

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

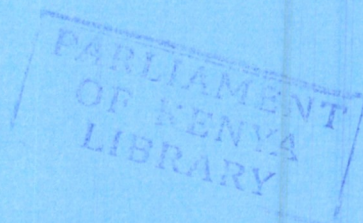
OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE 2018**





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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND DAGORETTI
NORTH 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)

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
10 JUN 2019
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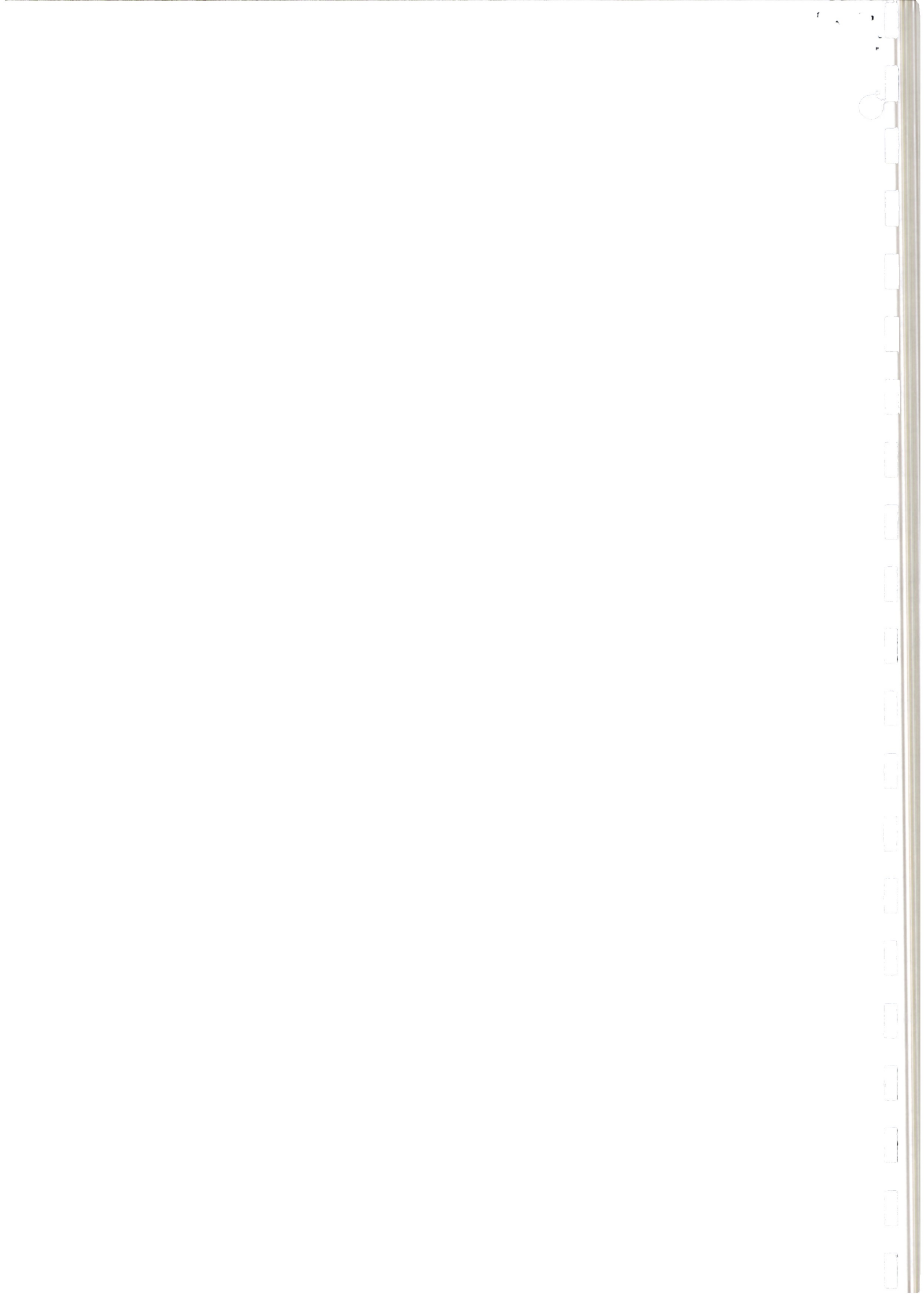

