

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 09 MAY 2019

DAY: THURSDAY

TABLED BY: HON. ABU AMIN WASHALI
MAJORITY PARTY WITA

CLERK-AT-THE-TABLE: M205 MWALU

PARLIAMENT
OF KENYA
LIBRARY

REPORT
OF
THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
BUURI CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2018**



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND BUURI
CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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



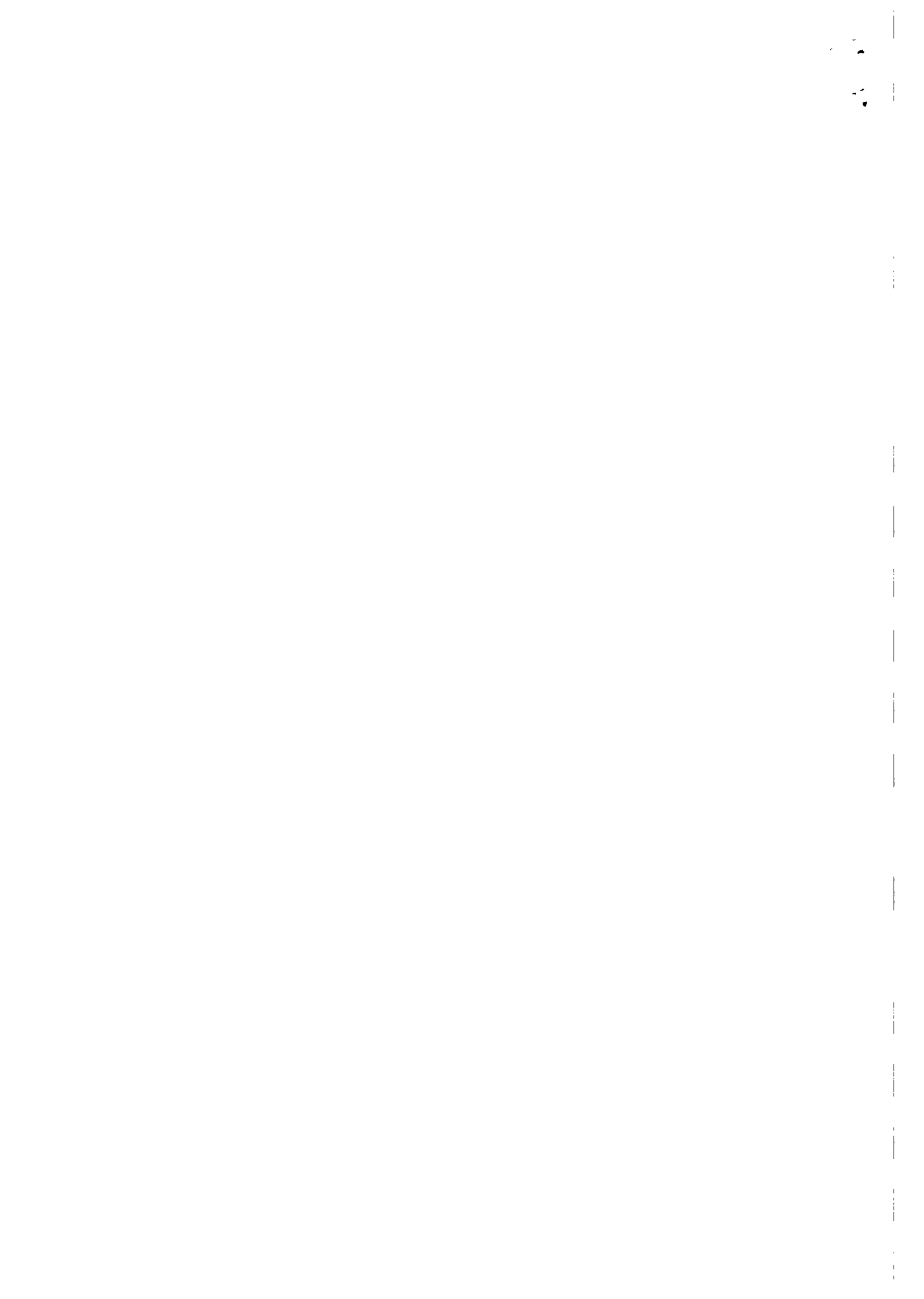
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

BUURI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

	Page
Table of Content	
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	1
II. FORWARD BY THE NGCDF COMMITTEE CHAIRMAN	4
III. STATEMENT OF NGCDF COMMITTEE MANAGEMENT RESPONSIBILITIES	7
IV. STATEMENT OF RECEIPTS AND PAYMENTS.....	8
V. STATEMENT OF ASSETS AND LIABILITIES	9
VI. STATEMENT OF CASHFLOW	10
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED.....	11
VIII. SIGNIFICANCE OF ACCOUNTING POLICIES.....	13
IX. NOTES TO THE FINANCIAL STATEMENTS.....	17



I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Lucy Ndong'o
3.	Sub-County Accountant	John Karimi
4.	Chairman NGCDFC	Charles Kiara
5.	Member NGCDFC	Mary Gacheri

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF BUURI Constituency Headquarters

