

REPUBLIC OF KENYA

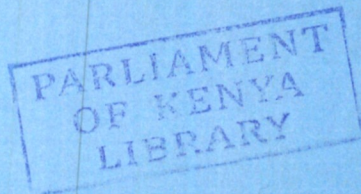


OFFICE OF THE AUDITOR-GENERAL



REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 03 JUL 2019	DAY: Wed
TABLED BY:	Lomp
CLERK TO THE TABLE:	



OF

THE AUDITOR-GENERAL

ON

**FINANCIAL STATEMENTS OF
NON-GOVERNMENTAL ORGANIZATIONS
(NGOs) CO-ORDINATION BOARD**

**FOR THE YEAR ENDED
30 JUNE 2018**





OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100. NAIROBI
28 SEP 2018
RECEIVED



NGOs CO-ORDINATION BOARD

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

Table of Content

Page

I.	KEY ENTITY INFORMATION AND MANAGEMENT.....	I
II.	THE BOARD OF DIRECTORS	IV
III.	MANAGEMENT TEAM.....	VII
IV.	CHAIRPERSON'S STATEMENT	IX
V.	REPORT OF THE CHIEF EXECUTIVE OFFICER.....	X
VI.	CORPORATE GOVERNANCE STATEMENT.....	XII
VII.	MANAGEMENT DISCUSSION AND ANALYSIS	XIII
VIII.	CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING..	XIV
IX.	REPORT OF THE DIRECTORS	XVII
X.	STATEMENT OF DIRECTORS' RESPONSIBILITIES.....	XVIII
XI.	REPORT OF THE INDEPENDENT AUDITORS ON THE NGOS CO-ORDINATION BOARD	XX
XII.	STATEMENT OF FINANCIAL PERFORMANCE	1
XII.	STATEMENT OF FINANCIAL POSITION.....	2
XIII.	STATEMENT OF CHANGES IN NET ASSETS.....	3
XIV.	STATEMENT OF CASH FLOWS.....	4
XV.	NOTES TO THE FINANCIAL STATEMENTS.....	5
XVI.	STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS	24
XVI.	PROGRESS ON FOLLOW UP ON AUDITOR RECOMMENDATIONS.....	APPENDIX I
XVII.	RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES	APPENDIX II

I. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

The Non-Governmental Organizations Co-ordination Board simply referred to as the NGOs Co-ordination Board, was established by an Act of Parliament, the Non-Governmental Organisations Co-ordination Act No. 19 of 1990. It is currently under the Ministry of Interior and Co-ordination of National Government.

b) Principal Activities

The principal activities of the NGOs Co-ordination Board includes but not limited to register, co-ordinate and facilitate the work of all national and international NGOs operating in/from Kenya.

Its mission is to efficiently and effectively regulate and enable the charitable sector to enhance its role in national development

c) Key Management

The NGO Board's day-to-day management is under the Board of Directors and the Executive Director/CEO.

d) Fiduciary Management

The key management personnel who held office during the financial year and who had direct fiduciary responsibility were:

1. Chief Executive Officer	-	Yusuf Mahamed Fazul
2. Ag. Deputy Executive Director	-	Joyce Yiaile
3. Finance Manager	-	David R.K. Njane
4. Internal Audit & Risk Manager	-	Benard Bwoma
5. Human Resource & Administration Manager-		Alvin Ntimama
6. Procurement Manager	-	Dorris Muthini
7. Ag. Head of Operations, Compliance & Research-		Lindon Nicolas Otieno
8. Public Relations Manager	-	Richard Chesos
9. Corporate Affairs Manager	-	Nixon Sekoh

e) Fiduciary Oversight Arrangements

The Board plays the fiduciary responsibility role which is achieved through the following committees:

1. Finance and Administration Committee
2. Resource Mobilization Committee
3. Audit and Risk Committee
4. Operations and Compliance Committee

f) Entity Headquarters

Co-operative Bank House 15th floor
Haile Selassie Avenue
P.O Box 44617-00100
Nairobi, **Kenya**

g) Entity Contacts

Telephone: +254-02- 2214044
E-mail: info@ngobureau.or.ke
Website: www.ngobureau.or.ke

h) Entity Bankers

Co-operative Bank of Kenya Limited
Co-op House Branch
P.O Box 67881 00200
Telephone: 3276279
Nairobi, **Kenya**

i) Independent Auditors

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

j) Principal Legal Adviser

The Office of the Attorney General




State Law Office





Harambee Avenue

P.O. Box 40112-00200

Nairobi, **Kenya**

II.THE BOARD OF DIRECTORS

1. The Director's name and key profession/academic qualifications	Description of each Director's date of birth, key qualifications and work experience
 <p>Gichira Kibara,CBS</p>	<p>Chairman Master's degree, law, Bachelor degree, law and Leadership in Development.</p>
 <p>Stella .M. Munyi</p>	<p>Rep Foreign Affairs Advocate of the High Court of Kenya</p>
 <p>Nicodemus Bore</p>	<p>Board member Master's in Business Administration,Bachelor Degree Business Administration.</p>

 <p>Daniel Onderi</p>	<p>Rep State Law Office LLM, LM, Advocate of the High Court of Kenya.</p>
 <p>Judith K. Miruka</p>	<p>Board Member Bachelor in Education. Teacher</p>
 <p>Hon David Sankori</p>	<p>Board Member</p>
 <p>Jidraf Githendu</p>	<p>Board Member Masters in Health System Management, Health Systems Management</p>



Stephen Muiruri

Rep National Treasury

Masters in Economics.

Bachelor in Economics, Economist







Yusuf Mahamed Fazul

Chief Executive Officer/CEO

Bachelor of Business Administration

III.MANAGEMENT TEAM

Name	Area of responsibility
 <p>Yusuf Mahamed Fazul</p>	<p>Chief Executive Officer/CEO Bachelor of Business Administration</p>
 <p>Joyce Yiaile</p>	<p>Ag. Deputy Chief Executive BBA-Human Resource Management</p>
 <p>CPA David. R. K. Njane</p>	<p>Finance Manager Certified Public Accountant, CPA(K)</p>
 <p>CPA Benard N. Bwoma</p>	<p>Audit and Risk Manager Master in Business Administration Certified Public Accountant, CPA(K)</p>

 <p>Nixon Sekoh</p>	<p>Corporate Affairs Manager</p> <p>Degree – Rural Sociology and Community Development</p>
 <p>Richard Chesos</p>	<p>Public Relations Manager</p> <p>Bachelor of Education, PGD (Mass Communication)</p>
 <p>Doris Muthini</p>	<p>Supply Chain Manager</p> <p>Advanced Diploma – Purchasing & Supply CIPS</p>
 <p>Lindon Otieno</p>	<p>Ag. Head of Operations and Guidance manager</p> <p>LLB</p>
<p>Note: The Executive Director is the Secretary to the Board</p>	

IV. CHAIRPERSON'S STATEMENT

The NGOs Co-ordination Board has registered about 12,000 NGOs since it started operations in 1992. These NGOs operate in virtually all the 47 counties and in various sectors of the economy, including health, education, agriculture, shelter and water.