**THE NATIONAL ASSEMBLY
PAPERS LAID**
DATE: 26 JUN 2019 **DAY:** Wednesday
TABLED BY: Hon. Aden Duany (COM)
CLERK OF THE TABLE: Halima Saleman

Received
26/09/2018
NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND BOARD
26 SEP 2018
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P.O. Box 46682-00100, NAIROBI



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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

DAGORETTI NORTH CONSTITUENCY

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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 DAGORETTI NORTH 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	Aziz Masoud Juma
3.	Sub-County Accountant	Alois Kimuyu
4.	Chairman NGCDFC	Lydia Kwamboka
5.	Member NGCDFC	Doris Kanini

(d) Fiduciary Oversight Arrangements

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

P.O. Box 36845-00100
Kango Estate Kileleshwa off Tabere Crescent Road
Nairobi, KENYA



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
DAGORETTI NORTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

(f) NGCDF DAGORETTI NORTH Constituency Contacts

Telephone: (254) 0205217862
E-mail: [cdfdagorettinorthcentral@cdf.go.ke](mailto:cfdagorettinorthcentral@cdf.go.ke)
Website www.ngcdf.go.ke

(g) NGCDF DAGORETTI NORTH Constituency Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

2. Kenya Commercial Bank (specify the constituency account banker details)
Bank name: Equity Bank
Branch: Kilimani Supreme
Account name: Dagoretti North NG-CDF
Account number: 14702616322406
Address: 75104-00200 Nairobi.

(h) Independent Auditors

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

(i) Principal Legal Adviser

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
DAGORETTI NORTH CONSTITUENCY**

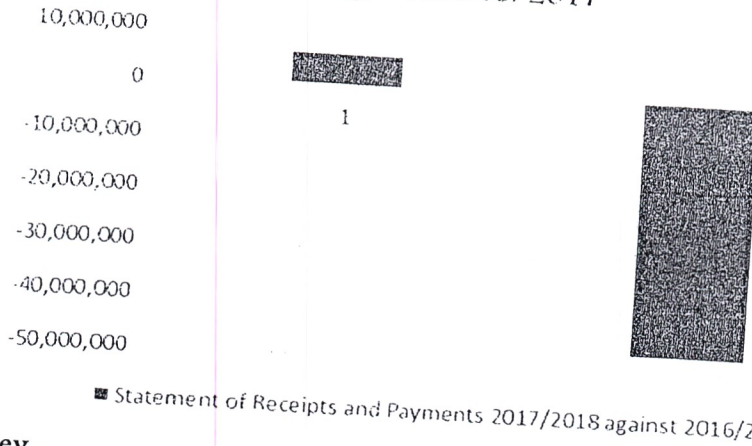
**Reports and Financial Statements
For the year ended June 30, 2018**

II. FORWARD BY THE CHAIRPERSON NGCDF COMMITTEE

The introduction of the IPSAS mode of preparing Financial Statements is a great milestone in achieving our end goal of ensuring development and proper utilization of funds. Accountability has been enhanced and the committee has been more empowered in decision making with regards to utilization of funds

Summary of the budget performance against actual amounts for current year based on economic classification and programmes

