cash Equivalents		4,253,605	863,040
Current receivables - Outstanding Imprests	11		
		=	=
TOTAL FINANCIAL ASSETS		4,253,605	863,040
FINANCIAL LIABILITIES			
Account payables – Retention	12	~	~
NET FINANCIAL ASSETS		4,253,605	863,040
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	863,040	22,626,796
Surplus/Defict for the year		3,390,565	(21,763,756)
Prior year adjustments	14	=	=
NET LIABILITIES		<u>4,253,605</u>	<u>863,040</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SIGOR Constituency financial statements were approved on 21/3/2019 2018 and signed by:


 Fund Account Manager
 Name: Krop Merisia


21 MAR 2019
 Sign:
 P.O. Box 1 - 30603, WEIWEI



 Sub-County Accountant
 Name: Stephen Kokeno
 ICPAK Member Number:




VI. STATEMENT OF CASHFLOW

		2017 - 2018	2016 - 2017
Receipts for operating income			
Transfers from NGCDF Board	1	43,405,172	81,896,552
Other Receipts	3	=	=
		43,405,172	81,896,552
Payments for operating expenses			
Compensation of Employees	4	(1,188,900)	(2,605,195)
Use of goods and services	5	(4,810,780)	(7,055,691)
Transfers to Other Government Units	6	-	(33,350,000)
Other grants and transfers	7	(30,951,000)	(54,771,382)
Other Payments	9	-	-
		(36,950,680)	(97,782,268)
Adjusted for:			
Adjustments during the year	14	-	-
Net cash flow from operating activities		6,454,492	(15,885,716)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(3,063,927)	(5,878,040)
Net cash flows from Investing Activities		(3,063,927)	(5,878,040)
NET INCREASE IN CASH AND CASH EQUIVALENT		3,390,565	(21,763,756)
Cash and cash equivalent at BEGINNING of the year	13	863,040	22,626,796
Cash and cash equivalent at END of the year		<u>4,253,605</u>	<u>863,040</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SIGOR Constituency financial statements were approved on 21/3/2019 2018 and signed by:


Fund Account Manager
Name: Krop Merisia




Sub-County Accountant
Name: Stephen Kokeno
ICPAK Member Number:



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

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED


Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	86,810,345	11,379,310	98,189,655	43,405,172	54,784,483	44.2%
Proceeds from Sale of Assets						
Other Receipts						
TOTAL	86,810,345	11,379,310	98,189,655	43,405,172	54,784,483	44.2%
PAYMENTS						
Compensation of Employees	2,400,000		2,400,000	1,188,900	1,211,100	49.5%
Use of goods and services	9,155,467	1,024,138	10,179,605	4,810,780	5,368,825	47.3%
Transfers to Other Government Units	21,181,595		21,181,595	-	21,181,595	-
Other grants and transfers	38,138,792	6,955,172	45,093,964	30,951,000	14,142,964	68.6%
Acquisition of Assets	11,257,464	3,400,000	14,657,464	3,063,927	11,593,537	20.9%
Other Payments	4,677,027		4,677,027	-	4,677,027	-
TOTAL	86,810,345	11,379,310	98,189,655	40,014,607	58,175,048	40.8%

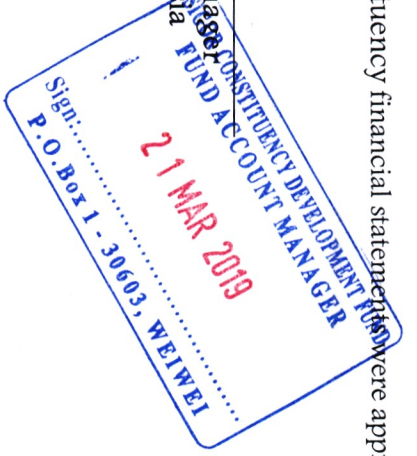
The percentage utilisation of the 2017-2018 budget stood at 40.8%. This was as a result of lack of funding of the 2017-2018 budget. At the close of the 2017-2018 financial year, Sigor NG CDF had received Kshs. 43,405,172 which is 44.2% of the budget with Kshs. 54,784,483 still owed to the constituency from the Board.


The increase in the original budget is represented by the unutilised funds carried forward from the 2016-2017 budget.



The NGCDF-SIGOR Constituency financial statement for 2018 were approved on 21/3/2019 2018 and signed by:


Fund Account Manager
Name: Krop Merisia




Sub-County Accountant
Name: Stephen Kokeno
ICPAK Member Number:



VIII. SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the NGCDF-SIGOR Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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



SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 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.