On average, NGOs contribute more than Ksh. 130 billion to the economy every year and employ more than 100,000 people. They have transformed lives, restored hope among the poor and have complemented Government development efforts in various areas.

The Board plays a key role in facilitating a conducive environment for these NGOs to deliver on their charitable objectives. However, the situation in the recent past has been different. When I became the Board chairman in June, 2018, I noted that the relationship between the Government and NGO sector was strained. This is what must change.

Mending relations between the Government and the NGO sector requires deliberate effort. This includes engaging the sector and providing an enabling policy and regulatory environment for the charities to maximise their potential. This is even more urgent considering that NGOs can complement the Government's Big Four agenda. The Board will engage the NGO sector and facilitate dialogue on the implementation of the Public Benefit Organisations Act.

On matters finances, the Board experienced challenges in 2017/18 Financial Year. The Board did not get adequate resources to conduct all the planned activities. The Board of Directors are optimistic that the next Financial Year will be better.

I take this opportunity to thank the Government for providing support and guidance. I also convey my sincere gratitude to all our stakeholders for their support. I thank my colleagues in the Board of Directors and all staff for their dedication and commitment to ensure NGOs get efficient and effective service.


Chairperson

V. REPORT OF THE CHIEF EXECUTIVE OFFICER

The NGOs Co-ordination Board continues to discharge its mandate of registration, coordination, facilitation and regulation of NGOs operating in Kenya. So far, the Board has registered almost 12,000 NGOs.

In 2017/2018 Financial Year, the Board offered a range of services to registered NGOs besides registering new ones. This is in line with the Board's commitment to provide efficient and effective service to NGOs. The Board will continue to implement measures that will improve service delivery to NGOs

Providing quality services to NGOs is expected to be translated to better service to their beneficiaries. These charities are also expected to account to all their stakeholders, including the Board, donors and the beneficiaries. Towards this end, NGOs are required by law to file annual reports with the Board. The reports are expected to indicate among others the NGO's income, staffing, and projects. However, less than half of registered NGOs normally file the reports with the Board.

For example, in the Financial Year under review, only 2,829 filed annual reports. They reported an income of Ksh150.7 billion and having 34,688 paid staff and 28,836 interns/ volunteers. Of the 34,688 paid staff, 33,442 are Kenyans while the remainder (1,246) are expatriate staff. Additionally, a total of 27,752 of the 28,836 interns/ volunteers are Kenyans.

Had all the registered NGOs submitted their reports to the regulator, the income figures would have gone up tremendously. The non-compliance on the part of NGOs in submitting annual reports is compounded by the fact that the Board does not have adequate resources to enforce compliance. The Board relies on information submitted by NGOs. This is why the priority will be given to verification of the submitted reports and enforcement of compliance among NGOs.

The Board will endeavour to mend relations with the NGO sector following the differences that arose in the run up to the last General Election. Already, strategies have been put in place to re-brand the Board, engage the sector and reach out to all stakeholders for improved relations.

Additionally, the Board will work with NGO sector players to ensure the Government's Big Four agenda of affordable healthcare, housing, food security and manufacturing are realised. I am confident that NGOs can play a key role in the implementation of this agenda; they have the necessary infrastructure, especially in health to complement Government development agenda.

On our part as Board management we shall continue to implement programmes aimed at ensuring NGOs do their best in serving their beneficiaries.

I am profoundly grateful to the members of the Board of Directors for their support and guidance. I also wish to convey my gratitude to my colleagues in management and all staff for what they are doing daily to ensure NGOs are given effective and efficient service.

Thank you.



Ag. Executive Director

VI. CORPORATE GOVERNANCE STATEMENT

Since its operationalization in 1992, the NGOs Co-ordination Board is administered by a Board of Directors. The Board reports to the Cabinet Secretary, Ministry of Interior and Co-ordination of National Government.

Composition of the Board

1. A Chairman appointed by the President
2. The Executive Director who is the Secretary to the Board and a non-voting member appointed by the Cabinet Secretary in charge of the NGO portfolio
3. Two members appointed by the Cabinet Secretary in charge of the NGOs Portfolio
4. Three members seconded by the National Council of NGOs
5. The Attorney General
6. The Permanent Secretary, Ministry of Foreign Affairs
7. The Permanent Secretary, National Treasury

Functions of the Board

- a) To facilitate and co-ordinate the work of all national and international NGOs operating in/from Kenya.
- b) To maintain the register of national and international NGOs operating in/from Kenya, with the precise sectors, affiliations and locations of their activities.
- c) To receive and discuss the annual reports of NGOs.
- d) To advise the government on the activities of the NGOs and their role in national development within Kenya.
- e) To conduct a regular review of the register to determine the consistency of the reports submitted by the NGOs and the Council.
- f) To provide policy guidelines to the NGOs for harmonizing their activities to the National Development Plan for Kenya.
- g) To receive, discuss and approve the regular reports of the NGO Council and to advise on strategies for efficient planning and co-ordination of the activities of NGOs in Kenya

- h) To develop and publish a code of conduct for the regulation of NGOs and their activities in Kenya.
- i) To prescribe rules and procedures for the audit of the accounts of NGOs.

Code of Conduct

The Board of Directors are obligated to follow the State Corporations and Civil Service Codes of Conduct and MWONGOZO which is a code of governance for state corporations.

Meetings

The Board meets quarterly. However in extra ordinary circumstances, the Board may hold special meetings.

Operating Procedures

As per the NGOs Act, the Board may form committees to facilitate its work. The Committees are:

1. Finance and Administration Committee
2. Resource Mobilization Committee
3. Audit and Risk Committee
4. Operations and Compliance Committee

The day to day activities of the Board are undertaken by a Secretariat headed by the Executive Director. The Board has 79 members of staff stationed in Nairobi, Kisumu, Eldoret and Garissa offices.