Statement of Receipts and Payments 2017/2018
against 2016/2017

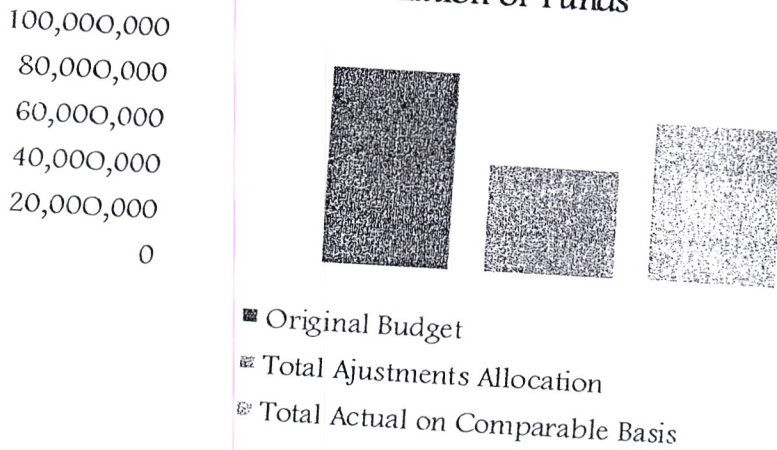


Key

- 1- Surplus of FY 2017/2018
- 2- Deficient of FY 2016/2017

The above graph indicates better performance in FY 2017/2018 compared to FY 2016/2017.

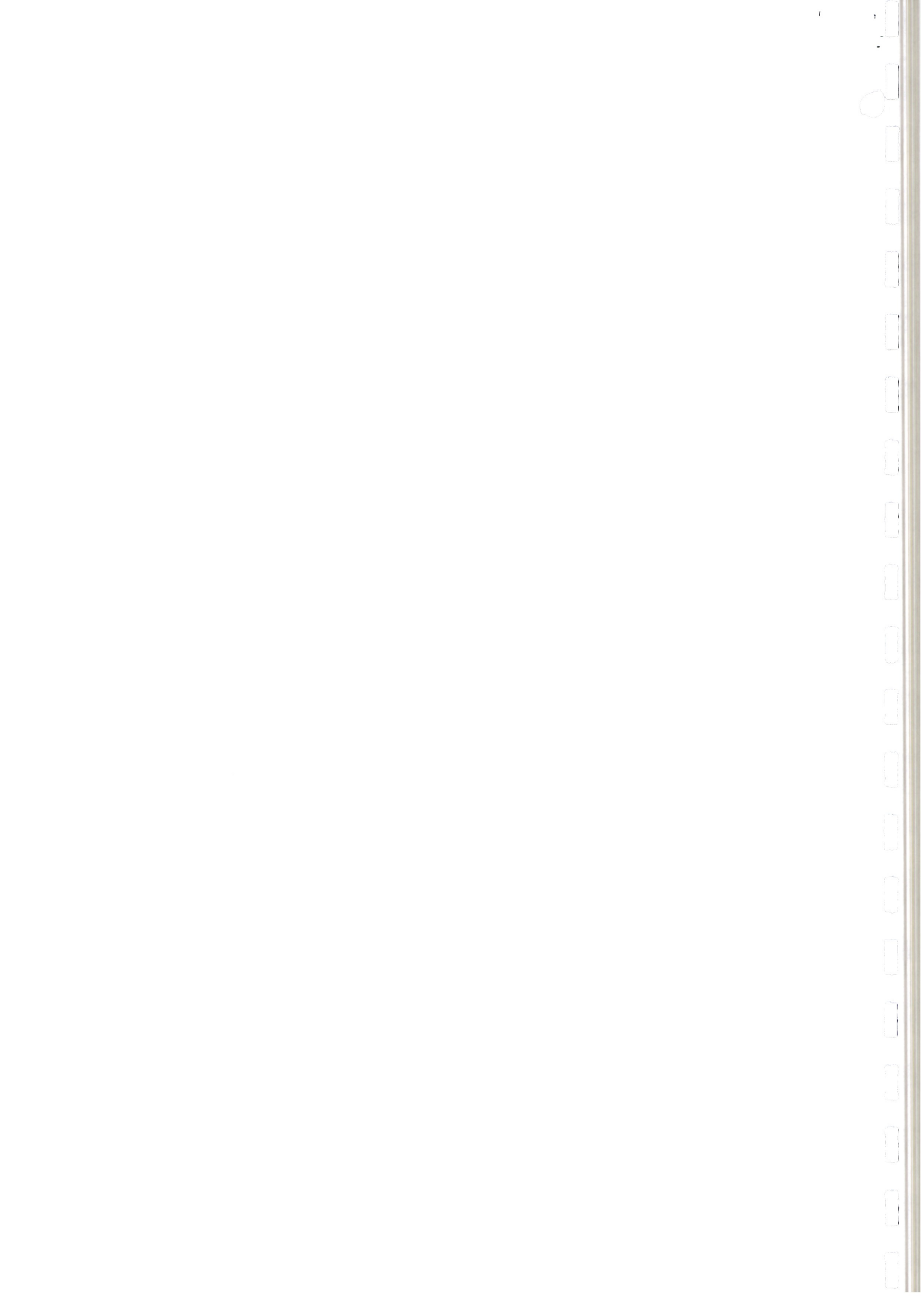
Original Budget, Adjustments against Actual
Utilization of Funds



