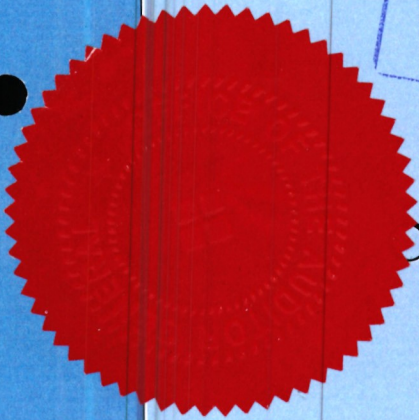


REPUBLIC OF KENYA



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OFFICE OF THE AUDITOR-GENERAL



**REPORT**

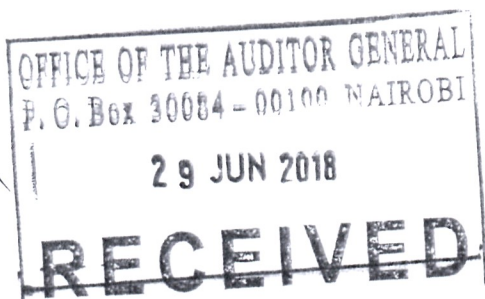
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CLERK-AT	
THE-TABLE:	

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND -  
NJORO CONSTITUENCY**

**FOR THE YEAR ENDED  
30 JUNE 2017**



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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND  
NJORO CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS  
AMMENDED VERSION**

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – NJORO  
CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2017**

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## **CONSTITUENCIES DEVELOPMENT FUND - NJORO CONSTITUENCY**

### **Reports and Financial Statements**

**For the year ended June 30, 2017**

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#### **I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

##### **(a) Background information**

The *National Government Constituencies Development Fund (NG-CDF)* was set up under the NG-CDF Act, 2003 now repealed by the NG-CDF Act, 2015. The 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*.

##### **(b) Key Management**

The Njoro *Constituency's* day-to-day management is under the following key organs:

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

##### **(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2015 and who had direct fiduciary responsibility were:

<b>No.</b>	<b>Designation</b>	<b>Name</b>
1.	Accounting Officer	<b>Yusuf Mbuno</b>
2.	A.I.E holder	<b>Samuel Kimani</b>
3.	District Accountant	<b>Philip Wakaba</b>

##### **(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of NJORO constituency. The report and recommendation of ARMC when adopted by the CDF Board are forwarded to the National Government Constituency Development Fund Committee (NG-CDFC) for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –  
NJORO CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2017**

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**(e) NJORO NG-CDF Headquarters**

P.O. Box 531,  
Njoro.  
KENYA

**(f) NJORO NG-CDF Contacts**

Telephone: (254) 0721-619843  
E-mail: njoro@cdf.go.ke  
Website: www.cdf.go.ke

**(g) NJORO NG-CDF Bankers**

KCB  
Njoro Branch  
A/c no 1148982442  
P.O Box 531  
Njoro

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –  
NJORO CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2017**

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**II. FOWARD BY THE CHAIRMAN NJORO NATIONAL GOVERNMENT  
CONSTITUECY DEVELOPMENT FUND COMMITTEE (NG-CDFC)**

The Njoro National Government Constituency Development Fund in the 2016-2017 financial year had a total receipt of Ksh 112,949,904.20 (*one hundred and twelve million nine hundred and forty nine thousand nine hundred and four and twenty cent*). During the financial year Ksh 105,046,423.95 was spent. This left a balance of Ksh.7,903,480.25 as balance. Our utilization budget was therefore 93%.

In the exercise of NG-CDF Act 2015, Njoro NG-CDF has concentrated on National projects. Nevertheless, there are a few projects that are ongoing which fall under devolved functions. Njoro NG-CDF has not abandoned the projects. Some of these project fall under roads sector. Njoro NG-CDF has observed all the laws, regulations and circulars governing NG-CDF in its day to day operations.

The principle that the Committee believes on, is funding all the projects in one phase that is funding the project from the start to completion.