VII. MANAGEMENT DISCUSSION AND ANALYSIS

The management have been discussing and analysing the quarterly financial statements and advising on areas of the budget that needs to be reviewed either downwards or upwards and forwarding the same to the Board of Directors.

VIII. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

This Statement is about how NGOs Co-ordination Board takes account of its economic, social and environmental impact in the way it operates as an organization.

By demonstrating our commitment to Corporate Social Responsibility we aim to align our organization values, purpose and strategy with the needs of our clients, whilst embedding such responsible and ethical principles into everything we do.

The elements of this statement cover our approach in dealing with our clients, suppliers and the local community principles in an effort to support reducing our energy, procurement, transport, water use and other business usage to reduce our carbon footprint and environmental impact.

Environment

Protection of the environment in which we live and operate is part of NGO Co-ordination Board values and principles and we consider it to be sound organization practice. Care for the environment is one of our key responsibilities and an important part of the way in which we do business.

This statement should also be read in conjunction with our Code of Regulations.

In this policy statement we commit our organization to:

- Complying with all relevant environmental legislation, regulations and approved codes of practice.
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air and water.
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources.
- Managing and disposing of all waste in a responsible manner.
- Providing training for our staff so that we all work in accordance with this policy statement and within an environmentally aware culture.

- Regularly communicating our environmental performance to our employees and other significant stakeholders.
- Developing our management processes to ensure that environmental factors are considered during planning and implementation.
- Monitoring and continuously improving our environmental performance.

The nature of our work as a Board means that we do not inherently have a high environmental impact but we will take consideration of environmental issues in the services we provide and endeavour to reduce our environmental impact to an absolute minimum. The Directors will ensure that the organization reduces the environmental impact on the organization by:

- Using such facilities as web-ex and conference call facilities.
- Using vehicles that are regularly serviced and checked with regards to their emission levels and economically use their fuel.
- Ensuring that all lights and equipment are switched off when not in use.
- Ensuring that water is used efficiently within the offices.
- Using scrap paper for drafts and notes.
- Printing in mono and double sided wherever possible.
- Recycling all waste (shredding all unwanted documentation).
- Not printing unnecessary emails.
- Working with like-minded suppliers who take steps to minimize their environmental impact.
- Encouraging NGOs during induction workshops to take steps to minimize their environmental impact.

Local and International Community

The Directors will also ensure that our work with the local community involves:

- Working and facilitating national and international charities.
- Encouraging volunteer work in community activities.
- Undertaking voluntary business advisory services via professional bodies.

Clients

The Directors will also ensure that we deal responsibly, openly and fairly with clients and potential clients by:

- Ensuring that all our advertising and documentation about the organization and its activities are clear, informative, legal, decent, honest and truthful.
- Being open and honest about our services and telling customers what they want to know, including what we do to be socially responsible.
- Ensuring that if something goes wrong we will acknowledge the problem and resolve it.
- We will listen to our clients so that this can help us improve the services we offer to them.
- Ensuring that we benchmark and evaluate what we do in order to constantly improve our services to our stake holders.

The Directors will also ensure that we deal responsibly, openly and fairly with suppliers by:

- Ensuring that we use youth, women and persons with disabilities as preferred suppliers as much as possible.
- Endeavouring to pay our suppliers on time.

The operational and ultimate responsibility for the commitment to our corporate social responsibility principles lies with the Directors of NGO Board. Every employee of NGO Co-ordination Board is expected to give their full co-operation to the above principles in their activities at work.

Consultants or visitors are also expected to apply our environmental principles.

The effectiveness of the Policy Statement will be monitored and reviewed at least annually by the Directors to ensure the organization continuing compliance with any relevant legislation and to meet new stakeholders' requirements and to identify areas in need of improvement. We will also ensure that all changes will be brought to the attention of employees as necessary.

IX. REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements for the year ended June 30, 2018 which show the state of the NGOs Co-ordination Board affairs.

Principal activities

The principal activities of the NGOs Co-ordination Board includes to register, regulate and facilitate the work of all national and international NGOs operating in/from Kenya

Results

The results of the entity for the year ended June 30, 2018 are set out on pages 1 to 5.

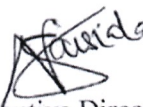
Directors

The members of the Board of Directors who served during the year are shown on page III

Auditors

The Auditor General is responsible for the statutory audit of the entity in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board


Ag. Executive Director/
Secretary to the Board

Nairobi

Dated: 28/9/18

X. STATEMENT OF DIRECTORS' RESPONSIBILITIES

Section 81 of the Public Finance Management Act, 2012 and section 11 of the State Corporations Act, require the Directors to prepare financial statements in respect of the NGOs Co-ordination Board, which give a true and fair view of the state of affairs of the NGOs Co-ordination Board at the end of the financial year and the operating results of the NGOs Co-ordination Board for that year. The Directors are also required to ensure that the NGOs Co-ordination Board keeps proper accounting records which disclose with reasonable accuracy the financial position of the NGOs Co-ordination Board. The Directors are also responsible for safeguarding the assets of the NGOs Co-ordination Board.

The Directors are responsible for the preparation and presentation of the NGOs Co-ordination Board's financial statements, which give a true and fair view of the state of affairs of the NGOs Co-ordination Board 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 NGOs Co-ordination Board; (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 NGOs Co-ordination Board; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the NGOs Co-ordination Board's financial statements, which have been prepared using appropriate accounting policies on a historical cost basis except for the measurements at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with the International Public Sector Accounting Standards

(IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the NGOs coordination board's accounting policies. The areas involving a higher degree of judgement or complexity or where assumptions and estimates are significant to the financial statements, are disclosed in the note. The financial statements have been prepared in Kenya Shillings which is the functional and reporting currency of the NGOs co-ordination board. The statements have also been prepared in accordance with the PFM Act and the State Corporations Act. The accounting policies adopted have been consistently applied to all the years presented. The Directors are of the opinion that the NGOs Co-ordination Board's financial statements give a true and fair view of the state of NGOs Co-ordination Board's transactions during the financial year ended June 30, 2018 and of the NGOs Co-ordination Board's financial position as at that date. The Directors further confirm the completeness of the accounting records maintained for the NGOs Co-ordination Board, which have been relied upon in the preparation of the NGOs Co-ordination Board's financial statements as well as the adequacy of the systems of internal financial control.