P.O. Box 130
DCC's Building/House/Plaza
Meru Nanyuki Highway
Timau, Meru

(f) NGCDF BUURI Constituency Contacts

Telephone: (254) 722861117

E-mail: Indongo@ngcdf.go.ke

Website: www.buuricdf.go.ke

(g) NGCDF BUURI Constituency Bankers

1. Equity Bank
Meru Branch
A/C No.0140261996107
P.O. Box 60000
Meru , Kenya

(h) Independent Auditors

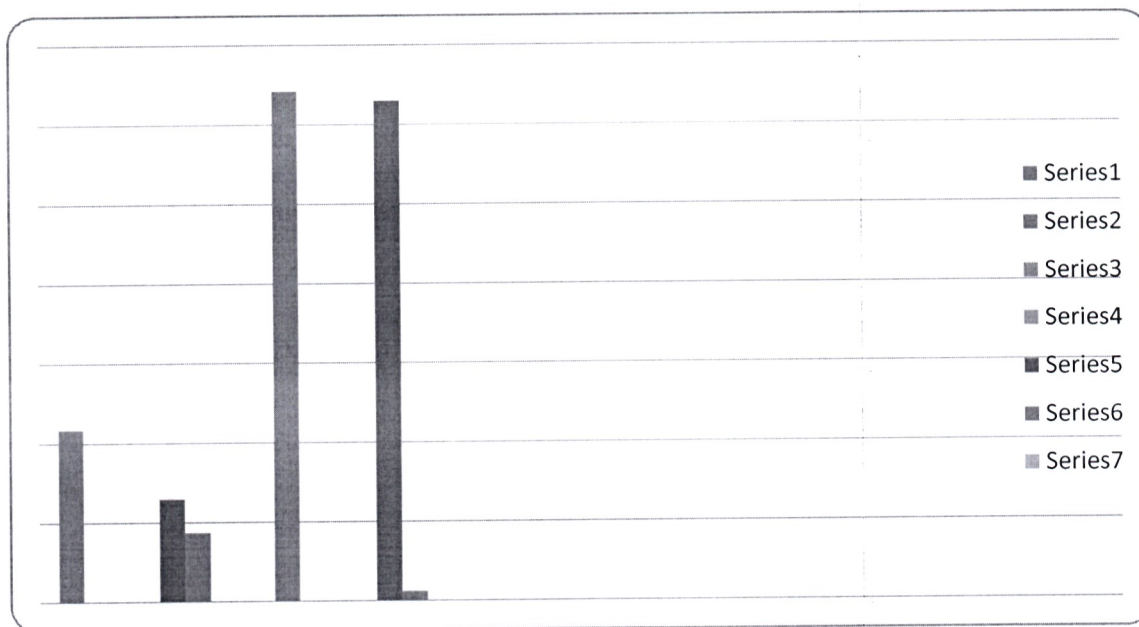
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(i) Principal Legal Adviser

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

II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

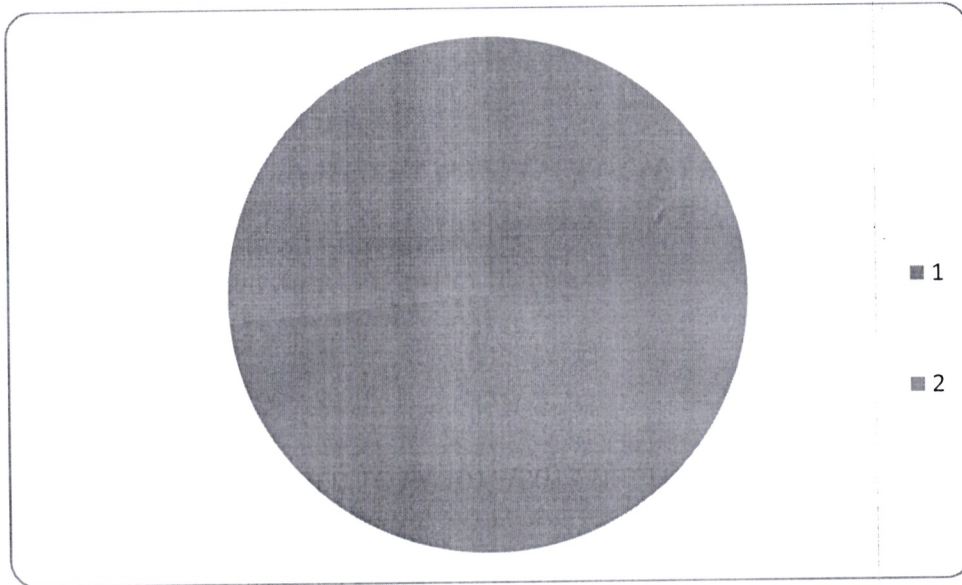
Summary of financial year 16/17 and 17/18 for the transfer from cdfaie's, total payments and deficit budget.



KEY

- SERIES1 (1) TRANSFER FROM CDF AIES YEAR 2017/2018
- SERIES1(2) TRANSFER FROM CDF AIES YEAR 2016/2017
- SERIES 5(1) TOTAL PAYMENTS YEAR 2017/2018
- SERIES5(2) TOTAL PAYMENTS YEAR 2016/2017
- SERIES6(1) DEFICIT BUDGET YEAR 2017/2018
- SERIES6(2) DEFICIT BUDGET YEAR 2016/2017

FY 2017/2018 COMPARED TO FY 2016/2017 NET LIABILITIES



KEY

- 1 NET LIABILITIES YEAR 2017/2018
- 2 NET LIABILITIES YEAR 2016/2017

10

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

101

KEY ACHIEVEMENTS IN THE FINANCIAL YEAR 2017/2018



FIG 1.1 Kanthungu Primary School toilets under construction

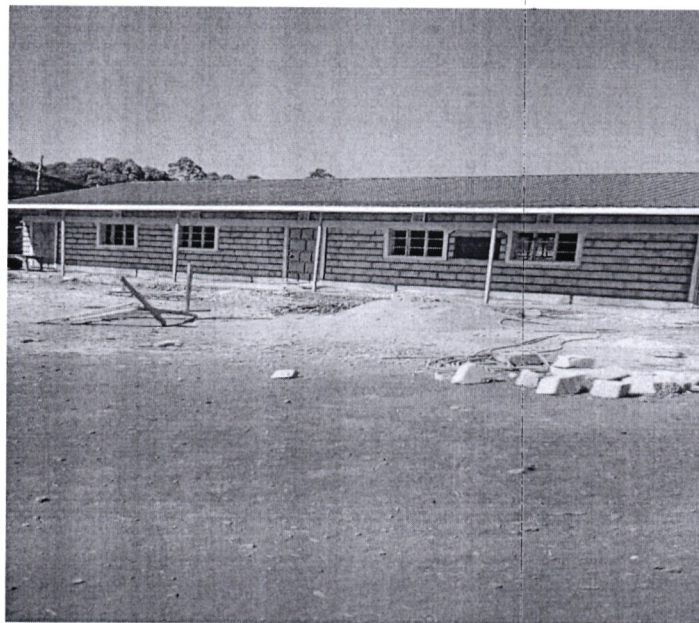



FIG 1.2 Construction of Classes at Kieni Kia Ndege primary school.

Sign.....
Chairlady NGCDF COMMITTEE

Sign.....
Fund Account Manager



10

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

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

The Accounting Officer in charge of the NGCDF-BUURI Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the Fund's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2018, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-BUURI Constituency further confirms the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF-BUURI Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

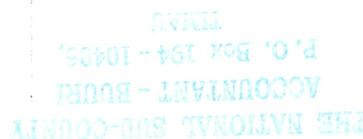
The NGCDF-BUURI Constituency financial statements were approved and signed by the Accounting Officer on 21/9/2018.