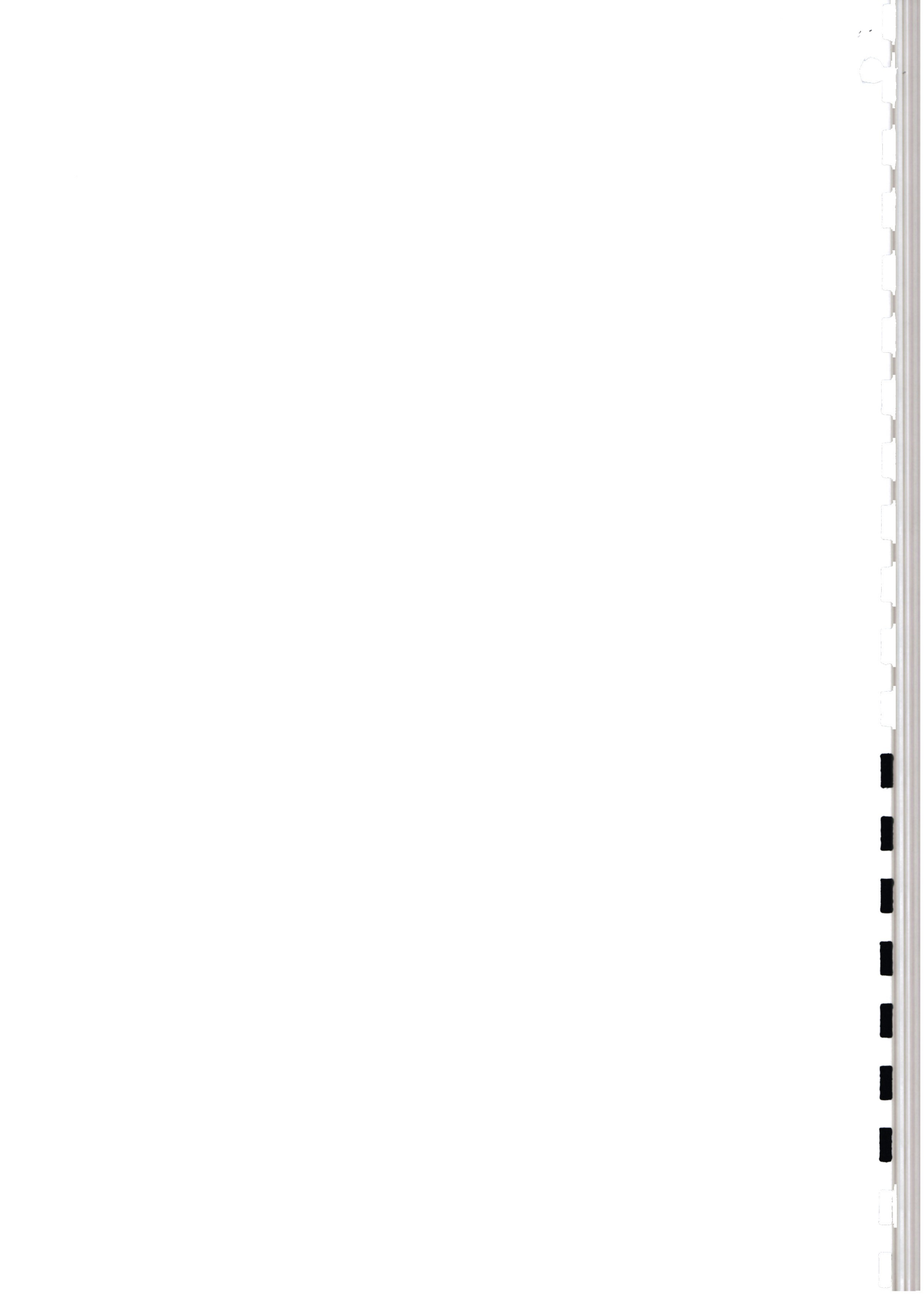
Use of Goods and Services

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.



SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Funds

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



SIGOR CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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



IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2017-2018	2016-2017
		Kshs	Kshs
NGCDF Board			
AIE NO	1		4,094,828
AIE NO	2		36,853,449
AIE NO	3		40,948,275
AIE NO- A892504	1	5,500,000	
AIE NO- A896781	2	37,905,172	
AIE NO	3		
TOTAL		43,405,172	81,896,552

2. PROCEEDS FROM SALE OF ASSETS

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

SIGOR CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

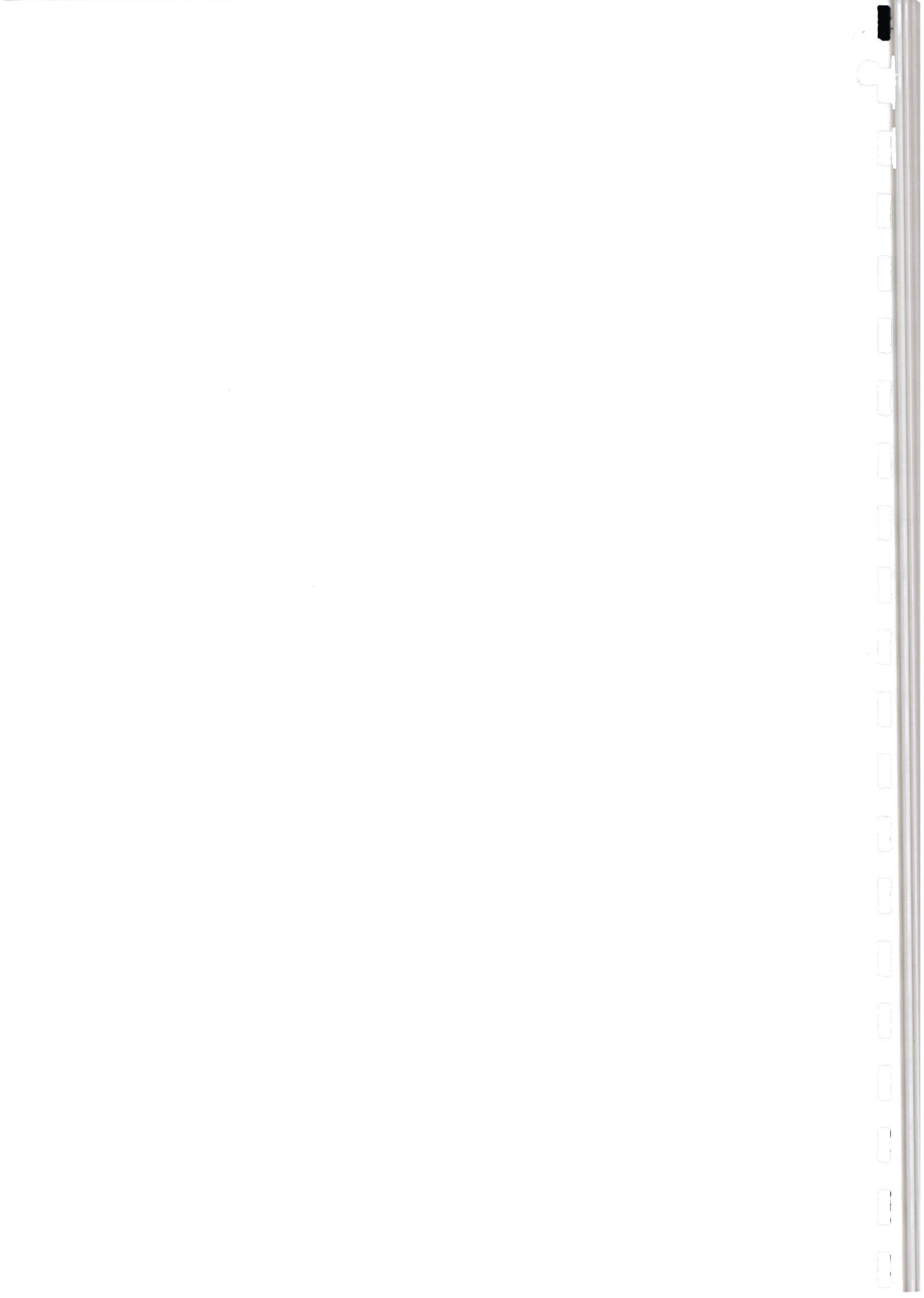
NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2017- 2018 Kshs	2016-2017 Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