Nothing has come to the attention of the Directors to indicate that the NGOs Co-ordination Board will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The NGOs Co-ordination Board's financial statements were approved by the Board on 27/09/2018 and signed on its behalf by:

Chairman


Ag. Executive Director


Director



REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-Mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL **REPORT OF THE AUDITOR-GENERAL ON NON-GOVERNMENTAL ORGANIZATIONS** **(NGOs) CO-ORDINATION BOARD FOR THE YEAR ENDED 30 JUNE 2018**

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the Non-Governmental Organizations Co-ordination Board set out on pages 1 to 24, which comprise the statement of financial position as at 30 June 2018, and the statement of financial performance, statement of changes in net assets, and statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Non-Governmental Organizations Co-ordination Board 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 (Accrual Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Fraudulent Salary Payments

Included in the statement of financial performance for the year ended 30 June 2018 are employees' costs amounting to Kshs.129,500,484. Analysis of the approved monthly payrolls and the actual amount remitted to the banks revealed a fraudulent payment of Kshs.3,822,764 which was made to one account number 01109528882100 using various fictitious names. The management has not recovered this amount from the officers who occasioned the loss.

In the circumstances, it has not been possible to confirm the propriety of the payment of Kshs.3,822,764 included in employee costs in the statement of financial performance for the year ended 30 June 2018.

Report of the Auditor-General on the Financial Statements of The Non-Governmental Organizations Co-ordination Board for the year ended 30 June 2018

2. Unconfirmed Board Expenses

The statement of financial performance for the year ended 30 June 2018 includes board expenses of Kshs.7,359,705. Included in the expenses is an amount of Kshs.5,046,360 relating to payment of sitting allowances, per diem, and mileage allowances to board members. However, these payments were not supported with signed registers and payment schedules contrary to regulation 104(1) of the Public Finance Management (National Government) Regulations, 2015 which requires payments vouchers of public money to be supported by appropriate authority and documentation.

Further, the management did not provide board minutes to confirm when meetings of the board were held and those who were in attendance. In addition, payment vouchers in relation to board expenses amounting to Kshs.1,006,875 were not provided for audit review.

Consequently, it has not been possible to ascertain the propriety and accuracy of the expenditure of Kshs.7,359,705 for board expenses included in the statement of financial performance for the year ended 30 June 2018.

3. Irregular Staff Promotions

Examination of human resource records revealed that various promotions and salary increases were effected during the financial year without approval of the board contrary to Section 3.2 of the NGOs Co-ordination Board's Human resource manual which, provides that the department where the vacant position arises should make a request to the management for the position to be filled upon, which the vacancies should be advertised in the local dailies.

As a result of these promotions and salary increases, the Board incurred an expenditure amounting to Kshs.626,244 which had not been budgeted for, resulting in diversion of funds from other budgeted items. This affected service delivery as some activities could not be undertaken due to lack of funds.

Consequently, it has not been possible to confirm the propriety of the expenditure of Kshs.626,244 included under employees' costs in the statement of financial performance for the year ended 30 June 2018.

4. Failure to Disclose Material Uncertainty in Relation to Sustainability of Services

During the year ended 30 June 2018, the Board recorded an operating deficit of Kshs.40,050,771 (2017: an operating deficit of Kshs.26,583,046). The current liabilities balance of Kshs.63,721,080 exceeded current assets balance of Kshs.13,035,990 resulting in a negative working capital of Kshs.50,685,090 as at 30 June 2018. This precarious financial position is an indication of the existence of a material uncertainty which may cast a significant doubt on the Board's ability to sustain its services and to meet its obligations as and when they fall due. The financial statements have been prepared on a going concern

basis on the assumption that the Board will continue to receive financial support from the National Government and its creditors. However, this material uncertainty in relation to sustainability of services and any mitigating measures put in place by the Board to reverse the undesirable precarious financial position have not been disclosed in the notes to the financial statements.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Remittance of PAYE Deductions and other Statutory Contributions

Included in the statement of financial position as at 30 June 2018 and as disclosed in Note 17 to the financial statements are trade and other payables from exchange transactions with a balance of Kshs.63,721,080. The balance includes unremitted PAYE deductions and unremitted employer pension contribution of Kshs.35,159,465 and Kshs.11,529,994, respectively.

Failure to remit salary deductions to relevant authorities contravenes Section 19(4) of the Employment Act which provides that an employer who deducts an amount from employees'

remuneration shall pay the amount so deducted in accordance with the time period and other requirements specified in the law. In addition, the Board has also contravened the provisions of section 37A of the Income Tax Act and may suffer penalties specified there-under.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and Those Charged with Governance

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

In preparing the financial statements, management is responsible for assessing the ability of Non-Governmental Organizations Co-ordination Board to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to cease operations, or have no realistic alternative but to do so.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

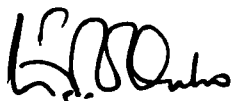
Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the 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 ability of Non-Governmental Organizations Co-ordination Board 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 Board to cease sustaining its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Non-Governmental Organizations Co-ordination Board 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

2 April 2019



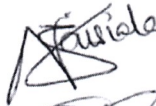
**NGO COORDINATION BOARD
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30th JUNE 2018**

	Notes	2018 Kshs	2017 Kshs
Revenue from non-exchange transactions	6	158,589,390	165,836,479
Total revenue		158,589,390	165,836,479
Expenses			
Employee costs	7	129,500,484	117,601,528
Board expenses	8	7,359,705	7,391,208
Depreciation and amortization expense	9	2,646,470	3,465,752
Repairs and maintenance	10	420,847	1,328,633
General expenses	11	58,712,656	62,632,404
Total expenses		198,640,161	192,419,525
Other losses			
Surplus before tax		(40,050,771)	(26,583,046)
Taxation		-	-
Surplus for the period		(40,050,771)	(26,583,046)
Surplus attributable to owners of the controlling entity		(40,050,771)	(26,583,046)

The notes in the financial statements form an integral part of the financial statements set out on pages 1 to 4 and were signed on behalf of the Board of Directors by;

Ag Executive Director

Sign:



Date: 28/9/2018

for Chairman of the Board

Sign:




Date: 28/9/18

**NGO COORDINATION BOARD
STATEMENT OF FINANCIAL POSITION
As at 30th JUNE 2018**

	Notes	2018 Kshs	2017 Kshs
Assets			
Current assets			
Cash and cash equivalents	12	2,298,204	1,241,537
Receivables from exchange transactions	13	9,583,053	10,398,414
Receivables from non-exchange transactions	14	870,700	1,206,812
Inventories	15	284,033	671,803
Total current assets		13,035,990	13,518,566
Non-current assets			
Property, plant and equipment	16	11,187,903	13,834,373
Total non current assets		11,187,903	13,834,373
Total assets		24,223,893	27,352,939
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	17	63,721,080	26,799,354
Total current liabilities		63,721,080	26,799,354
Total liabilities		63,721,080	26,799,354
Net assets		(39,497,187)	553,585
Reserves			
Accumulated surplus/ Deficit		(39,497,187)	553,585
Minority interest			
Total net assets and liabilities		(39,497,187)	553,585

The notes in the financial statements form an integral part of the financial statements set out on pages 1 to 4 and were signed on behalf of the Board of Directors by:

Ag-Executive Director Sign:  Date: 28/9/2018

for Chairman of the Board Sign:  Date: 28/9/18

NGO COORDINATION BAORD
STATEMENT OF CHANGES IN NET ASSETS
For the Year ended 30th June 2018

	Reserves Kshs	Accumulated surplus Kshs	Total Kshs
Balance as at 30th June 2015	222,558	(13,603,302)	(13,380,744)
Surplus for the period		40,739,933	40,739,933
Transfers from accumulated surplus	(222,558)	-	(222,558)
Balance as at 30 JUNE 2016	-	27,136,631	27,136,631
Surplus for the period		(26,583,046)	(26,583,046)
Balance as at 30 June 2017		553,585	553,585
Surplus for the period		(40,050,771)	(40,050,771)
Balance as at 30 June 2018	-	(39,497,187)	(39,497,187)

The notes in the financial statements form an integral part of the financial statements set out on pages 1 to 4

**NGO COORDINATION BOARD
STATEMENT OF CASH FLOWS
As at 30th JUNE 2018**

	Notes	2018 Kshs	2017 Kshs
Cash flows from operating activities			
Receipts			
Government grants and subsidies	6	125,150,000	125,150,000
Other income, rentals and agency fees	6	33,439,390	40,686,479
		<u>158,589,390</u>	<u>165,836,479</u>
Payments			
Compensation of employees	19	95,008,112	106,929,136
Goods and services	19	39,307,432	57,394,111
Finance cost			
Rent paid	19	20,561,100	11,409,911
Taxation paid		-	-
Other payments(gratuity)		2,656,080	-
Grants and subsidies paid		-	-
		<u>157,532,724</u>	<u>175,733,158</u>
Net cash flows from operating activities		1,056,667	(9,896,679)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		-	(137,720)
Proceeds from sale of property, plant and equipment		-	-
Decrease in non-current receivables			
Increase in investments			
Net cash flows used in investing activities		-	(137,720)
Net cash flows used in financing activities			
Net cash flows used in financing activities		-	(137,720)
Net increase/(decrease) in cash and cash equivalents		1,056,667	(10,034,398)
Cash and cash equivalents at 1 July	12	1,241,537	11,275,935
Cash and cash equivalents at 30 June	12	<u>2,298,204</u>	<u>1,241,537</u>

The notes in the financial statements form an integral part of the financial statements set out on pages 1 to 4

XVI. NOTES TO THE FINANCIAL STATEMENTS

1. General Information

The NGOs Co-ordination Board is established by and derives its authority and accountability from the NGOs Co-ordination Act. The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is to register, co-ordinate and facilitate the work of all national and international NGOs operating in/from Kenya.

2. Statement of compliance and basis of preparation – IPSAS 1

The entity's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the entity and all values are rounded to the nearest thousand (Ksh 000). The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

3. Adoption of new and revised Standards

i) Relevant new Standards and amendments to Published standards effective for the year ended 30th June 2018.

Standard	Impact
IPSAS 39: Employee Benefits	Applicable: 1st January 2018 The objective to issue IPSAS 39 was to create convergence to changes in IAS 19 Employee benefits. The IPSASB needed to create convergence of IPSAS 25 to the amendments done to IAS 19. The main objective is to ensure accurate information relating to pension liabilities arising from the defined benefit scheme by doing away with the corridor approach.

ii. Early adoption of standards

Standard	Impact
IPSAS 33: First time adoption of Accrual Basis IPSAS	(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 33, First-time Adoption of Accrual Basis IPSASs. IPSAS 33 grants transitional exemptions to entities adopting accrual basis IPSASs for the first time, providing a major tool to help entities along their journey to implement IPSASs. It allows first-time adopters three years to recognize specified assets and liabilities. This provision allows sufficient time to develop reliable models for recognizing and measuring assets and liabilities during the transition period. <i>The entity adopted IPSAS in the year ended 30 June 2014 and therefore provisions of first time adoption of accrual basis does not apply to the entity.</i>
IPSAS 34: Separate Financial Statements	(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 34, Separate Financial Statements. IPSAS 34 prescribes the accounting and disclosure requirements for investments in controlled entities, joint ventures and associates when an entity prepares separate financial statements. <i>The entity does not have any subsidiaries, joint ventures or investments and therefore the standard does not apply.</i>
IPSAS 35: Consolidated Financial Statements	(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 35, Consolidated Financial Statements. IPSAS 35 establishes principles for the preparation and disclosure of consolidated financial statements when an entity controls one or more entities. It requires an entity that controls one or more other entities to assess control over those entities based on the following: - Its power over the other entity. - Its exposure or rights to variable benefits from involvement with the other entity. - Its ability to control the nature, timing and amount of benefits from the other entity. Once control is assessed the controlling entity is supposed to prepare consolidated financial statements unless it meets all the criteria under section 5 of IPSAS 35. <i>The entity does not have any subsidiaries, joint ventures or investments and therefore the standard does not apply.</i>

Standard	Impact
<p>IPSAS 36: Investments in Associates and Joint Ventures</p>	<p>(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 36, Investments in Associates and Joint Ventures. The Standard prescribes for the accounting for investments in associates and joint ventures and to set out requirements for the application of the equity method when accounting for investments in associates and joint ventures. The standard shall be applied by all entities with significant influence over, or joint control of, an investee where the investment leads to the holding of a quantifiable ownership interest. <i>The entity does not have investments in associates or joint ventures and therefore the standard does not apply.</i></p>
<p>IPSAS 37: Joint Arrangements</p>	<p>(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 37, Joint Arrangements. IPSAS 37 establishes principles for financial reporting by entities that have an interest in arrangements that are controlled jointly. <i>The entity does not have an interest in a joint arrangement and therefore the standard does not apply.</i></p>
<p>IPSAS 38: Disclosure of Interests in Other Entities</p>	<p>(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 38, Disclosure of Interests in Other Entities. IPSAS 38 requires an entity to disclose information that enables users of its financial statements to evaluate the nature of and risks associated with, its interests in controlled entities, joint arrangements and associates, and structured entities that are not consolidated; and the effects of those interests on its financial position, financial performance and cash flows. <i>The entity does not have an interests in other entities and therefore the standard does not apply.</i></p>

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue recognition

i) Revenue from non-exchange transactions – IPSAS 23

Fees, taxes and fines

The entity recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

ii) Revenue from exchange transactions – IPSAS 9

Rendering of services

The entity recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the entity.