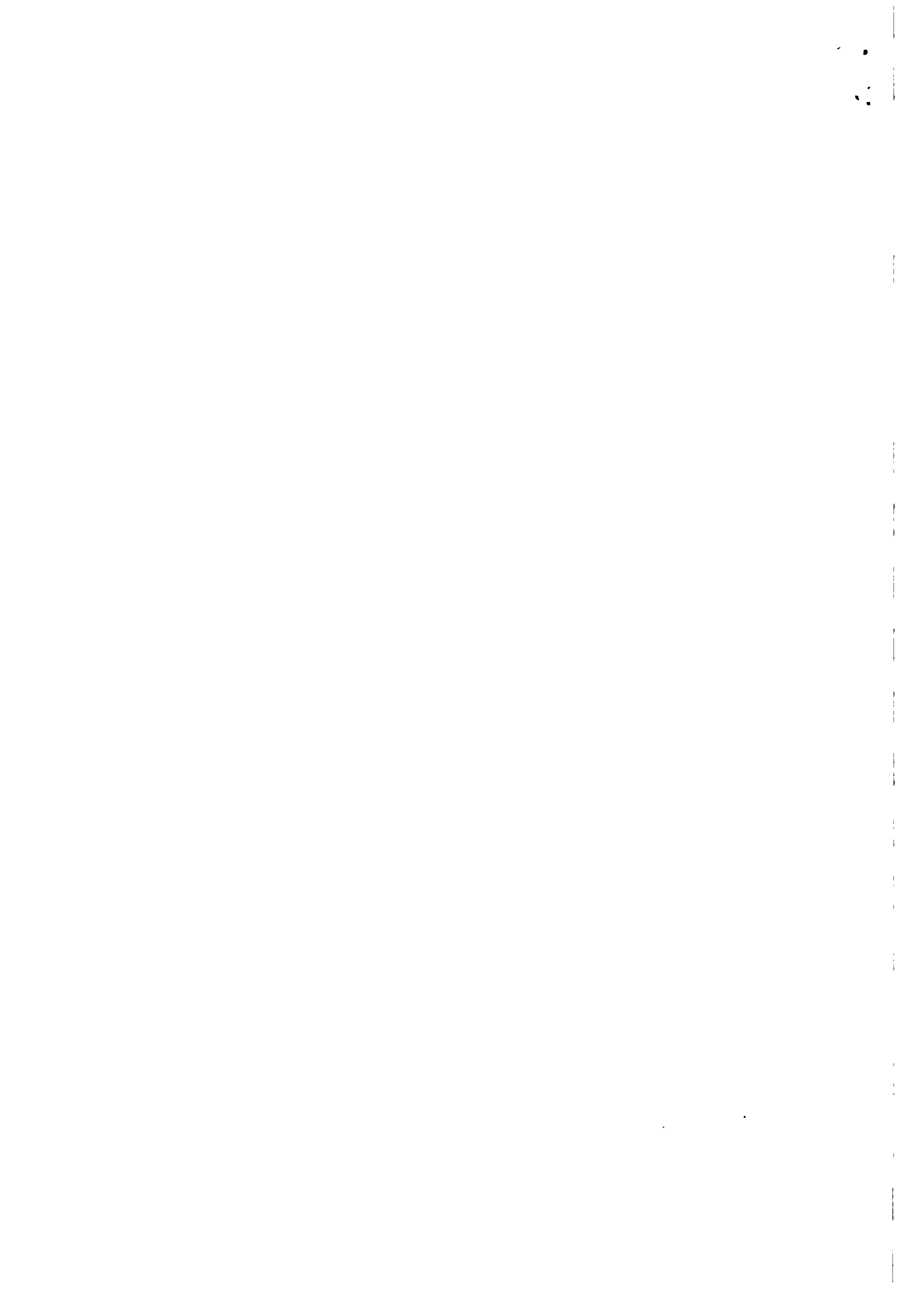


Lucy Ndong'o
Fund Account Manager



John Karimi
Sub-County Accountant
ICPAK Member Number:10716





REPUBLIC OF KENYA

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



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) – BUURI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund (NG-CDF) – Buuri Constituency set out on pages 8 to 32 which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations, which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1.0 Cash and Cash Equivalents

Note 10 to the financial statements reflects Kshs.30,437,668 in respect to bank balances as at 30 June 2018. However, the respective bank reconciliation statement reflects Kshs.10,342,526 in respect to unrepresented cheques which further includes 261 cheques totaling to Kshs.5,016,103 which were stale but had not been written back in the cash book as at the date of audit in February, 2019.

In the circumstances, the cash and cash equivalents balance of Kshs.30,437,668 has been understated by Kshs.5,016,103 as at 30 June 2018.

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

2.0 Other Grants and Other Payments

2.1 Bursaries

Note 7 of the financial statements reflects Kshs.16,358,201 in respect to other grants and other payments which includes Kshs.9,456,228 and Kshs.4,370,572 in respect to bursaries both totalling to Kshs.13,826,800 disbursed to secondary schools and tertiary institutions respectively during the year ended 30 June 2018.

However, only bursaries totalling to Kshs.5,982,660 (43%) were acknowledged by the respective beneficiaries through letters of acknowledgement or issue of official receipts leaving a balance of Kshs.7,844,140 (57%) un-acknowledged by the beneficiary schools and institutions.

Under the circumstances it has not been possible to ascertain whether the bursaries amounting to Kshs.7,844,140 benefited the intended beneficiaries and were expended as appropriated during the year ended 30 June 2018.

2.2 Emergency Project- Overpayment

Note 7 to the financial statements for the year ended 30 June, 2018 reflects Kshs.16,358,201 in respect to other grants and other payments which includes Kshs.2,531,400 spent on Emergency Project. Included in the Kshs.2,531,400 is Kshs.1,931,932 spent on construction of three classrooms at Kieni Kia Ndege Primary School whose construction works had been awarded to a contractor at a contract sum of Kshs 1,500,000 leading to a contract variation of Kshs.431,932 or 28.8%. However, documents made available showed that only a variation of Kshs.300,000 had been requested for and approved leading to an overpayment of Kshs.131,932 to the contractor.

Further, a physical verification of the project in February 2019 revealed that although the three classrooms were in use, box gutters, downpipe, paint for the box gutters and ceiling finishes including brandering, cornice and celotex ceilings, which were to be done at a cost of Kshs.305,230 as per the Bill of Quantities, had not been done and the contractor was not on site.

In the circumstances, the propriety and value for the Kshs.131,932 and Kshs.305,230 expenditures both totalling to Kshs.437,162 during the year ended 30 June, 2018 could not be confirmed.

3.0 Project Management Committees (PMCs) Bank Account Balances

Note 15.4 to the financial statements reflects Kshs.17,874,681 in respect to the PMCs bank account balances. These balances are part of the Fund's development budget of Kshs.92,856,607 for the year under review which was disbursed to PMCs to undertake various projects but remained utilized as at 30 June 2018. However, bank balance confirmation certificates for these PMCs accounts have not been availed for audit review.