	2017-2018 Kshs	2016-2017 Kshs
Basic wages of contractual employees	1,188,900	2,605,195
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity	-	-
Other personnel payments	-	-
Total	1,188,900	2,605,195



NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2017-2018	2016-2017
	Kshs	Kshs
Committee Expenses	2,063,200	725,000
Utilities, supplies and services	-	973,519
Communication, supplies and services	-	45,000
Domestic travel and subsistence	128,200	665,000
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	336,000	324,000
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	142,145	-
Fuel, oil & lubricants	201,455	151,582
Other operating expenses	1,246,400	46,090
Routine maintenance – vehicles and other transport equipment	693,380	2,175,948
Routine maintenance – other assets	-	1,949,552
Total	4,810,780	7,055,691



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

SIGOR CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017-2018	2016-2017
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	-	12,600,000
Transfers to secondary schools (see attached list)	-	20,750,000
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	-	-
TOTAL	-	33,350,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2017-2018	2016- 2017
	Kshs	Kshs
Bursary – secondary schools (see attached list)	25,341,000	11,861,000
Bursary – tertiary institutions (see attached list)	4,675,000	9,985,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	-	14,988,000
Roads projects (see attached list)	-	8,650,000
Sports projects (see attached list)	435,000	3,089,918
Environment projects (see attached list)	-	1,600,000
Emergency projects (see attached list)	500,000	4,597,464
Total	30,951,000	54,771,382



NOTES TO THE FINANCIAL STATEMENTS (Continued)