Interest Income

Interest income is accrued using the effective yields method. The effective yield discounts estimated future cash receipts through the expected life of the financial assets to the assets' net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

Dividends or similar distributions must be recognized when the shareholders' or the entity's right to receive payments is established.

Rental Income

Rental Income arising from operating leases on investment properties is accounted for on a straight line basis over the lease terms and included in revenue.

b) Budget information – IPSAS 24

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the entity. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

c) Property, plant and equipment – IPSAS 17

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. The annual rates used are motor vehicles 20%, Furniture & equipment 12.5 %, and computers 30%

d) Leases – IPSAS 13

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Entity. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

e) Intangible assets – IPSAS 31

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

f) Financial instruments – IPSAS 29

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or a entity of financial assets is impaired. A financial asset or a entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors or a entity of debtors are experiencing significant financial difficulty.
- Default or delinquency in interest or principal payments.
- The probability that debtors will enter bankruptcy or other financial reorganization.
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults).

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

g) Inventories – IPSAS 12

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost using the weighted average cost method.
- Finished goods and work in progress: cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

h) Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement

Contingent liabilities

The Entity does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

i) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. This is the movement resulting from the statement of financial performance.

j) Changes in accounting policies and estimates – IPSAS 3

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

k) Employee benefits

Retirement benefit plans

The Entity provides retirement benefits for its employees and councilors. Defined contribution plans are post employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

l) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

m) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment.

Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

n) Related parties

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties.

o) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

p) Comparative figures

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

5) SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Entity's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the Entity.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 36.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Assumptions were used in determining the provision for rehabilitation of landfill sites. Landfill areas are rehabilitated over years and the assumption was made that the areas stay the same in size for a number of

Provision is made for the estimated cost to be incurred on the long-term environmental obligations, comprising expenditure on pollution control and closure over the estimated life of the landfill. The provision is based on the advice and judgment of qualified engineers.

The estimates are discounted at a pre-tax discount rate that reflect current market assessments of the time value of money.

The increase in the rehabilitation provision due to passage of time is recognized as finance cost in the statement of financial performance.

The cost of ongoing programs to prevent and control pollution and rehabilitate the environment is recognized as an expense when incurred.

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, 2018.

6). Transfers from Ministries, Departments and Agencies					
Name of the Entity sending the Grant	Amount recognized to Statement of Comprehensive Income KShs	Amount deferred under deferred income KShs	Amount recognised in capital fund.	Total grant income during the year	2016-2017
			KShs	KShs	KShs
Ministry of Interior and Coordination Of National Government	125,150,000	-	-	125,150,000	125,150,000
Total	125,150,000	-	-	125,150,000	125,150,000

	30/06/2018	30/06/2017
	Kshs	Kshs
7. Employee costs		
Employee related costs - salaries and wages	73,044,748	65,957,429
Employee related costs - contributions to pensions and medical aids	11,414,792	9,958,092
NSSF	197,200	160,600
Transfer and luggage allowances	228,674	653,709
Housing benefits and allowances	26,851,531	25,563,500
Other allowances	4,781,545	3,998,302
Leave allowances	4,023,751	4,155,114
Gratuity Executive Director	2,656,080	1,264,800
Commuter allowances	6,302,163	5,889,982
Expenditure recharged to capital projects		
Employee costs	<u>129,500,484</u>	<u>117,601,528</u>
8. Remuneration of Directors		
Chairman's Honoraria	630,000	
Directors emoluments	3,803,980	7,391,208
Other allowances	3,555,725	
Total Board Expenses	<u>7,359,705</u>	<u>7,391,208</u>
9. Depreciation and amortization expense		
Property, plant and equipment	<u>2,646,470</u>	<u>3,465,752</u>

10. Repairs and maintenance

	30/06/2018	30/06/2017
	KShs	KShs
Investment property – earning rentals		
Equipment	216,646	1,122,132
Vehicles	204,201	206,501
Total repairs and maintenance	420,847	1,328,633

11. General expenses

The following are included in general expenses:

Bank charges	799,296	797,243
Computer and internet connections	1,068,318	2,165,709
Professional services	2,240,897	5,193,172
Provision for loss (Fraud)*	3,822,754	
Domestic travel & accommodation	5,220,699	11,926,854
Foreign travel & subsistence	100,518	1,435,186
Fuel and oil	819,043	786,482
Insurance costs	15,228,572	13,451,837
Library expenses & magazines	413,901	547,447
Procurement committee	-	-
Hospitality	3,831,150	4,162,513
Postal services	287,996	391,717
Office general supplies	1,914,713	3,285,645
Publishing and advertising	1,091,404	180,000
Rent and rates	20,561,100	14,236,906
Telephone expenses	907,795	1,935,223
Training and workshop expenses	404,500	1,586,630
ISO certification	-	174,000
Audit fee provision	-	375,840
Total General expenses	58,712,656	62,632,404

Within the year under review, a provision has been made for the loss of cash equivalent to Ksh. 3.8 million. The matter was reported to the relevant government agencies and the investigations are on going.