In the circumstances, the existence and accuracy of Kshs.17,874,681 PMCs bank accounts balances for year ended 30 June 2018 could not be confirmed.

4.0 Irregular Expenditure

4.1 Committee Allowances

Note 5 to the financial statements reflects Kshs.5,821,972 in respect to use of goods and services for the year ended 30 June 2018 which includes Kshs.1,820,000 for committee expenses. However, review of the expenditure revealed that the Constituency Development Fund Committee (CDFC) held thirty-one (31) meetings contrary to Section 43(11) of the National Government Constituencies Development Fund Act, 2015 which requires the constituency committee to meet at least six times in a year but not to hold more than twenty-four meetings in the same financial year. The Kshs.1,820,000 expenditure therefore includes Kshs.364,000 payments in respect to seven (7) excess meetings held during the year under review.

In the circumstances, the propriety, validity and legality of the Kshs.364,000 expenditure for the year ended 30 June 2018 could not be confirmed including whether it is a proper charge to public funds.

4.2 Procurement of Website

Note 5 to the financial statements reflects Kshs.5,821,972 in respect to use of goods and services for the year ended 30 June, 2018 which includes Kshs.964,460 for communication, supplies and services. Included in the Kshs.964,460 is Kshs.100,000 paid for implementation and maintenance of website for Buuri constituency. However, service agreement between the supplier and Buuri constituency has not been provided for audit verification.

Further, minutes of the inspection and acceptance committee recommending the payment to the supplier after the implementation of the website were not availed for audit review.

In the circumstances, the propriety of the website implementation and maintenance expenditure of Kshs.100,000 for the year ended 30 June 2018 could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in

the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1.0 Budgetary Control and Performance

1.1 Revenue Analysis

The Fund's summary statement of appropriation: recurrent and development combined for the year ended 30 June 2018 reflects an approved receipt budget of Kshs.103,708,089 and actual receipts of Kshs.43,405,172 resulting to budget shortfall of Kshs.60,302,917. Overall, the Fund failed to actualize its budget by Kshs.60,302,917 or (58%) an indication that most of the programmes and activities that had been planned were not implemented. There is need therefore for Constituency Development Fund management to review its budget making process with a view to formulating a realistic budget that would be actualized for service delivery to the citizens of Buuri Constituency.

1.2 Expenditure Analysis

The Fund's budgeted payments during the year ended 30 June 2018 is Kshs.103,708,089 and actual payments of Kshs.25,099,856 resulting to an under expenditure of Kshs.78,608,233 as follows;

Expenditure Analysis	Budget	Actual	Variance	Absorption
Recurrent	(Kshs.)	(Kshs.)	(Kshs.)	(%)
Compensation of Employee	2,132,400	1,419,684	712,716	67%
Use of Goods and services	8,719,082	5,821,972	2,897,110	67%
Total	10,851,482	7,241,656	3,609,826	67%
Development				
Transfer to Other Government Unit	29,200,000	1,500,000	27,700,000	5%
Other Grants and Transfers	56,581,607	16,358,200	40,223,407	29%
Acquisition of Assets	7,075,000	-	-	0%
Total	92,856,607	17,858,200	67,923,407	19%
Grand Total	103,708,089	25,099,856	78,608,233	24%

In overall, the NG-CDF Buuri Constituency under spent its budget by Kshs.78,608,233 of the total budget allocation. The funds could have been allocated to other deserving

areas that would have improved delivery of goods and services to the residents of Buuri Constituency. There is need therefore for the management to re-look at its budgeting mechanism with a view to focusing on areas which will improve service delivery to the citizens of Buuri Constituency.

1.3 Project Implementation Status

The Fund had an overall approved expenditure budget of Kshs.103,708,089 comprising of both recurrent and development expenditure of Kshs.10,851,482 (10.5%) and Kshs.92,856,607 (89.5%) respectively for the year under review.

Review of the project implementation status report as at 30 June 2018 revealed that out of the Kshs.92,856,607 development expenditure allocated to the Fund for projects, none were completed, seven (07) worth Kshs38,875,862 (42%) are on-going and thirty-seven (37) worth Kshs.53,980,745 (58%) had not been started as shown below;

Projects	Allocated Amount (Kshs)	Disbursed Amount (Kshs)	Not Disbursed (Kshs)	No of Projects
Ongoing				
Bursary - Secondary Schools	24,306,896	9,456,228	14,850,668	1
Bursary - Tertiary Institutions	7,000,000	4,370,572	2,629,428	1
Education - Primary Schools	3,000,000	1,500,000	1,500,000	4
Emergency	4,568,966	2,531,400	2,037,566	1
Subtotal	38,875,862	17,858,200	21,017,662	7
Not Started				
Strategic plan	3,500,000	-	3,500,000	1
ICT Hubs	4,677,027	-	4,677,027	1
Sports	1,736,206	-	1,736,206	1
Environment	1,736,206	-	1,736,206	1
NG-CDF Office	7,075,000	-	7,075,000	3
Education - Secondary Schools	17,000,000	-	17,000,000	10
Education - Primary Schools	10,856,306	-	10,856,306	16
Security	7,400,000	-	7,400,000	4
Subtotal	53,980,745	-	53,980,745	37
Total	92,856,607	17,858,200	74,998,407	44

In view of the foregoing, the constituents did not get the expected services equivalent to the Kshs.38,875,862 ongoing projects and the Kshs.53,980,745 projects not started all totalling to Kshs.92,856,607 for the year ended 30 June 2018. This is an indication of inappropriate project implementation mechanism. Therefore, there is need for the Constituency Development Fund Committee (CDFC) to review its project planning mechanism with a view to prioritizing those projects which will be implemented during the financial year resulting to higher impact into improving service delivery to the citizen of Buuri Constituency.

2.0 Progress on Follow up of Auditor Recommendations for Year Ended 30 June 2017

The financial statements for the year under review includes, at page 32, a progress on follow up of auditor recommendations as prescribed by the International Public Sector Accounting Standards Board (PSASB). However, this progress report indicates that all issues raised by the auditor on previous year's issues were resolved but no evidence has been availed for verification to show how the issues were resolved.

In the circumstances, the accuracy and completeness of the information on progress on follow up of auditor recommendations for the year ended 30 June 2017 could not be confirmed.