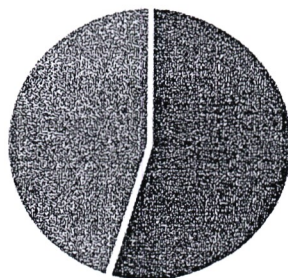
Key

- 1- Original Budget Allocation
- 2- Total Adjustment Allocation during the FY 2017/2018
- 3- Total Actual on Comparable Basis

The funds allocated during the financial year was implemented at 52%



FY 2017/2018 ALLOCATION AGAINST FY 2016/2017
ALLOCATION



■ 2017/2018 □ 2016/2017

Key

1- FY 2017/2018 Allocation (98,189,655.34)

2- FY 2016/2017 Allocation (81,896,551.70)

This shows an improvement as compared to the last financial year

KEY ACHIEVEMENTS IN THE FY 2017/2018



Fig 1: Construction of Dormitory on first floor at St. Georges Primary School and construction of PERIMETER wall at Nairobi Primary School respectively.





Fig 2: Renovation of 3 classrooms at Milimani Primary School.

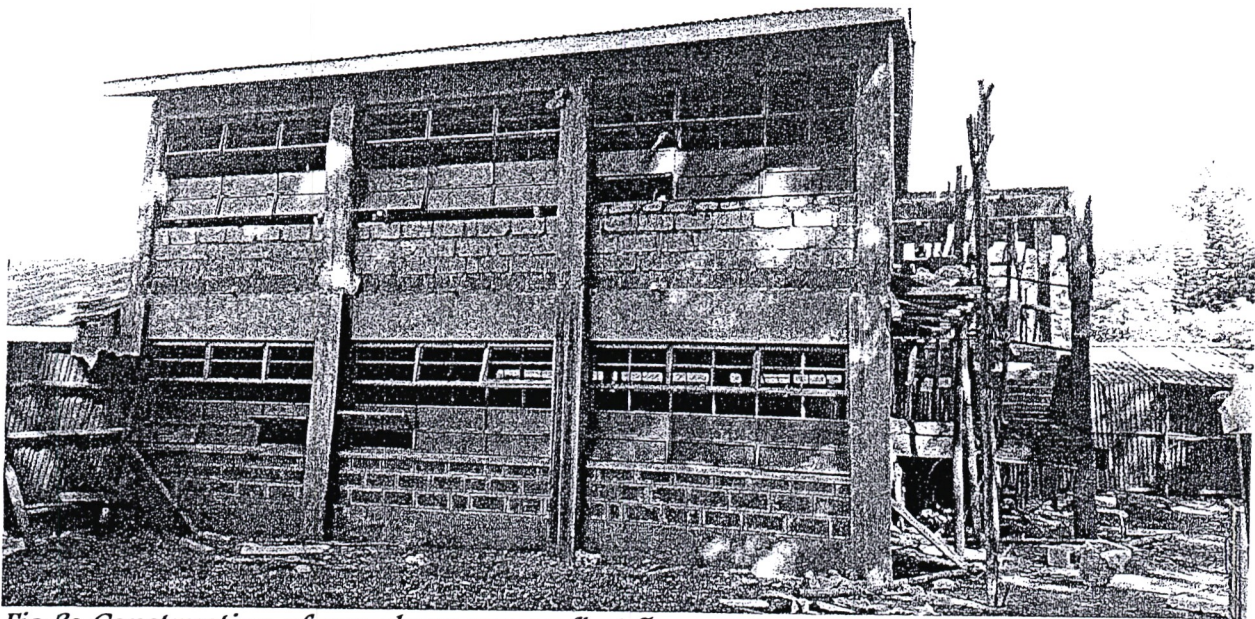


Fig 3: Construction of one classroom on first floor at State House Girls Secondary School.