The project management committee is the model used in the constituency for the implementation of the projects. In the year ended, most of the projects reported inadequacy of funds allocated for the completion of their projects, this could be attributed to inadequate allocations and/or increasing cost for various project material and labour. For the year ended some of the projects had not received fund due to the delay of funds by the NG-CDF Board. We recommend the Board to release funds in two instalments before the end of the financial year to enable the NG-CDF implement projects as budgeted within the financial year.

We look forward to better performance in the next financial year 2017/2018.



**Stephen Njenga**  
**CHAIRMAN NG-CDFC**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –  
NJORO CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2017**

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**II. STATEMENT OF CONSTITUENCY 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 NG-CDF shall prepare financial statements in respect of that NG-CDF. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

The Fund Account Manager in charge of the Njoro *NG-CDF* is responsible for the preparation and presentation of the Constituency's financial statements, which give a true and fair view of the state of affairs of the Constituency as at the end of the financial year ended on June 30, 2016. 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 constituency; (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 constituency; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Fund Account Manager in charge of the Njoro *NG-CDF* accepts responsibility for the Constituency'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) and relevant legal framework of the Government of Kenya. The Fund Account Manager is of the opinion that the Njoro *NG-CDF* financial statements give a true and fair view of the state of Constituency's transactions during the financial year ended June 30, 2016, and of the Constituency's financial position as at that date. The Fund Account Manager in charge of the NJORO *NG-CDF* further confirms the completeness of the accounting records maintained for the Constituency, which have been relied upon in the preparation of the Constituency financial statements as well as the adequacy of the systems of internal financial control.

The Fund Account Manager in charge of the Njoro NG-CDF confirms that the entity has complied fully with applicable Government Regulations and that the Constituency'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 Fund Account Manager confirms that the Constituency'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 Njoro CDF financial statements were approved and signed on 30 June 2017.



**Stephen Wamagata**  
Chairman – NG-CDFC



**Samuel Kimani**  
Fund Account Manager

# REPUBLIC OF KENYA

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Website: www.kenao.go.ke



P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NJORO CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

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#### REPORT ON THE FINANCIAL STATEMENTS

##### **Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Njoro Constituency set out on pages 6 to 18, which comprise the statement of financial position as at 30 June 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows 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, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund- Njoro 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).

In addition, as required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective way.

##### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Njoro 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 opinion.

##### **Key Audit Matters**

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

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*Report of the Auditor-General on the Financial Statements of National Government Constituencies  
Development Fund - Njoro Constituency for the year ended 30 June 2017*

## **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 with 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 continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

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

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, individual or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

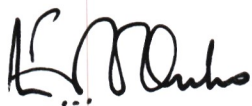
As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatements 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, misinterpretations, 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 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 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**


**23 August 2018**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –  
 NJORO CONSTITUENCY  
 Reports and Financial Statements  
 For the year ended June 30, 2017**

**I. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2016-2017	2015-2016
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	1	107,278,129.60	
Proceeds from Sale of Assets	2	-	
Other Receipts	3	72,000.00	
<b>TOTAL RECEIPTS</b>		<b>107,350,129.60</b>	<b>88,516,195.10</b>
<b>PAYMENTS</b>			
Compensation of employees	4	1,346,324.00	1,056,723.00
Use of goods and services	5	7,124,998.72	5,874,039.50
Transfers to Other Government Units	6	38,100,000.00	49,600,000.00
Other grants and transfers	7	56,058,927.23	41,657,333.40
Acquisition of Assets	8	2,200,000.00	14,777,500.00
Other Payments	9	216,174.00	156,707.00
<b>TOTAL PAYMENTS</b>		<b>105,046,423.95</b>	<b>113,122,302.90</b>
<b>SURPLUS/DEFICIT</b>		<b>2,303,705.65</b>	<b>(24,606,107.80)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Njoro NG-CDF financial statements were approved on 30<sup>th</sup> June, 2017 and signed by:

  
**Stephen Wamagata**  
 Chairman – NG-CDFC


  
**Samuel Kimani**  
 Fund Account Manager

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –  
 NJORO CONSTITUENCY  
 Reports and Financial Statements  
 For the year ended June 30, 2017**

**II. STATEMENT OF FINANCIAL ASSETS**

	Note	2016-2017 Kshs	2015-2016 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	7,903,480.25	5,599,774.60
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>7,903,480.25</b>	<b>5,599,774.60</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July 2016	13	5,599,774.60	30,205,882.50
Surplus/Deficit for the year 2016/2017		2,303,705.65	-24,606,107.80
Prior year adjustments	14	-	-
<b>NET LIABILITIES</b>		<b>7,903,480.25</b>	<b>5,599,774.70</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Njoro NG-CDF financial statements were approved on 30<sup>th</sup> June, 2017 and signed by:

  
**Stephen Wamagata**  
 Chairman – NG-CDFC

  
**Samuel Kimani**  
 Fund Account Manager

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –  
 NJORO CONSTITUENCY  
 Reports and Financial Statements  
 For the year ended June 30, 2017**

**III. STATEMENT OF CASHFLOW**

<b>Receipts for operating income</b>		<b>2016-2017</b>	<b>2015-2016</b>
Transfers from CDF Board	1	107,278,129.60	88,516,195.10
Other Receipts	3	72,000.00	
<b>TOTAL RECEIPTS FROM OPERATING INCOME</b>		<b>107,350,129.60</b>	<b>88,516,195.10</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	1,346,324.00	1,056,723.00
Use of goods and services	5	7,124,998.72	5,874,039.50
Transfers to Other Government Units	6	38,100,000.00	49,600,000.00
Other grants and transfers	7	56,058,927.23	41,657,333.40
Other Payments	9	216,174.00	156,707.00
<b>TOTAL PAYMENTS FROM OPERATING ACTIVITIES</b>		<b>102,846,423.95</b>	<b>98,344,802.90</b>
<b>Adjusted for:</b>			
Adjustments during the year		-	
<b>Net cash flow from operating activities</b>		<b>-</b>	<b>-</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	2,200,000.00	14,777,500.00
<b>Net cash flows from Investing Activities</b>		<b>2,200,000.00</b>	<b>14,777,500.00</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>2,303,705.65</b>	<b>-24,606,107.80</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>13</b>	<b>5,599,774.60</b>	<b>30,205,882.50</b>
<b>Cash and cash equivalent at END of the year</b>	<b>10A</b>	<b>7,903,480.25</b>	<b>5,599,774.70</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Njoro NG-CDF financial statements were approved on 30<sup>th</sup> June, 2017 and signed by

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –  
 NJORO CONSTITUENCY  
 Reports and Financial Statements  
 For the year ended June 30, 2017

IV. STATEMENT OF APPROPRIATION

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=e/c%
<b>RECEIPTS</b>						
Transfers from CDF Board	81,896,551.69	31,053,352.50	112,949,904.19	107,278,129.60	5,671,774.40	0.95
Proceeds from Sale of Assets			-	-	-	
Other Receipts	72,000.00		-	72,000.00	(72,000.00)	
			-		-	
<b>PAYMENTS</b>						
Compensation of Employees	1,600,000.00	0.00	1,600,000.00	1,346,324.00	253,676.00	0.1585475
Use of goods and services	5,692,289.50	9,052,503.76	14,744,793.26	7,124,998.72	7,619,794.54	0.516778663
Transfers to Other Government Units	38,100,000.00	0.00	38,100,000.00	38,100,000.00	-	0
Other grants and transfers	36,425,862.19	19,663,074.74	56,088,936.93	56,058,927.23	30,009.70	0.000535038
Acquisition of Assets	-	2,200,000.00	2,200,000.00	2,200,000.00	-	0
Other Payments	78,400.00	137,774.00	216,174.00	216,174.00	-	0
<b>TOTALS</b>	<b>81,896,551.69</b>	<b>31,053,352.50</b>	<b>112,949,904.19</b>	<b>105,046,423.95</b>	<b>7,903,480.24</b>	<b>0.069973324</b>

The Njoro NG-CDF financial statements were approved on 30 June 2017 and signed by:

  
 Stephen Njenga  
 Chairman – NG-CDFC

  
 Samuel Kimani  
 Fund Account Manager

## **7. SIGNIFICANT ACCOUNTING POLICIES**

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

### **a) 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 NG-CDF and all values are rounded to the nearest thousand (Kshs'000). 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 NG-CDF.