2.0 Agreement of Notes to Financial Statements and Statement of Assets & Liabilities and Statement of Cash Flow

The notes to financial statements reflects notes 10, 13 and 14 in respect to cash balance at the year end, cash balances brought forward and prior year adjustments respectively for the year under review. However, the same notes in the statement of assets & liabilities and statement of cash flow differed in numbering as follows;

Item	Notes to Financial Statements	Statement of Assets & Liabilities	Statement of Cash Flow
Cash balances at year end(cash and cash equivalent at end of the year)	Note 10	Note 10	Note 16
Cash balances brought forward (cash and cash equivalent at beginning of the year)	Note 13	Note 12	Note 17
Prior year adjustments	Note 14	Note 13	Note 14

In view of above, the notes to financial statements are not in agreement with the note quoted in the respective financial statements thereby creating a confusion to the readers of the financial statements for the year under review.

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 matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

1.0 Prior Year Adjustment

The statement of assets & liabilities and statement of cash flow reflects Kshs.1,072,540 in respect to prior year adjustments as at 30 June 2018. According to IPSAS 3, a prior period adjustment may either be a correction of an error in the financial statements reported for a prior period or change in accounting policy / estimate from the previous year. However, no evidence was availed for verification to warrant a prior year adjustment.

In the circumstance, the Fund is in breach of the standard.

Basis for conclusion

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 Basis for Qualified Opinion section of my report, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

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 so as to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Those Charged with Governance

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to 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.

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness

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

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

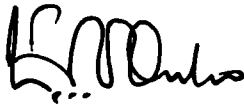
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern or to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

Nairobi

12 April 2019

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

BUURI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017-2018	2016 - 2017
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	43,405,172	128,405,961
Proceeds from Sale of Assets	2		-
Other Receipts	3		-
TOTAL RECEIPTS		43,405,172	128,405,961
PAYMENTS			
Compensation of employees	4	1,419,684	2,217,250
Use of goods and services	5	5,821,972	7,589,406
Transfers to Other Government Units	6	1,500,000	66,360,000
Other grants and transfers	7	16,358,201	45,908,574
Acquisition of Assets	8		3,920,000
Other Payments	9		-
TOTAL PAYMENTS		25,099,856	125,995,230
SURPLUS/DEFICIT		18,305,316	2,410,731

The surplus is due to the disbursement of funds that were received late.

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BUURI Constituency financial statements were approved on 21/9/2018 and signed by:

Lucy Ndong'o
Fund Account Manager



[Handwritten Signature]

John Karimi
Sub-County Accountant
ICPAK Member Number:10716



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

BUURI CONSTITUENCY

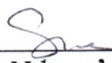
Reports and Financial Statements

For the year ended June 30, 2018


V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2017-2018	2016- 2017
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	30,437,668	11,059,813
Cash balances (cash at hand)	10B		-
Sub total		30,437,668	11,059,813
Outstanding Imprests/Receivables	11		
TOTAL FINANCIAL ASSETS		30,437,668	11,059,813
REPRESENTED BY			
Fund balance b/fwd 1st July...	12	11,059,813	5,172,143
Surplus/Deficit for the year		18,285,315	2,410,731
Prior year adjustments	13	1,072,540	3,476,939
NET LIABILITIES		30,437,668	11,059,813

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BUURI Constituency financial statements were approved on 21/9/2018.and signed by:

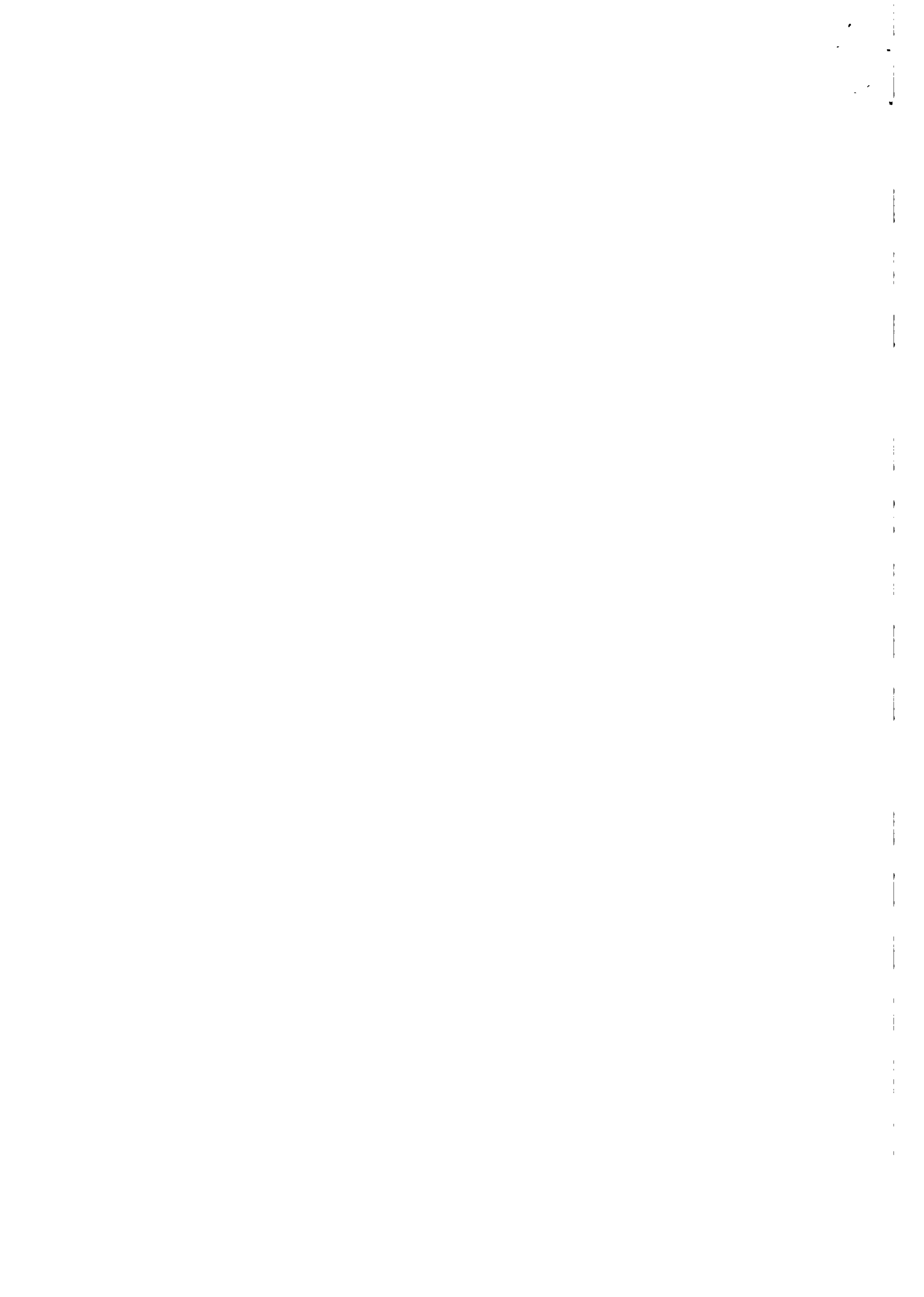


 Lucy Ndong'o
 Fund Account Manager



 John Karimi
 Sub-County Accountant
 ICPAK Member Number:10716





NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

BUURI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018


VI. STATEMENT OF CASHFLOW

		2017-2018	2016 - 2017
Receipts for operating income			
Transfers from CDF Board	1	43,405,172	128,405,961
Other receipts	3		-
TOTAL RECEIPTS		43,405,172	128,405,961
Payments for operating expenses			
Compensation of Employees	4	1,419,684	2,217,250
Use of goods and services	5	5,821,972	7,589,406
Transfers to Other Government Units	6	1,500,000	66,360,000
Other grants and transfers	7	16,358,201	45,908,574
Other Payments	9	-	
		25,099,857	122,075,230
Adjusted for:			
Adjustments during the year	14	1,072,539	3,476,939
Net cash flow from operating activities		19,377,855	9,807,670
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	3,920,000
Net cash flows from Investing Activities			(3,920,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		19,377,855	5,887,670
Cash and cash equivalent at BEGINNING of the year	16	11,059,813	5,172,143
Cash and cash equivalent at END of the year	17	30,437,668	11,059,813

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BUURI Constituency financial statements were approved on 21/9/2018 and signed by:

Lucy Ndong'o
FAM




John Karimi
ICPAK Member Number:10716

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	85,810,345	17,897,744	103,708,089	43,405,172	60,302,917	42%
TOTALS	85,810,345	17,897,744	103,708,089	43,405,172	60,302,917	
PAYMENTS						
Compensation of Employees	2,132,400	-	2,132,400	1,419,684	712,716	66.6%
Use of goods and services	4,677,644	4,041,438	8,719,082	5,821,972	2,897,110	66.8%
Transfers to Other Government Units	24,000,000	5,200,000	29,200,000	1,500,000	27,700,000	5.1%
Other grants and transfers	47,925,301	8,656,306	56,581,607	16,358,200	40,223,407	28.9%
Acquisition of Assets	7,075,000	-	7,075,000	-	7,075,000	0.0%
TOTALS	85,810,345	17,897,744	103,708,089	25,099,856	78,608,233	24.2%

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUURI CONSTITUENCY

**Report as a Statement of Financial Position
For the year ended June 30, 2018**

On compensation of employees, 66.6% the employee budget had an additional fund from previous year and the constituency had anticipated To employ 8 staff in addition to the existing but we employed 5.

On use of goods and services, 66.8%, there were year adjustments for the original budget making the total budget to be high against the Expenses.

On transfer to other government units, 5.1% is due to year adjustments making it high.

On other payments 0% this is a project of strategic plan and ICT hubs which is underway to be done and so far no expense has been incurred at End of financial year.

The NGCDF-BUURI Constituency financial statements were approved on 21/9/2018 and signed by:

Lucy Ndong'o
Fund Account Manager

John Karimi
Sub-County Accountant
ICPAK Member Number:10716



VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 30th June 2018, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

The Entity recognises all payments when the event occurs and the related cash has actually been paid out by the Entity.

Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

Acquisition of Fixed Assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Funds

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

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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

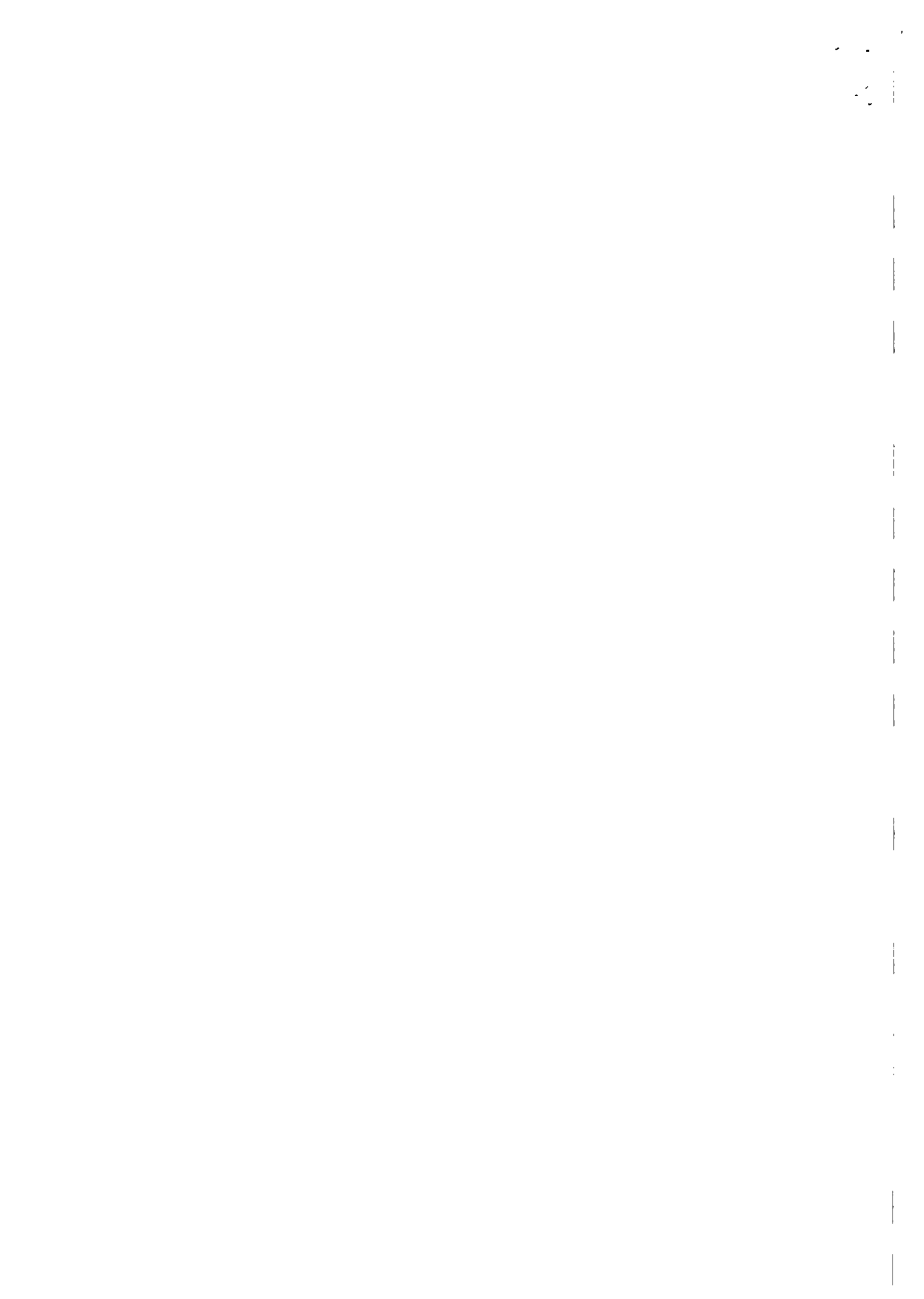
IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2017-2018	2016- 2017
Normal Allocation			Kshs
FY 2017/2018	A855778	5,500,000	
FY 2017/2018	A855543	37,905,172.00	
FY 2016/2017	A825841		52,847,340.00
FY 2016/2017	A825955		500,000.00
FY 2016/2017	A829521		4,094,827.60
FY 2016/2017	A855009		36,853,449.00
FY 2016/2017	A855543		34,110,344.10
OTHER RECEIPTS			-
Conditional grants			-
Receipt from other Constituency			-
TOTAL		43,405,172	128,405,961