Fig 4: Dagoretti Mixed Secondary School Bus Funded through Dagoretti North NGCDF Funds.

IMPLEMENTATION CHALLENGES

There has been the staff turnover Challenge ie. Fund account Manager Transfers which results to time consumption in understanding the constituency environment with its operational challenges. Many projects delayed due to the late disbursement of these funds i.e the First Disbursement of the Board came in January 2018 followed by the 2016/2017 Balance in February 2018. We hope that this will improve to enable us do the projects in time.

Otherwise the impact of the NG-CDF kitty is felt countrywide and we hope and pray that the fund lives longer and longer in order to impact more and more lives in Kenya.

Sign 

CHAIRMAN NGCDF COMMITTEE



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
DAGORETTI NORTH CONSTITUENCY**

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For the year ended June 30, 2018

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

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

The Accounting Officer in charge of the NGCDF-DAGORETTI NORTH 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.

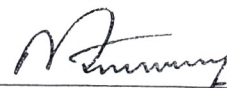
Approval of the financial statements

The NGCDF-DAGORETTI NORTH Constituency financial statements were approved and signed by the Accounting Officer on _____ 2018.



Fund Account Manager

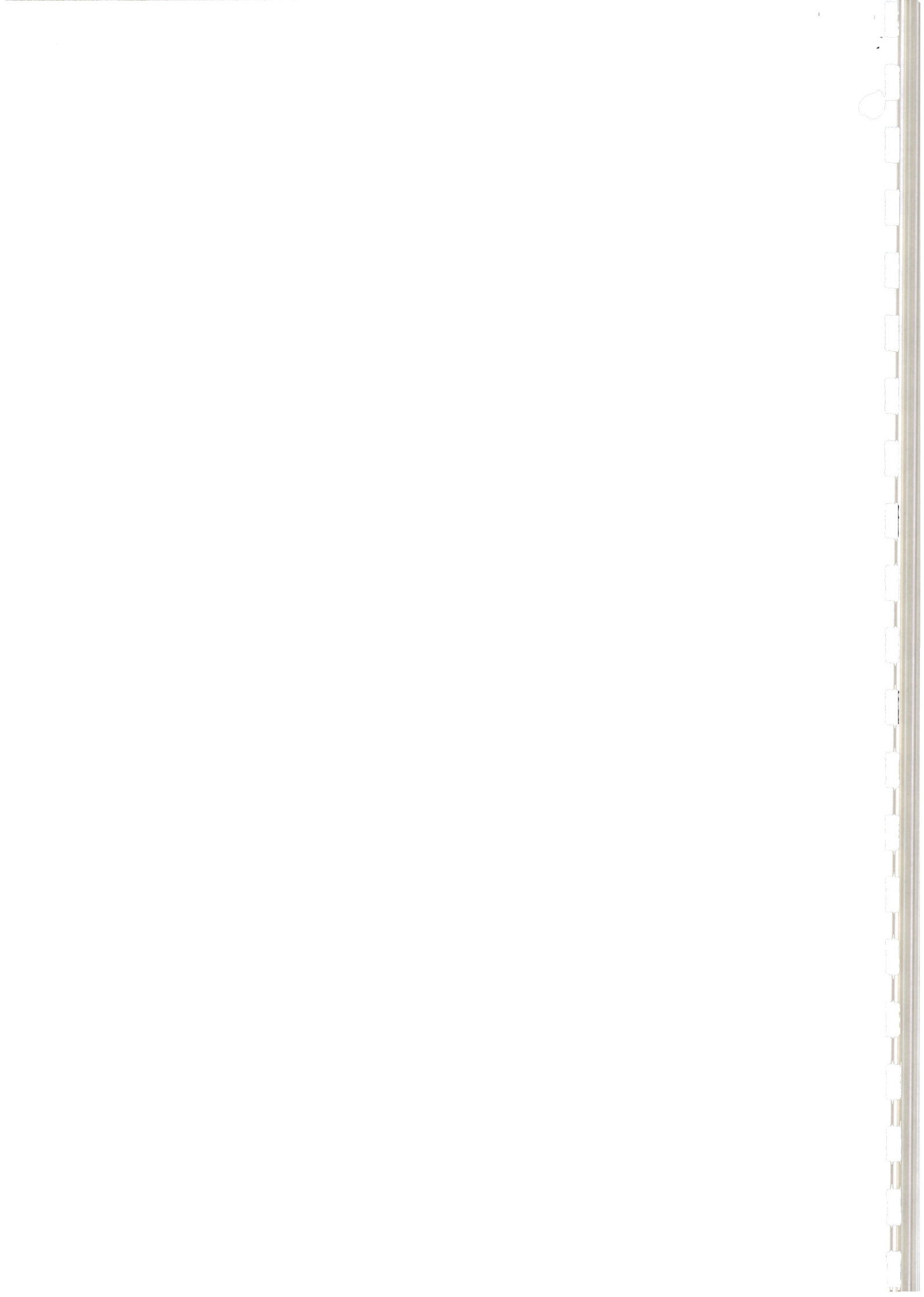
Name: Aziz Masoud Juma



Sub-County Accountant

Name: Alois Kimuyu

ICPAK Member Number: 8506



REPUBLIC OF KENYA

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E-Mail: oag@oagkenya.go.ke
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P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- DAGORETTI NORTH FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund- Dagoretti North Constituency set out on pages 9 to 31, which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flow 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, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund- Dagoretti North Constituency as at 30 June 2018, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section, I have determined that there are no other 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 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.

Basis for Conclusion

1. Budget Performance

Dagoretti North NG-CDF had budgeted to spend Kshs.134,155,887 but the actual expenditure was Kshs.63,301,889 or 47%, resulting in under expenditure of Kshs.70,853,997 or 53% of the total budget which has not been explained satisfactorily.