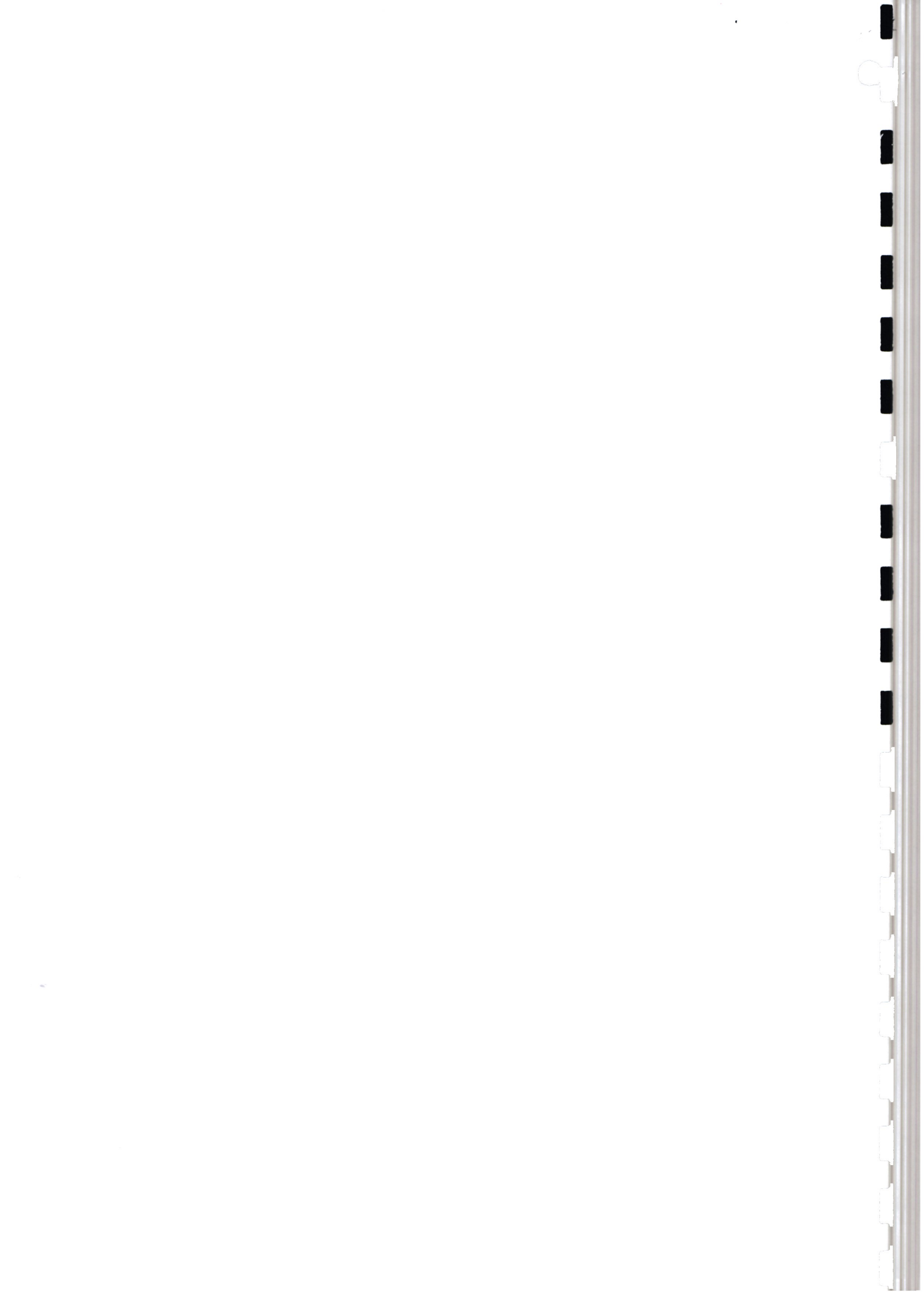
8. ACQUISITION OF ASSETS

Non Financial Assets

	2017-2018	2016-2017
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	3,003,927	5,000,040
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	60,000	878,000
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	3,063,927	5,878,040

9. OTHER PAYMENTS

	2017-2018	2016-2017
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
TIVET	-	-
	-	-



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

SIGOR CONSTITUENCY

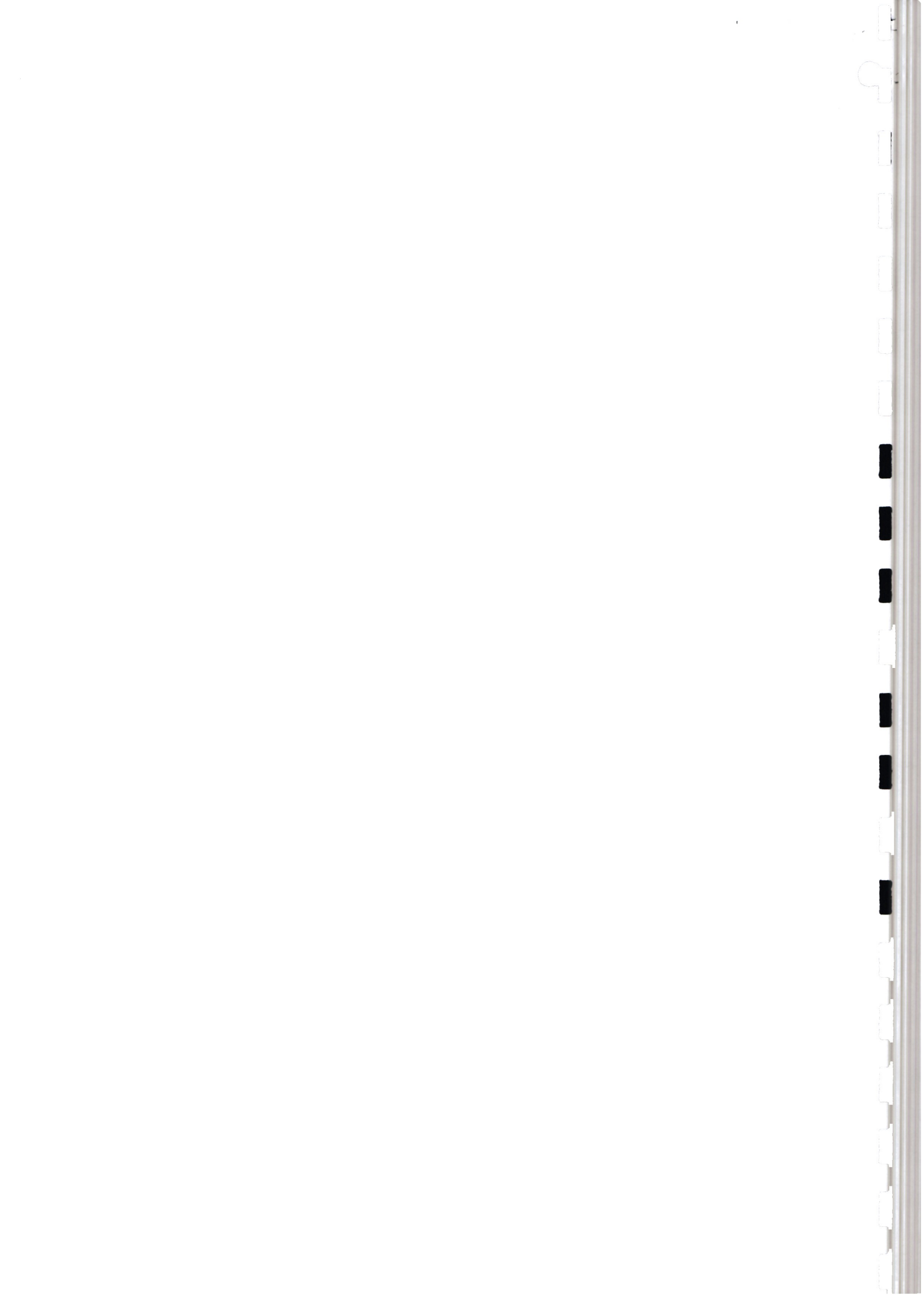
Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2017-2018	2016-2017
	Kshs	Kshs
<i>Name of Bank, Account No. 1070296968337</i>	4,253,605	863,040
<i>Name of Bank, Account No.</i>	-	-
<i>Name of Bank, Account No.</i>	-	-
Total	4,253,605	863,040
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		



NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

[Include an annex of the list is longer than 1 page.]