12. Cash and cash equivalents

	30/06/2018	30/06/2017
	KShs	KShs
Bank- Chase bank	1,121,610	1,121,610
Coop bank - a/c 00	601,031	
Coop bank - a/c 001	170,946	78,393
Coop bank - a/c 002	270,617	
Cash-in-hand	134,000	41,534
Short-term deposits		
Total cash and cash equivalents	<u>2,298,204</u>	<u>1,241,537</u>

13. Receivables from exchange transactions

Current receivables

Prepaid insurance	8,888,817	9,704,178
Rent deposit	494,236	494,236
Fuel deposit	200,000	200,000
Unaccounted fund	-	
Total receivables	<u>9,583,053</u>	<u>10,398,414</u>

14. Receivables from non-exchange contracts

Property tax debtors

Salary advances	870,700	1,206,812
Total current receivables	<u>10,453,753</u>	<u>11,605,226</u>

15. Inventories

Consumable stores	284,033	671,803
Total inventories at the lower of cost and net realizable value	<u>284,033</u>	<u>671,803</u>

16. Property, plant and equipment

Cost	Motor vehicles	Furn.& Equip.	Computers	Total
	25%	12.5%	30%	
	Shs	Shs	Shs	Shs
At 1st July 2016	5,748,879	19,546,186	20,727,672	46,022,737
Additions	-	137,720		
Disposals				
Transfer/adjustments(armotization)	-	-		-
At 1st July 2017	5,748,879	19,683,906	20,727,672	46,160,457
Additions	-			
Disposals				
Transfer/adjustments(armotization)	-	-		-
At 30 June 2018	5,748,879	19,683,906	20,727,672	46,160,457
Depreciation and impairment				
At 1st July 2016	4,963,678	10,055,191	13,841,463	28,860,332
Disposals				
Depreciation charge	196,300	1,203,589	2,065,863	3,465,752
Impairment	-			-
Transfer/adjustment	-			-
At 1st July 2017	5,159,978	11,258,780	15,907,326	32,326,084
Disposals				
Depreciation charge	147,225	1,053,141	1,446,104	2,646,470
Impairment	-			-
Transfer/adjustment	-			-
At 30 June 2018	5,307,203	12,311,921	17,353,430	34,972,554
Net book values				
At 30 June 2018	441,676	7,371,985	3,374,242	11,187,903
At 30 June 2017	588,901	8,425,126	4,820,346	13,834,373
At 30 June 2016	785,201	9,490,995	6,886,209	17,162,405

17. Trade and other payables from exchange transactions

	30/06/2018	30/06/2017
	KShs	KShs
Trade payables	7,623,803	5,394,072
Coop bank - A/c 02	-	583,786
Coop bank - A/c 00	-	627,628
Unremitted employer pension contributions	11,529,994	3,930,370
Unremitted PAYE	35,159,465	9,711,383
Gratuity provision	-	3,267,400
Other payables	9,407,818	3,284,715
Total trade and other payables	<u>63,721,080</u>	<u>26,799,354</u>

18. Cash generated from operations

Suplus for the year before tax	(40,050,771)	(26,583,046)
Adjusted for:		
Depreciation	2,646,470	3,465,752
Gains and losses on disposal of assets		-
Capital grant amortization		-
Working capital adjustments:		
Increase in inventory	(387,770)	(42,901)
Increase in receivables	(1,151,473)	3,559,822
Increase in deferred income		
Increase in payables	(36,921,726)	(16,737,537)
Increase in payments received in advance		
Net cash flows from operating activities	<u>(75,865,270)</u>	<u>(36,337,910)</u>

19. Reconciliation on receipts and payments

Receivables b/f	11,605,226	8,045,404
Cash paid on;		
opening stock	671,803	714,704
Employees	95,008,112	106,929,136
Gratuity	2,656,080	
Rent	20,561,100	11,409,911
Other payments	39,307,432	57,394,110
Payables c/d	63,721,080	26,799,354
	<u>233,530,832</u>	<u>211,292,619</u>
Payables b/f	26,799,354	10,061,817
Total employee cost	129,500,484	117,601,528
Board expenses	7,359,705	7,391,208
Repairs and maintenance	420,847	1,328,633
General expenses	58,712,656	62,632,404
Capital grant amortisation	-	-
Closing stock	284,033	671,803
Receivables c/d	10,453,753	11,605,226
	<u>233,530,832</u>	<u>211,292,619</u>

20) FINANCIAL RISK MANAGEMENT

The entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The company does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The entity's financial risk management objectives and policies are detailed below:

i) Credit risk

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total Amount	Fully Performing	Past Due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June, 2018				
Receivables from exchange transactions	9,583,053	-	-	-
Receivables from non exchange transactions	870,700	-	-	-
Bank Balances	2,298,204	-	-	-
Total	12,751,957	-	-	-
As at 30th June, 2017				
Receivables from exchange transactions	10,398,414	-	-	-
Receivables from non exchange transactions	1,206,812	-	-	-
Bank Balances	1,241,537	-	-	-
Total	12,846,763	-	-	-

The board of directors sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the entity's directors, who have built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the company under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month	Between 1 - 3 months	Over 5 Months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2018				
Trade Payables	-	-	52,191,086	52,191,086
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	11,529,994	11,529,994
Total	-	-	63,721,080	63,721,080
At 30 June 2017				
Trade Payables	-	-	18,390,170	18,390,170
Current portion of borrowings	-	-	1,211,414	1,211,414
Provisions	-	-	3,267,400	3,267,400
Deferred income	-	-	-	-
Employee benefit obligation	-	-	3,930,370	3,930,370
Total	-	-	26,799,354	26,799,354

21) Related party balances*Nature of related party relationships*

Entities and other parties related to the entity include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the NGO Coordination Board, holding 100% of the NGO Coordination Board's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the entity, both domestic and external. Other related parties include:

- i) The Ministry of Interior and Co-ordination of National Government
- ii) Board of Directors

Transactions with related parties

	30/06/2018	30/06/2017
	KShs	KShs
Grants from the National government		
Ministry of Interior and coordination of national government	<u>125,150,000</u>	<u>125,150,000</u>
Key management compensation		
Directors' emoluments	<u>7,359,705</u>	<u>7,391,208</u>
22) Contingent assets and Contingent liabilities		
Contingent liabilities		
Court cases	<u>0</u>	<u>0</u>

The Board has a number of cases in court as a defendant against its clients; NGOs and civil society groups. However, it may not be practical to determine the likely outcome of any of those cases. As such no provision has been provided for.

23) Events after the reporting period

There were no material adjusting and non- adjusting events after the reporting period.

24) Ultimate holding entity

The NGO Coordination Board is a State Corporation/ or a Semi- Autonomous Government Agency under the Ministry of Interior and Coordination of National Government. Its ultimate parent is the Government of Kenya.

25) Currency

The financial statements are presented in Kenya Shillings (Kshs).