2. PROCEEDS FROM SALE OF ASSETS

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



3. OTHER RECEIPTS

	2017-2018	2016-2017
	Kshs	Kshs
Total	-	-

4. COMPENSATION OF EMPLOYEES

Description	2017-2018	2016 - 2017
	Kshs	Kshs
Basic wages of contractual employees	497,558	790,848
Basic wages of casual labour	71,500	83,000
Personal allowances paid as part of salary	278,533	165,000
House allowance	88,000	138,900
Transport allowance	88,000	144,000
Leave allowance		
Other personnel payments	283,488	298,113
gratuity	112,605	597,389
Total	1,419,684	2,217,250

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

BUURI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2017-2018	2016 - 2017
	Kshs	Kshs
Utilities, supplies and services		
Office rent		
Communication, supplies and services	964,460	101,700
Domestic travel and subsistence	611,000	450,733
Printing, advertising and information supplies & services	95,365	150,800
Rentals of produced assets		
Training expenses	330,000	1,055,000
Hospitality supplies and services		
Insurance costs		250,000
Specialised materials and services	50,000	
Office and general supplies and services	1,017,818	1,090,289
Fuel, oil & lubricants	389,974	1,172,233
Other operating expenses	106,755	49,480
Routine maintenance – vehicles and other transport equipment		182,694
Routine maintenance – other assets		26,200
Other committee expenses	436,600	1,907,277
Committee allowances	1,820,000	1,153,000
Total	5,821,972	7,589,406

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –**BUURI CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2018***NOTES TO THE FINANCIAL STATEMENTS (Continued)*

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017-2018	2016 - 2017
	Kshs	Kshs
Transfers to primary schools	1,500,000	35,910,000
Transfers to secondary schools		10,300,000
Transfers to Tertiary institutions		16,150,000
Transfers to Health institutions		
Social halls		4,000,000
TOTAL	1,500,000	66,360,000

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Bursary -Secondary	9,456,228	18,850,580
Bursary -Tertiary	4,370,572	9,138,519
Bursary-Special schools		246,617
Mocks & CAT		
water		2,497,805
Agriculture (food security)		
Electricity projects		500,000
Security		7,300,000
Roads		
Sports		1,846,400
Other capital grants and transfer		
Environment		2,543,400
Emergency Projects (specify)	2,531,400	2,985,253
Total	16,358,201	45,908,574

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

BUURI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets	2017 - 2018	2016 - 2017
	Kshs	Kshs
Purchase of Buildings		-
Construction of Buildings		3,000,000
Refurbishment of Buildings		-
Purchase of Vehicles		
Purchase of Bicycles & Motorcycles		-
Overhaul of Vehicles		
Purchase of office furniture and fittings		
Purchase of computers ,printers and other IT equipments		920,000
Purchase of photocopier		-
Purchase of other office equipments		
Purchase of soft ware		-
Acquisition of Land		-
Total		3,920,000

9. OTHER PAYMENTS

	2017-2018	2016-2017
	Kshs	Kshs
ICT Hub	-	-
	-	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

BUURI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	Account Number	2017-2018 Kshs (30/6/2018)	2016 - 2017 Kshs (30/6/2017)
Equity bank, Meru Branch	0140261996107	30,437,668	11,059,813
			-
			-
Total		30,437,668	11,059,813

10B: CASH IN HAND		
Location 1	xxx	xxx
Location 2	xxx	xxx
Location 3	xxx	xxx
Other Locations (<i>specify</i>)	xxx	xxx
Total	xxx	xxx
<i>[Provide cash count certificates for each]</i>		

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
BUURI CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

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

12RETENTION

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

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2017 - 2018	2016 - 2017
	Kshs (1/7/2017)	Kshs (1/7/2016)
Bank accounts	11,059,813	5,172,143
Cash in hand		-
Imprest		
Total	11,059,813	5,172,143

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2017-2018	2016 - 2017
	Kshs.	Kshs
Bank accounts	1,072,539	3,476,939
Cash in hand		
Imprest		
Total	1,072,539	3,476,939

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2017- 2018	2016-2017
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	<u>-</u>	<u>-</u>

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Staff Salaries	-	-
Staff Gratuity	-	-
	<u>xx</u>	<u>xxx</u>

15.3: UNUTILIZED FUNDS (See Annex 3)

	Kshs	Kshs
Compensation of employees	712,716	-
Use of goods and services	2,897,110	-
Amounts due to other Government entities (see attached list)	27,700,000	-
Amounts due to other grants and other transfers (see attached list)	40,223,407	-
Acquisition of assets	7,075,000	-
Others (<i>specify</i>)	-	-
	<u>78,608,233</u>	<u>-</u>