### **b) Recognition of revenue and expenses**

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

### **c) In-kind contributions**

In-kind contributions are donations that are made to the NG-CDF 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 NG-CDF 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.

### **d) 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 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 authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – NJORO  
CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2017**

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**e) Pending bills**

Pending bills consist of unpaid liabilities at the end of financial year arising from contracted goods or services during the year or 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 NG-CDF 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.

**f) 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 NG-CDF’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 NG-CDF’s actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

**g) Comparative figures**

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

**h) 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 CONSTITUENCIES DEVELOPMENT FUND – NJORO  
CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2017**

**NOTES TO FINANCIAL STATEMENTS**

<b>1.TRANSFERS FROM OTHER GOVERNMENT AGENCIES</b>				
<b>Description</b>			<b>2016- 2017</b>	<b>2015 - 2016</b>
			<b>Kshs</b>	<b>Kshs</b>
<b>1330407</b>	Normal Allocation	AIE NO.796143		28,516,195.10
		AIE NO.796445		20,000,000.00
		AIE NO.820772		20,000,000.00
		AIE NO.825593		20,000,000.00
		A825885	58,329,853.00	
		A855071	36,853,449.00	
		A829965	4,094,827.60	
		A839740	8,000,000.00	
<b>1330408</b>	Conditional grants	AIE NO...	-	-
		AIE NO...	-	-
<b>1330409</b>	Receipt from other Constituency		-	-
	<b>TOTAL</b>		<b>107,278,129.60</b>	<b>88,516,195.10</b>

<b>2.PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS</b>				
<b>Description</b>			<b>2016- 2017</b>	<b>2015- 2016</b>
			<b>Kshs</b>	<b>Kshs</b>
<b>3510202</b>	Receipts from the Sale of Buildings		-	-
<b>3510601</b>	Receipts from the Sale of Vehicles and Transport Equipment			
<b>3510801</b>	Receipts from the Sale Plant Machinery and Equipment		-	-
<b>3510803</b>	Receipts from the Sale of office and general equipment		-	-
	<b>Total</b>		<b>-</b>	<b>-</b>

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<b>1400000</b>	<b>3 OTHER RECEIPTS</b>			
	<b>Description</b>		<b>2016- 2017</b>	<b>2015 - 2016</b>
			<b>Kshs</b>	<b>Kshs</b>
1410107	Interest Received		-	-
1410405	Rents		-	-
1420601	Sale of tender documents		<b>72,000.00</b>	
1450207	Other Receipts Not Classified Elsewhere (specify)			
	<b>Total</b>		<b>72,000.00</b>	<b>-</b>

<b>2110000</b>	<b>4 .COMPENSATION OF EMPLOYEES</b>			
	<b>Description</b>		<b>2016 - 2017</b>	<b>2015 - 2016</b>
			<b>Kshs</b>	<b>Kshs</b>
2110201	Basic wages of contractual employees		1,083,331.00	1,033,923.00
2110202	Basic wages of casual labour		-	-
2120101	Employer contribution to NSSF		54,016.00	22,800.00
	<b>Personal allowances paid as part of salary</b>		-	-
2110301	House allowance		-	-
2110314	Transport allowance		-	-
2110320	Leave allowance		-	-
2110326	Other personnel payments			
2710120	Gratuity		208,977.00	
	<b>Total</b>		<b>1,346,324.00</b>	<b>1,056,723.00</b>