12 RETENTION

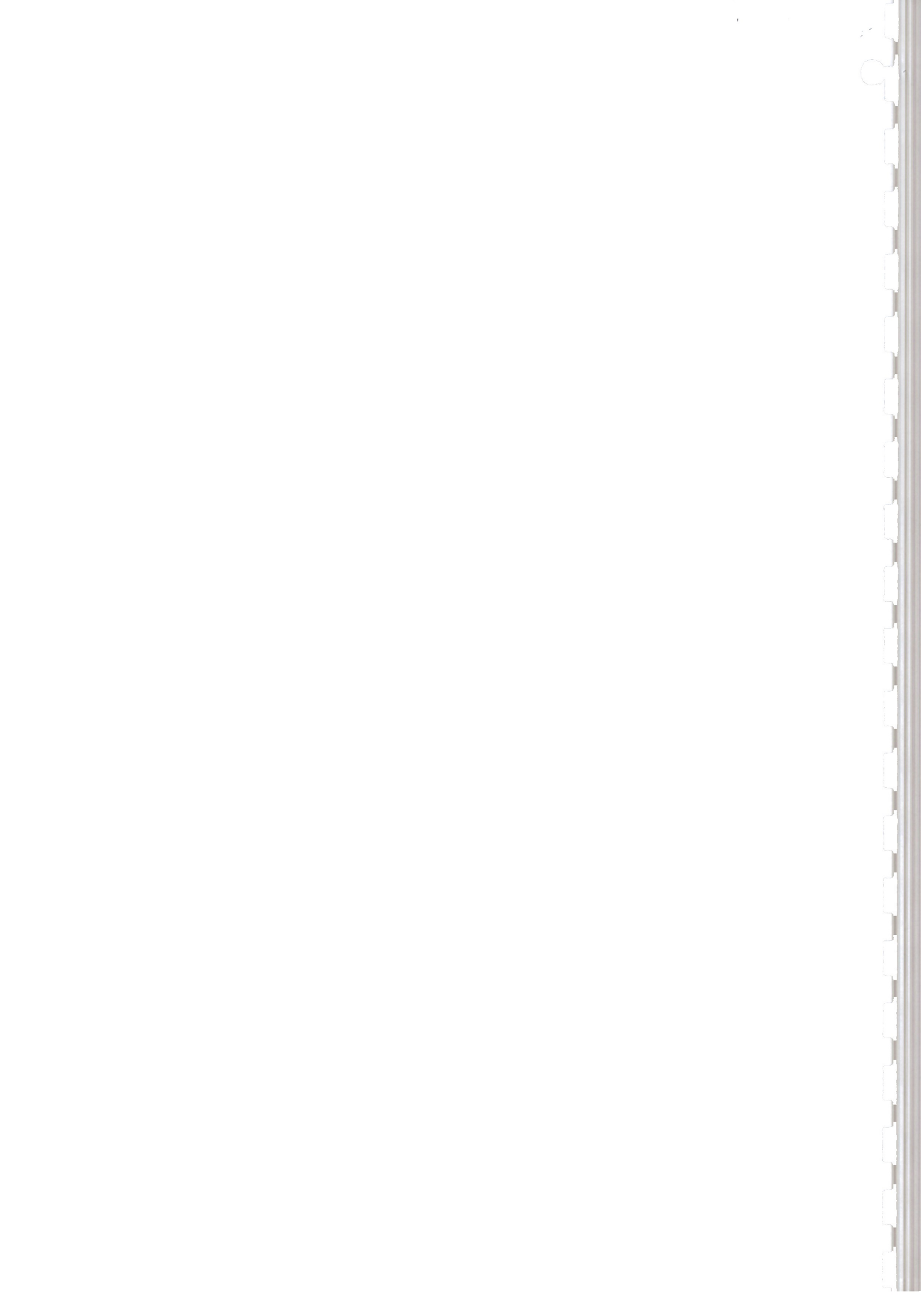
	2017 - 2018 Kshs	2016-2017 Kshs
Supplier 1	-	-
Supplier 2	-	-
Supplier 3	-	-
Total	-	-

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2017-2018 Kshs	2016-2017 Kshs
Bank accounts	863,040	21,686,796
Cash in hand	-	-
Imprest	-	940,000
Total	863,040	22,626,796

[Provide short appropriate explanations as necessary]