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT
FOR THE PERIOD ENDED 30TH JUNE 2018**

	BUDGET	ACTUAL	VARIANCE
	Kshs	Kshs	Kshs
Government grant	149,189,131	125,150,000	24,039,131
Appropriation in Aid	40,686,479	33,439,390	7,247,089
Total Income	189,875,610	158,589,390	31,286,220
EXPENDITURE			
Basic salaries	66,162,439	73,044,748	(6,882,309)
Leave and passage	4,155,114	4,023,751	131,363
NSSF	160,800	197,200	(36,400)
Other allowances	4,240,356	4,781,545	(541,189)
Gratuity & Pension	9,884,880	11,414,792	(1,529,912)
House allowances	25,563,500	26,851,531	(1,288,031)
Transfer allowance	428,144	66,523	361,621
Luggage allowance	67,800	162,151	(94,351)
gratuity provision	2,656,080	2,656,080	-
comuter allowance	5,889,982	6,302,163	(412,181)
Board of Directors expenses	7,182,508	7,359,705	(177,197)
Internet connections	2,165,709	1,068,318	1,097,391
Professinal services	3,124,012	2,240,897	883,115
Domestic travel & accomodation	11,368,374	5,220,699	6,147,675
Foreign travel & subsistence	1,435,186	100,518	1,334,668
Fuel, Oil	992,983	819,043	173,940
Motor vehicles maintenance	522,206	204,201	318,005
General Maintenance other assets	895,046	216,646	678,400
Insurance costs	17,209,767	15,228,572	1,981,195
Library expenses & magazines	727,447	413,901	313,546
hospitality	4,120,413	3,831,150	289,263
Postal services	391,717	287,996	103,721
Office general supplies	2,195,315	1,914,713	280,602
Publishing and advertising	1,076,025	1,091,404	(15,379)
Rent and rates	14,236,906	20,561,100	(6,324,194)
Telephone expenses	1,436,271	907,795	528,476
Training and workshop expenses	1,586,630	404,500	1,182,130
Total Expenditure	189,875,610	191,371,642	(1,496,032)

APPENDIX I: 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

Ref No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status:(Resolved/ Not Resolved)	Timeframe
No. 1	<p>Unremitted statutory deductions.</p> <p>The Board failed to remit Ksh. 9,711,383 relating to PAYE. Further, an amount of Ksh. 3,930,370 relating to employer pension contributions had also not been remitted.</p>	<p>Owing to increase in the cost of goods and services, reduction in government grant and increase in expenditure coupled with new employment resulted into the Board not able to operate.</p> <p>Austerity measures have been enforced to ensure the Board operates within its budget. Again, the Board will adhere to the timely remittance of all deductions.</p>	Board and the Executive Director	Not Resolved	Next audit
No. 2	<p>Unsupported Board expenses.</p> <p>Payment vouchers for amount of Ksh. 3,080,000 paid as the Board's expenses for sitting, local travel and mileage allowances were not properly supported with signed attendance registers and payment schedules indicating cash received by Board members. Consequently, the validity and propriety of the expenditure of Ksh. 3,080,000 cannot be confirmed.</p>	<p>During the year under review the Board had only three Gazetted Board Members. These three members embarked on field review visits to areas prone to security concerns and meetings were held which were informal in nature. As such no attendance register was available. However, the payments for the mileage and daily subsistence allowance were paid as per the regulations.</p>	Board and the Executive Director	Not Resolved	Next audit
No. 3	<p>Undisclosed materiality uncertainty</p> <p>Financial performance statement reflected an operating loss of Ksh. 26,583,046 and negative working</p>	<p>During the year, the Board experienced a budgetary deficit of more than Ksh 60 million due to budget cuts. However, the Board is in talks with the parent ministry for additional funds.</p>	Board and the Executive Director	Not Resolved	Next audit

NGOs CO-ORDINATION BOARD ANNUAL REPORT AND FINANCIAL STATEMENTS 2017-2018

<p>No. 4</p>	<p>capital of Ksh. 13,280,788 for the year ended. No disclosers have been made in the financial statements</p> <p>Variation of contract for Staff Medical Insurance</p> <p>The original contract for provision of medical Insurance services was awarded to Jubilee Insurance Company of Kenya at Ksh. 9,093,032. The Board renewed the contract on 26th January, 2017 and awarded a new contract at Ksh. 13,390,902. This resulted into a variation of 47% of the original contract sum which contravened Section 139 (4) (e) of the Public Procurement and Assets Disposal Act, 2015.</p>	<p>The Board had tendered for the medical Insurance for a term of one year which was to be renewed for a further one year subject to performance satisfaction. The initial tender price was Kshs. 9,093,032. but within the year, the Board hired new employees and added the new members of staff into the medical scheme after the award. In total, two (2) Board members, sixteen members (16) of staff and their dependents were included in the scheme. The rate per individual and family was the same as it was in the initial contract.</p>	<p>Board and the Executive Director</p>	<p>Not Resolved</p>	<p>Next audit</p>
<p>No. 5</p>	<p>Direct procurement of Legal services.</p> <p>The board through direct procurement method engaged a law firm at a negotiated fee of Ksh. 2,000,000 to represent and defend its interests against the Cabinet Secretary's alleged disbandment of the Board. The use of direct procurement method for legal services contravened Section 103(2) (a) of the Public Procurement and Disposal Act, 2015.</p>	<p>On 19th October, 2016 the Cabinet Secretary Ministry of Planning and Devolution dissolved the NGO Board and sent the Chief Executive Officer on compulsory leave. The Board's survival was threatened with the disbandment. As a matter of urgency, there was need for legal services. The Board engaged Ahmednasir, Abdikadir and Company Advocates to represent and defend the Board through the direct method of procurement. The case was filed, the matter was heard and the Board was granted conservatory orders.</p>	<p>Board and the Executive Director</p>	<p>Not Resolved</p>	<p>Next audit</p>

[Signature]

Sig:.....

Ag. Executive Director

Date: 28/9/18

NGOs COORDINATION BOARD ANNUAL REPORT FINANCIAL STATEMENTS FOR 2017 - 2018

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount - KES	Where Recorded/recognized					Total Transfers during the Year
				Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others - must be specific	
Ministry of Interior & Coordination of National Government	4/8/2017	RECURRENT	31,287,500	31,287,500					31,287,500
Ministry of Interior & Coordination of National Government	27/10/2017	RECURRENT	31,287,500	31,287,500					31,287,500
Ministry of Interior & Coordination of National Government	16/2/2018	RECURRENT	31,287,500	31,287,500					31,287,500
Ministry of Interior & Coordination of National Government	9/5/2018	RECURRENT	31,287,500	31,287,500					31,287,500
Total			125,150,000	125,150,000					125,150,000