<b>2200000</b>	<b>5.USE OF GOODS AND SERVICES</b>			
	<b>Description</b>		<b>2016-2017</b>	<b>2015 - 2016</b>
			<b>Kshs</b>	<b>Kshs</b>
2210100	Utilities, supplies and services		856,960.00	506,960.00
2210104	Office rent		180,000.00	342,000.00
2210802	Other committee expenses		178,000.00	104,400.00
2210809	Committee allowance		3,790,900.00	3,895,900.00

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2210200	Communication, supplies and services			
2210300	Domestic travel and subsistence		-	9,800.00
2210500	Printing, advertising and information supplies & services			
2210600	Rentals of produced assets			
2210700	Training expenses		1,065,000.00	
2210800	Hospitality supplies and services			
2210900	Insurance costs		152,445.00	
2211000	Specialised materials and services			
2211100	Office and general supplies and services		-	14,979.50
2211200	Fuel ,oil & lubricants		600,000.00	1,000,000.00
2211300	Other operating expenses( kplc)			
2220100	Routine maintenance – vehicles and other transport equipment		301,693.72	
2220200	Routine maintenance – other assets			
	<b>Total</b>		<b>7,124,998.72</b>	<b>5,874,039.50</b>

<b>6. TRANSFER TO OTHER GOVERNMENT ENTITIES</b>				
<b>2630200</b>	<b>Description</b>		<b>2016 - 2017</b>	<b>2015 - 2016</b>
			<b>Kshs</b>	<b>Kshs</b>
2630204	Transfers to primary schools		26,200,000.00	19,650,000.00
2630205	Transfers to secondary schools		11,900,000.00	29,250,000.00
2630206	Transfers to Tertiary institutions			
2630207	Transfers to Health institutions			700,000.00
	<b>TOTAL</b>		<b>38,100,000.00</b>	<b>49,600,000.00</b>

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<b>2640000</b>	<b>7.OTHER GRANTS AND OTHER PAYMENTS</b>			
	<b>Description</b>		<b>2016 - 2017</b>	<b>2015 - 2016</b>
			<b>Kshs</b>	<b>Kshs</b>
2640101	Bursary -Secondary		11,757,636.00	6,632,000.00
2640102	Bursary -Tertiary		6,526,915.00	5,502,136.00
2640104	Bursary-Special schools		285,000.00	
2640105	Mocks & CAT		1,000,000.00	1,000,000.00
2640504	water			11,031,197.40
2640505	Agriculture (food security)			
2640506	Electricity projects			
2640507	Security		8,700,000.00	16,000,000.00
2640508	Roads		18,137,762.23	
2640509	Sports		4,832,649.00	
2640510	Environment		818,965.00	
2640200	Emergency Projects (specify)		4,000,000.00	1,492,000.00
	<b>Total</b>		<b>56,058,927.23</b>	<b>41,657,333.40</b>

<b>3100000</b>	<b>8.ACQUISITION OF ASSETS</b>			
	<b>Non Financial Assets</b>		<b>2016 - 2017</b>	<b>2015 - 2016</b>
			<b>Kshs</b>	<b>Kshs</b>
3110102	Purchase of Buildings		-	-
3110202	Construction of Buildings			14,500,000.00
3110302	Refurbishment of Buildings		-	-
3110701	Purchase of Vehicles			

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3110704	Purchase of Bicycles & Motorcycles		-	-
3110801	Overhaul of Vehicles		-	-
3111001	Purchase of Office furniture and fittings		900,000.00	-
3111002	Purchase of computers ,printers and other IT equipments		1,300,000.00	277,500.00
3111005	Purchase of photocopier		-	-
3111009	Purchase of other office equipments			-
3111112	Purchase of soft ware		-	-
3130101	Acquisition of Land		-	-
	<b>Total</b>		<b>2,200,000.00</b>	<b>14,777,500.00</b>

	<b>9.OTHER PAYMENTS</b>			
	N.H.I.F		41,400.00	39,200.00
	P.A.Y.E		166,349.00	97,877.00
	Bank charges		8,425.00	19,630.00
	<b>TOTAL</b>		<b>216,174.00</b>	<b>156,707.00</b>