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

SIGOR CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

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

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

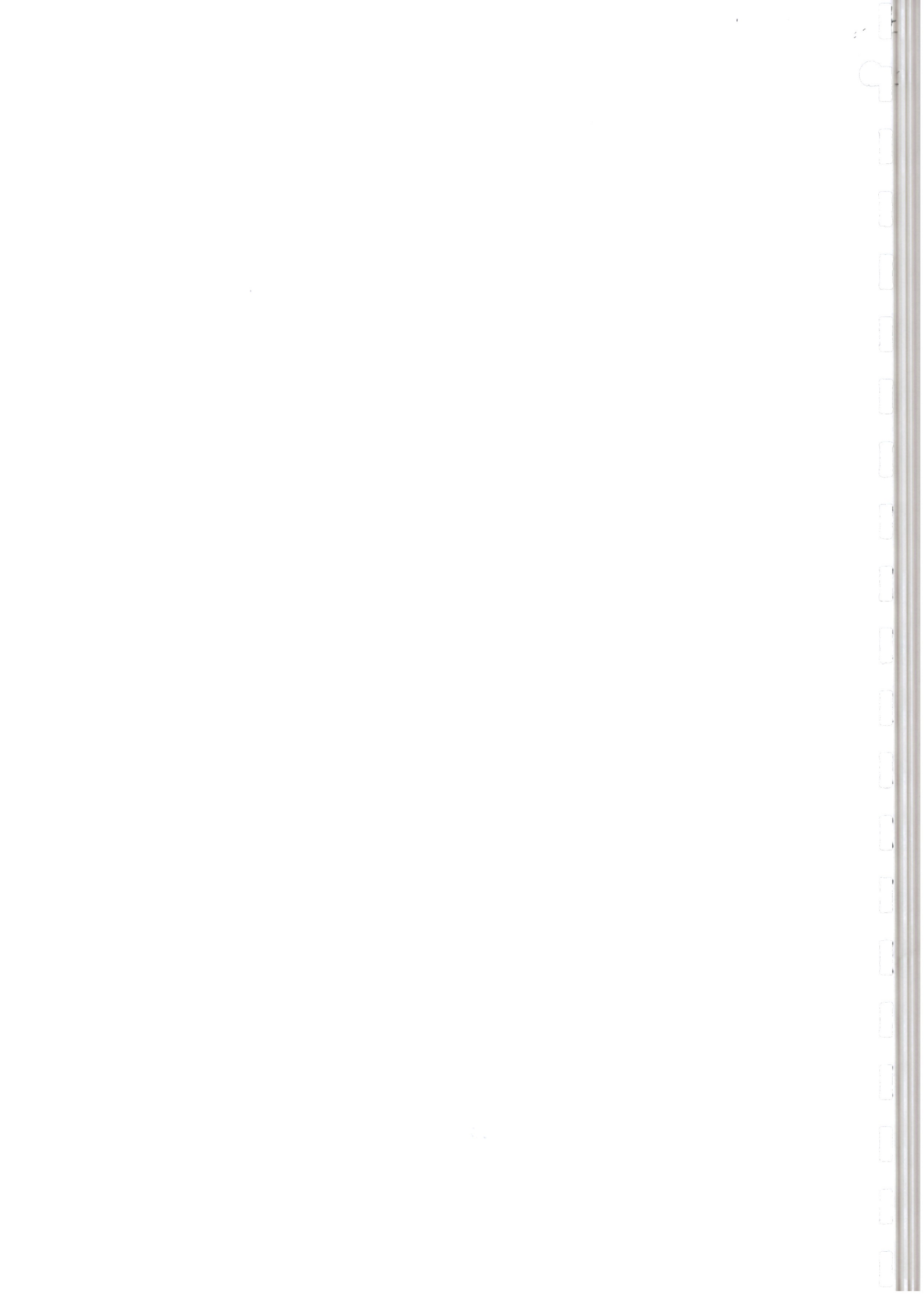
	2017- 2018 Kshs	2016-2017 Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

	2017- 2018 Kshs	2016-2017 Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (<i>specify</i>)	-	-
	-	-

15.3: OTHER PENDING PAYABLES

	2017- 2018 Kshs	2016-2017 Kshs
Amounts due to other Government entities (see attached list)	-	-
Amounts due to other grants and other transfers (see attached list)	-	-
Others (<i>specify</i>)	-	-
	-	-



15.4: UNUTILIZED FUNDS (See Annex 3)

	2017-2018	2016-2017
	Kshs	Kshs
Compensation of employees	1,211,100	-
Use of goods and services	5,368,825	-
Amounts due to other Government entities (see attached list)	21,181,595	-
Amounts due to other grants and other transfers (see attached list)	14,142,964	-
Acquisition of assets	11,593,537	-
Others (<i>specify</i>)	4,677,027	-
	58,175,048	-



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

SIGOR CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

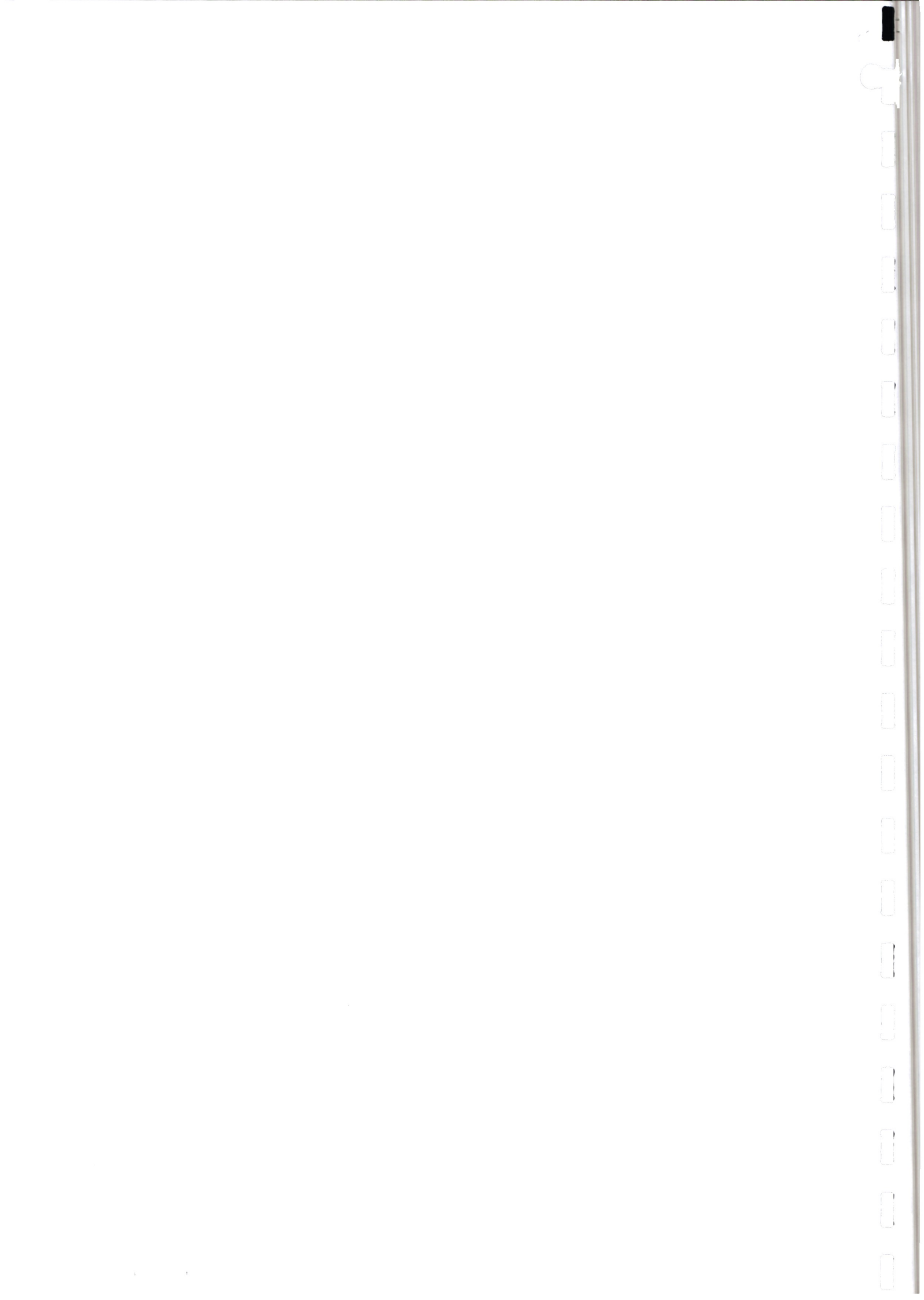
	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	-	-
	-	-



NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

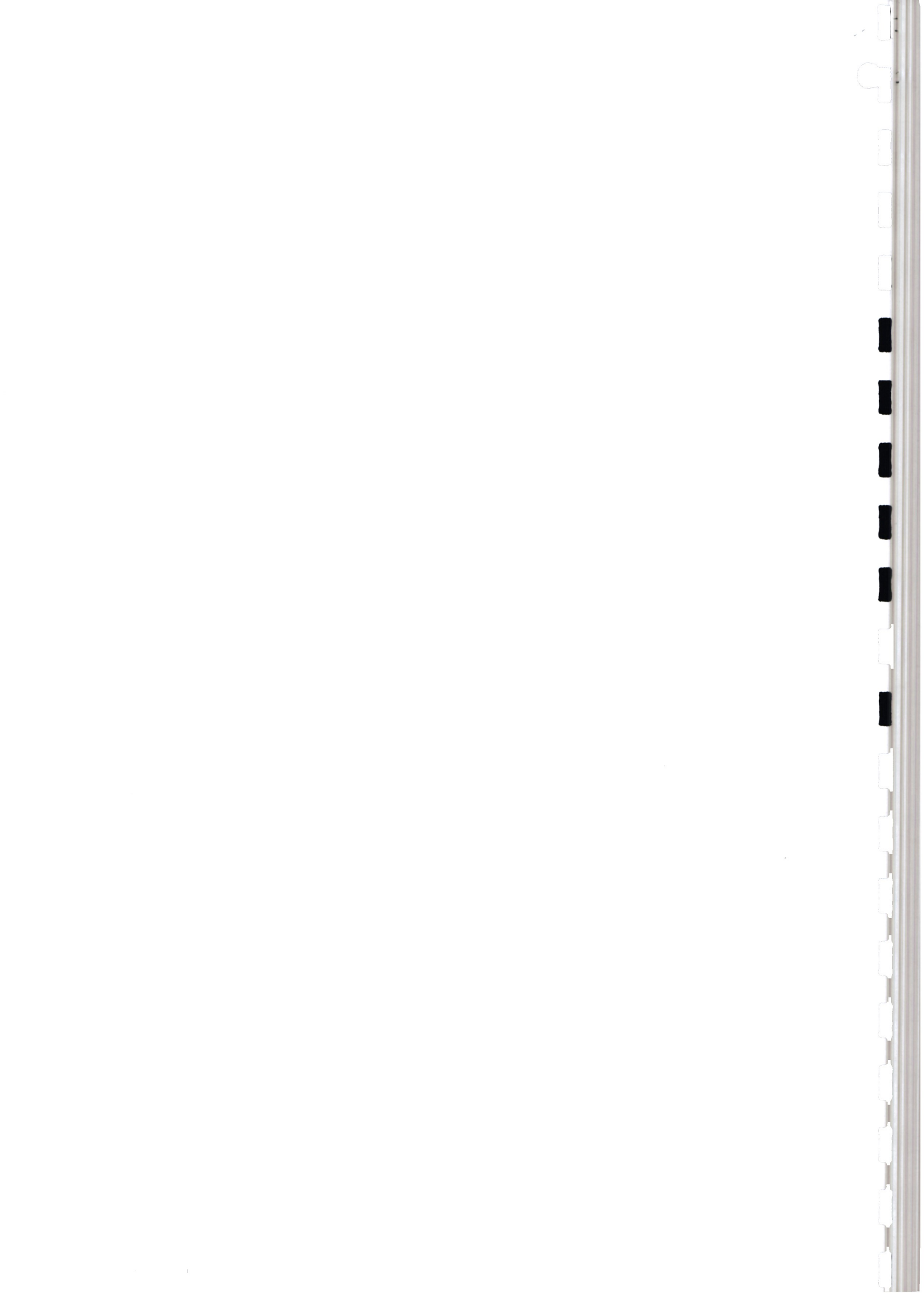
Supplier of Goods or Services	Original Amount A	Date Contracted B	Amount Paid To- Date c	Outstanding Balance 2016 d=a-c	Outstanding Balance 2014	Comments
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total	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



NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2018 (Kshs'000)

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 ENTITY - (Indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees		1,211,100	320,942	
Use of goods & services		5,368,825	11,930	
Amounts due to other Government entities		21,181,595	30,069	
Sub-Total		27,761,520	362,941	
Amounts due to other grants and other transfers		14,142,964	481,895	
Sub-Total		14,142,964	481,895	
Sub-Total		41,904,484	844,836	
Acquisition of assets		11,593,537	18,204	
Others (<i>specify</i>)		4,677,027		
Sub-Total		16,270,564	18,204	
Grand Total		58,175,048	863,040	



NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

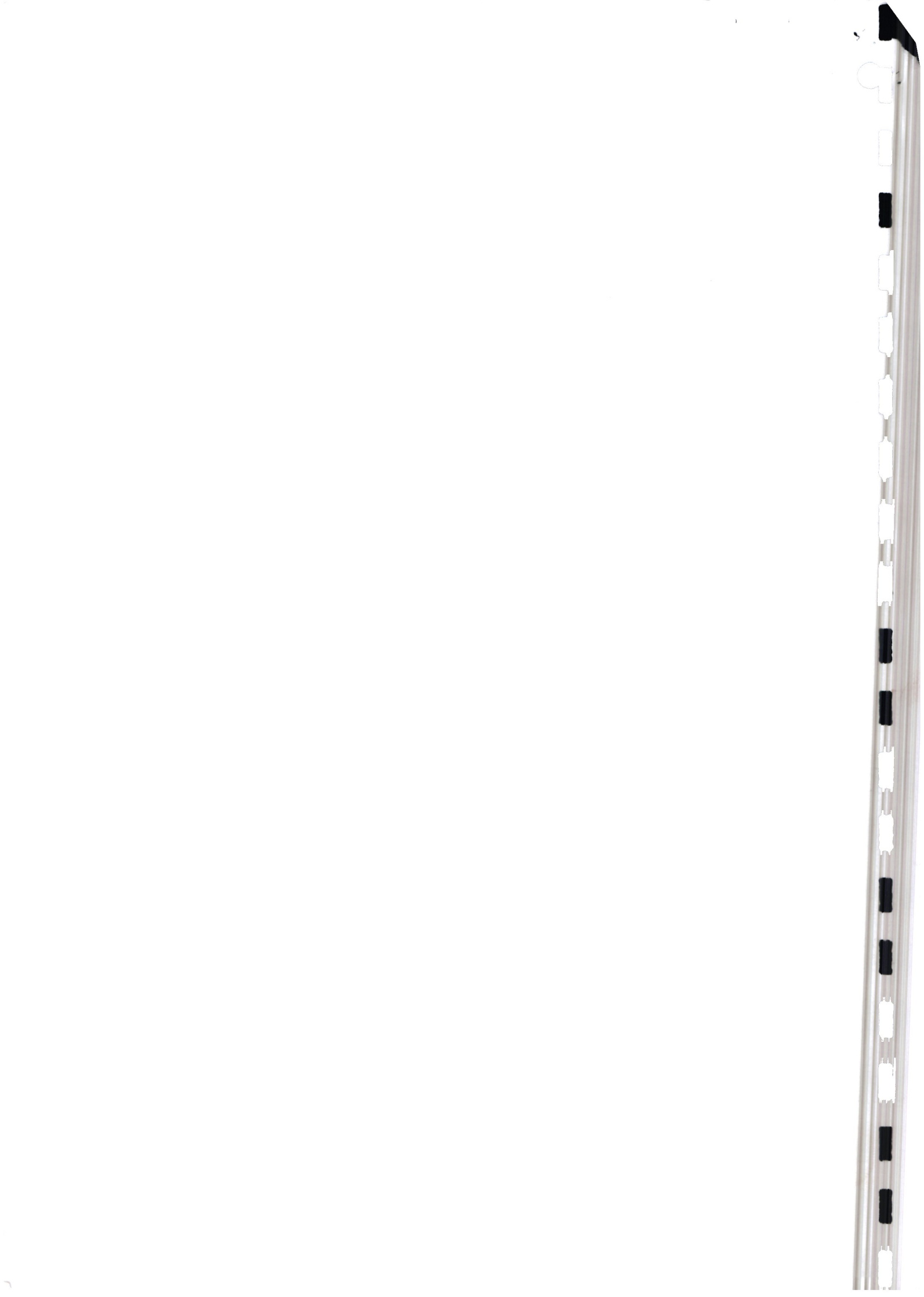
Reports and Financial Statements

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

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land	-	-	-	-
Buildings and structures	20,413,979	3,003,927	-	17,410,052
Transport equipment	-	-	-	-
Office equipment, furniture and fittings	2,510,000	-	-	2,510,000
ICT Equipment, Software and Other ICT Assets	938,000	60,000	-	878,000
Other Machinery and Equipment	1,7821,000	-	q	1,781,000
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	25,642,979	3,063,927	-	22,579,052





NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

Reports and Financial Statements

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

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)
Ref: ELD-SIG-CDF-2016-017-1-01-30-09-9	Stale unrepresented cheque	The stale cheques have been reversed in the cash book	Stephen Kokeno: - Sub County Accountant	Resolved	
Ref: ELD-SIG-CDF-2016-017-1-01-30-09-9	Unconfirmed expenditure on funds transferred to other government entities.	The funds were transferred to the various primary and secondary schools as indicated in the bank statements availed. The management is liaising with the various institutions to provide written acknowledgement of receipt of the funds.	Musa Krop Merisia: - Fund Account Manager.	Not resolved	30/9/18
Ref: ELD-SIG-CDF-2016-017-1-01-30-09-9	Employment records of employees in Sigor NGCDF office not provided	The monthly payroll summaries, statutory deduction records and personnel files for employees employed by the fund are available for review	Musa Krop Merisia: - Fund Account Manager.	Resolved	
Ref: ELD-SIG-CDF-2016-017-1-01-30-09-9	The tender documents, evaluation reports and the expenditure returns for security projects were not availed for audit review	The tender documents, evaluation reports and the completion certificates are available for review. The management is liaising with the various PMCs to ensure that expenditure returns for the projects are availed.	Musa Krop Merisia: - Fund Account Manager.	Not resolved	30/9/18