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

BUURI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

MC	Bank	Account number	Bank Balance 2017/18 30.6.18	Bank Balance 2016/17 30.6.17
Kiirua girls	Equity meru	0140270660085	65,136.60	65,136.60
Mburugiti secondary	Equity meru	1040262640237	6,385.65	6,385.65
Subuiga day secondary	Equity meru	0140264528893	456.00	456.00
Mugae day secondary	Equity meru	01402700178168	75.00	75.00
Subuiga day secondary	Equity meru	0140264528893	456.00	456.00
Ontulili day secondary	Equity meru	0140264517746	3,581.00	3,581.00
Angaine day secondary	Equity meru	0270268905157	515.00	515.00
Mutunyi police post	Equity meru	0140266593097	362.85	362.85
Buuri high borehole	Equity meru	0140271023625	2,500,000.00	2,500,000.00
Maruruiprimary	Equity meru	0140270372595	1,408.00	1,408.00
Marere primary	Equity meru	01024092505800	0	0
Kairune primary	Equity meru	0140270243413	35,350.00	35,350.00
Marinya a ruibi primary	Equity meru	1040270317307	19,730.00	19,730.00
Kiborione primary	Equity meru	0140269139267	1,618.00	1,618.00
Mitoone primary	Equity meru	1040271074383	305.00	305.00
Tutua primary	Equity meru	0140270127887	0	0
Runkuru primary	Equity meru	0140271232369	1,210.00	1,210.00
Ruibi primary	Equity meru	0140271020306	1,220.00	1,220.00
DEB Nkandone primary	KcbNanyuki	1149457678	410.00	410.00
Matuuru primary	Equity meru	0140262468070	199,825.00	199,825.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

BUURI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

PMC	Bank	Account number	Bank Balance 2017/18 30.6.18	Bank Balance 2016/17 30.6.17
Nkando primary	Equity meru	0140271225124	3,170.00	3,170.00
Nchoroiboro primary	Equity meru	0140271255961	2,953,000.00	2,953,000.00
Muuti o nthunguri primary	Equity meru	0140271301440	3,309,835.00	3,309,835.00
Munanda primary	Equity meru	0140271294100	3,500,000.00	3,500,000.00
DEB Kiranga primary	Equity meru	0270271840775	20.00	20.00
Mckndunyubarikui primary	Equity meru	0140272153601	1,456.00	1,456.00
Kithuene primary	Equity meru	1040262419773	2,520,000.00	2,520,000.00
Nkando primary	Equity meru	0140271225124	3,170.00	3,170.00
Buuri high school	Equity meru	0140270386514	76,575.00	76,575.00
Kamiti primary	Equity meru	0140262436711	0	0
Kanthungu primary	Equity meru	1040262384704	13,544.55	13,544.55
Kianda primary	Equity meru	0140264517577	505	505
Mugae secondary	Equity meru	0140270178168	253,340.00	253,340.00
Nchoroiboro chiefs office	Equity meru	0140272077276	149500.00	149500.00
Maitei chiefs office	Equity meru	1040271559214	192,620.00	192,620.00
Mutethia chiefs office	Equity meru	0270271072042	500,000.00	500,000.00
Mailisabaap line	Equity meru	0140265324391	4,753.00	4,753.00
Timau college	Equity meru	0140268936882	719,055.40	719,055.40
Naari multipurpose hall	ABC Meru	006233001000067	2074.75	2074.75
Kiirua multipurpose hall	ABC Meru	006233001000068	1443.75	1443.75
Buuri multipurpose hall	ABC Meru	006233001000072	1917.75	1917.75
Ex lewa multipurpose hall	ABC Meru	006233001000066	283.75	283.75
Mt Kenya multipurpose hall	ABC Meru	006233001000069	12805.75	12805.75
Ngusishi multipurpose hall	ABC Meru	006233001000070	143787.75	143787.75

Vertical line of text on the right margin, possibly a page number or index.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

BUURI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

PMC	Bank	Account number	Bank Balance 2017/18 30.6.18	Bank Balance 2016/17 30.6.17
DCC Headquarters	KCB Nanyuki	1205642293	0	70
Buuri administration police	KCB Nanyuki	1205616241	0	70
Cdf office	ABC Meru	00623300100007	1137.75	1137.75
DEB Nkandone primary	KCB Nanyuki	1149457678	50,000	0
Kanthingu primary	Equity Nanyuki	1040262384704	2,003.4	0
Nkunga primary	Equity Nanyuki	0270277319202	60,000.20	0
Kienikiandegge primary	Equity Nanyuki	0270277246826	458498.00	0
Gathuine primary	Equity Nanyuki	0270277246629	102,000.00	0
TOTAL			17,874,680.90	17,202,618.15

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUURI CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2018**

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUURI CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2018**

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
		a	b	c	d=a-c		
Senior Management							
1.							
2.							
3.							
	Sub-Total						
Middle Management							
4.							
5.							
6.							
	Sub-Total						
Unionisable Employees							
7.							
8.							
9.							
	Sub-Total						
Others (specify)							
10.							
11.							
12.							
	Sub-Total						
	Grand Total						

10

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BUUKI CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2018**

ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18
Compensation of employees		712,716
Use of goods & services		2,897,110
Amounts due to other Government entities		
Primary school		17,723,333
Secondary School		9,976,667
Sub-Total		27,700,000
Amounts due to other grants and other transfers		
Bursary secondary		7,850,668
Bursary tertiary		2,629,428
Emergency projects		2,037,566
Strategic Plan		3,500,000
ICT Hubs		4,677,027
Sports		4,500,842
Environment		1,736,206
NG-CDF Office		
Security		13,291,670
		40,223,407
Acquisition of assets		
		7,075,000
Others (specify)		
Sub-Total		
Grand Total		78,608,233

10

10

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2016/17
Land	N/A			N/A
Buildings and structures	3,000,000			3,000,000
Transport equipment				
Office equipment, furniture and fittings	337,800			337,800
ICT Equipment, Software and Other ICT Assets	920,000			920,000
Other Machinery and Equipment	4,980,576			4,980,576
Heritage and cultural assets				
Intangible assets				
Total	9,238,376			9,238,376

Prepared by: 
Lucy N. Ndong'o
Fund Account Manager
Buuri



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

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference no. on the external audit report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	The differences between the ledgers and financial statements should be corrected and financial statements amended accordingly.	The attached is a corrected financial statement with the correct classification of grant and transfer.	FAM Lucy Ndong'o	resolved	7days
2.0	Kanthingu primary had no water	Buuri Constituency being on the reward side of the mountain experience prolonged dry spell. This results to rationing of water in Kanthingu primary school water line. Discussions are under way with the Meru water and sewage to offer an alternative efficient route for water to the primary school since the stated water is now in school.	FAM Lucy Ndong'o	resolved	7days
3.0	Delay in projects implementation	Attached are reallocations from the board making the difference from the original budget.	FAM Lucy Ndong'o	resolved	7days
4.0		The management has noted the observation on emergency fund and will adhere strictly in future.	FAM Lucy Ndong'o	resolved	7days