	<b>10A: Bank Balances (cash book bank balance)</b>			
	<b>Name of Bank, Account No. &amp; currency</b>	<b>Account Number</b>	<b>2016- 2017</b>	<b>2015 - 2016</b>
			<b>Kshs (30/6/2017)</b>	<b>Kshs (30/6/2016)</b>
	<i>KCB- NJORO branch NO.1148982442</i>		7,903,480.25	5,599,774.60
	<b>Total</b>		<b>7,903,480.25</b>	<b>5,599,774.60</b>

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<b>10B: CASH IN HAND)</b>				
		<b>2016- 2017</b>		<b>2015 - 2016</b>
		<b>Kshs (30/6/2017)</b>		<b>Kshs (30/6/2016)</b>
	Location 1		-	-
	Location 2		-	-
	Location 3		-	-
	Other receipts (specify)		-	-
	<b>Total</b>		-	-

<b>11.OUTSTANDING IMPRESTS</b>				
<i>Name of Officer</i>		<i>Date imprest taken</i>	<i>Amount Taken</i>	<i>Amount Taken</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	-	-
	<b>Total</b>			

<b>12:RETENTION</b>				

<b>13 BALANCES BROUGHT FORWARD</b>				
		<b>2016 - 2017</b>		<b>2015 - 2016</b>
		<b>Kshs (1/7/2016)</b>		<b>Kshs (1/7/2015)</b>
	Bank accounts		5,599,774.60	30,205,882.50
	Cash in hand			
	Imprest			
	<b>Total</b>		<b>5,599,774.60</b>	<b>30,205,882.50</b>

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14. PRIOR YEAR ADJUSTMENTS			
		2016 - 2017	2015 - 2016
		Kshs	Kshs
Bank accounts			
Cash in hand		-	-
Imprest		-	-
<b>Total</b>		-	-

**15. OTHER IMPORTANT DISCLOSURES**

**15.1: PMC ACCOUNT BALANCES AS AT 30<sup>TH</sup> JUNE 2017 (See Annex 5)**

	Kshs	Kshs
Account balance from secondary school project management committee(PMC) (see attached list)	-	-
Account balance from Primary school project management committee(PMC) (see attached list)	-	-
Account balance from Primary school project management committee(PMC) (see attached list)	-	-
<b>TOTAL</b>		

**ANNEX 4-SUMMARY OF FIXED REGISTER**

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Building and structures	14,500,000.00	14,500,000.00
Transport Equipment	4,981,000.00	4,981,000.00
Office equipment, furniture and fittings	987,500.00	80,500.00
ICT equipment, software and ICT Assets	477,500.00	477,500.00
Other machinery and equipment	1,293,000.00	
Heritage and culture		
Intangible Assets		
<b>Total</b>	<b>22,239,000.00</b>	<b>20,039,000.00</b>

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**ANNEX 5:PMC ACCOUNT BALANCES AS AT 30<sup>TH</sup> JUNE 2017**

<b>NO</b>	<b>ACCOUNT NAME</b>	<b>ACCOUNT NO</b>	<b>BALANCES</b>
1	NJUGUINI PRY SCHOOL	1144615178	
2	SINENDET PRY SCHOOL	1162696877	
3	ANALAT PRY SCHOOL	1177895196	
4	KIANJOYA PRY SCHOOL	1177851822	
5	LARE PRY SCHOOL	1160930759	
6	NGWATANIRO PRY SCHOOL	1158584059	
7	CHORWET PRY SCHOOL	1150732938	
8	KALUKYAT PRY SCHOOL	1160921733	
9	KUSUMEK PRY SCHOOL	1177916088	
10	LULUKWET PRY SCHOOL	1157322441	
11	MOSOP PRY SCHOOL	1178360989	
12	SIGOR PRY SCHOOL	1178337456	
13	MESIPEI PRY SCHOOL	1160117799	
14	NDARUGU PRY SCHOOL	1169542182	
15	LARMUDIAC MIXED SEC SCHOOL	1177741504	
16	SUBUKU SEC	1177716534	
17	KERIKO SEC SCHOOL	1177800160	
18	LARE VISION SEC SCHOOL	1178833674	

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19	SINENDET SEC SCHOOL	1177792532	
20	NGWATANIRO SEC SCH	1150724072	
21	TIPIS SEC SCHOOL	1178007316	
22	TAITA MAUCHE SEC SCH	1177198959	
23	EWAAT SEC SCHOOL	1148978208	
24	NESSUIT SEC SCHOOL	1169623573	
25	KENYATTA MIXED SEC SCHOOL	1177774453	
26	NJORO DAY SEC SCHOOL	1101883766	
27	NJORO TOWNSHIP SEC SCHOOL	1178104273	
28	KIHINGO DISPENSARY	1158189869	
29	MUTARAKWA DISPENSARY	1152037072	
30	SUBUKU AP POST	1178662349	
31	BAGARIA CHIEF CAMP	1179027205	
32	KIANJOYA CHIEFS CAMP	1178713962	
33	NAISHI GAME CHIEFS OFFICE	1178432211	
34	KAMWAURA AP CAMP	1178274292	
35	MUKUNGUGU CHIEFS CAMP	1178237516	
36	PIAVE POLICE POST	1178298108	
37	ACC OFFICE MAUCHE	1177255413	
38	GATIMU PRY SCHOOL	1161632549	
39	MUKUNGUGU PRY SCHOOL	1151578398	
40	MAU NAROK PRY SCHOOL	1151829773	
41	MAKUTANO PRY SCHOOL	1158494513	
42	LARE PRY SCHOOL	1160930759	
43	KAROGOE PRY SCHOOL	1159989133	
44	MAHIGA PRY SCHOOL	1133122191	
45	SARAMEK PRY SCHOOL	1169715249	
46	SURURU PRY SHOOOL	1150801689	
47	SIRYAT PRY SCHOOL	1151129062	
48	TACHASIS PRY SCHOOL	1151247995	
49	TERET PRY SCHOOL	1147337020	
50	KOILONGET PRY SCHOOL	1150990481	
51	MUTHIGA PRY SCHOOL	1169609775	
52	NGURIGA PRY SCHOOL	1150744189	
53	NDURIRI PRY SCHOOL	1159129169	
54	MWENYERE PRY SCHOOL	1162320680	
55	MILIMANI PRY SCHOOL	1150608226	
56	NDEMI PRY SCHOOL;	1169614272	

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57	BAGARIA PRY SCHOOL	1169664881	
58	TRITAGOI PRY SCHOOL	1151052442	
59	TAGITECH PRY SCHOOL	1169851983	
60	SIGAON PRY SCHOOL	1169620957	
61	MUSEGEKWA PRY SCHOOL	1160043906	
62	MUTUMBURU PRY SCHOOL	1151180815	
63	MUTARAKWA ECD	1150441895	
64	SUBUKU PRY SCHOOL	1152350803	
65	LUSIRU PRY SCHOOL	1143028732	
66	NGONGOGERI PRY SCHOOL	1169541526	
67	NJORO CENTRAL PRY SCHOOL	1152032119	
68	KAIYABA PRY SCHOOL	1132227526	
69	CHESOTON PRY SCHOOL	1150503068	
70	KIKAPU PRY SCHOOL	1151399027	
71	NATU PRY SCHOOL	1169621686	
72	PIAVE PRY SCHOOL	1158270666	
73	NGANO PRY SCHOOL	1169615597	
74	CHEPTOROI SEC SCHOOL	1109597436	
75	MAU NAROK SEC SCHOOL	1101886226	
76	ANALAT SEC SCHOOL	1170074650	
77	GICHOBO SEC SCHOOL	1152413686	
78	MUTHIGA SEC SCHOOL	1169609961	
79	WENDANI SEC SCHOOL	1162751916	
80	MUGUMO SEC SCHOOL	1158530609	
81	NESSUIT OGIEK SEC SCHOOL	1149194766	
82	NJORO GIRLS SEC SCHOOL	1172821372	
83	LARMUDIAC SEC SCHOOL	1149845236	
84	NDEGE SEC SCHOOL	1169865763	
85	PIAVE SEC SCHOOL	1169936962	
86	NJORO CENTRAL SEC SCHOOL	1169867820	
87	MWIGITO EXCEL SEC SCHOOL	1151614491	
88	MAU NAROK ASTU	1161419667	
90	GICHOBO AP POST	1150915358	
91	NESSUIT CHIEFS OFFICE	1168489873	
92	NJORO POLICE STATION	1171888953	
93	KIHINGO D.OS OFFICE	1172800820	
94	LARE ECD	1151118346	
95	KIHONGE ECD	1155688957	

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96	MUTARAKWA ECD	1150441895	
97	KARABATI ECD	1150690674	
98	KENANA PRY SCHOOL	1151307726	
99	KAPYEMIT PRY SCHOOL	1142876632	
100	MUGUMO PRIMARY SCHOOL	1151662933	
101	AMANI PRIMARY SCHOOL	1150740310	
102	GATIMU SEC SCHOOL	1152037706	
103	KIANJOYA SEC SCHOOL	1157652735	
104	NAISHI SEC SCHOOL	1154297756	
105	KILIMO SEC SCHOOL	1156343364	
106	SURURU SEC SCHOOL	1151701599	
107	KAPKEMBU SEC SCHOOL	1156571049	
108	MOSOP SEC	1150757892	
109	MATHANGAUTA AP CAMP	1157210694	
110	NESSUIT AP CAMP	1159514399	
111	PWANI DISPENSARY	1151655759	
112	GICHOBO DISPENSARY	1150742917	
113	NAISHI DISPENSARY	1157349331	
114	TERET DISPENSARY	1152768352	
115	NJORO HEALTH CENTRE	1158470339	
116	TAITA MAUCHE DISPENSARY	1151851132	
117	BAGARIA SEC SCHOOL	1162947128	
118	NAISHI PRY SCHOOL	1161908668	
119	UTALII PRY SCHOOL	1161420762	
120	MUTARAKWA PRY	1159988145	
121	MUTAMAIYU PRY SCHOOL	1207201944	
122	TAITA PRIMARY	1162100109	
123	KAPLELACH PRY	1160984999	
124	KAPTICH PRY SCHOOL	1162857544	
125	CHEPTROI PRY SCHOOL	1157862675	
126	MAU NAROK DISPENSARY	1153655616	
127	UTAFITI PRY SCHOOL	1182092691	
128	NJORO CDF OFFICE	1175672033	
129	NJORO CONSTITUENCY SPORTS MNGT	1183551940	
130	KIANJOYA MUGUMO WATER PROJECT	1198243066	
131	KARIAINI PRIMARY SCHOOL	1207078913	
132	GICHOBO PRIMARY SCHOOL	1206675144	

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133	EWAAT PRY SCHOOL	1207258490	
134	KAMUNGEI PRIMARY SCHOOL	1207149098	
135	MAUCHE PRIMARY	1207091243	
136	TEBESWET PRIMARY	1207151963	
137	MWIGITO PRY SCHOOL	1207360775	
138	TENGECHA PRY SCHOOL	1207080047	
139	GATHIMA PRY SCHOOL	1159027811	
140	SAMOEI SECONDARY SCHOOL	1207311227	
141	MOSOP SEC	1150757892	

**PROGRESS ON FOLLOW-UP ON AUDITORS RECOMMENDATION REPORT (2014/2015  
AOG REPORT).**

The following is the summary of issue raised by the external auditor, and management comments that were provided to the auditor.

NO	ISSUE RAISED	RESPONSE	PERSON RESPONSIBLE	STATUS	REMARKS
1	Incorrect comparative figures		Fund Account Manager	Resolved	Responded
2	Cash and cash equivalent		Fund Account Manager	Resolved	Responded
3	Stale cheques		Fund Account Manager	Unresolved	following up with beneficiaries and institutions for bursary cheques