The development budget was Kshs.117,726,769, against actual expenditure of Kshs.57,101,305 or 48%, resulting in under expenditure of Kshs.60,625,464 or 52% of the total budget which equally has not been satisfactorily explained.

The under expenditure on the budgeted items implies that some of the planned activities and programmes were not executed and hence, resulting in inefficient and ineffective service delivery to the constituents.

2. Unpresented Bursary Cheques

The statement of receipts and payments for the year ended 30 June 2018 reflects an expenditure of Kshs. 34,122,298 against other grants and other transfers, which includes Kshs. 24,050,500 for bursaries to secondary and tertiary schools. However, no satisfactory explanation has been given for failure to present bursary cheques amounting to Kshs. 14,406,000 for payments. The unpresented bursary cheques may be an indicator that the evaluation process and final disbursements were not done appropriately and fairly.

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 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 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 (Cash Basis) and for maintaining effective internal controls 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 National Government Constituencies Development Fund - Dagoretti North Constituency to sustain services, disclosing and 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:

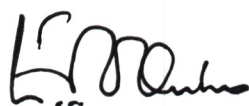
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is 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 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 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 National Government Constituencies Development Fund - Dagoretti North Constituency 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

3 June 2019

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
DAGORETTI NORTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

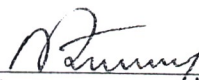
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017 - 2018 Kshs	2016 - 2017 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	69,353,447	95,835,085
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		69,353,447	95,835,085
PAYMENTS			
Compensation of employees	4	1,728,246	2,324,426
Use of goods and services	5	4,472,338	7,677,789
Transfers to Other Government Units	6	22,979,007	85,054,685
Other grants and transfers	7	34,122,298	46,618,131
Acquisition of Assets	8	-	-
Other Payments	9	-	1,316,640
TOTAL PAYMENTS		63,301,889	142,991,671
SURPLUS/DEFICIT		6,051,558	(47,156,587)

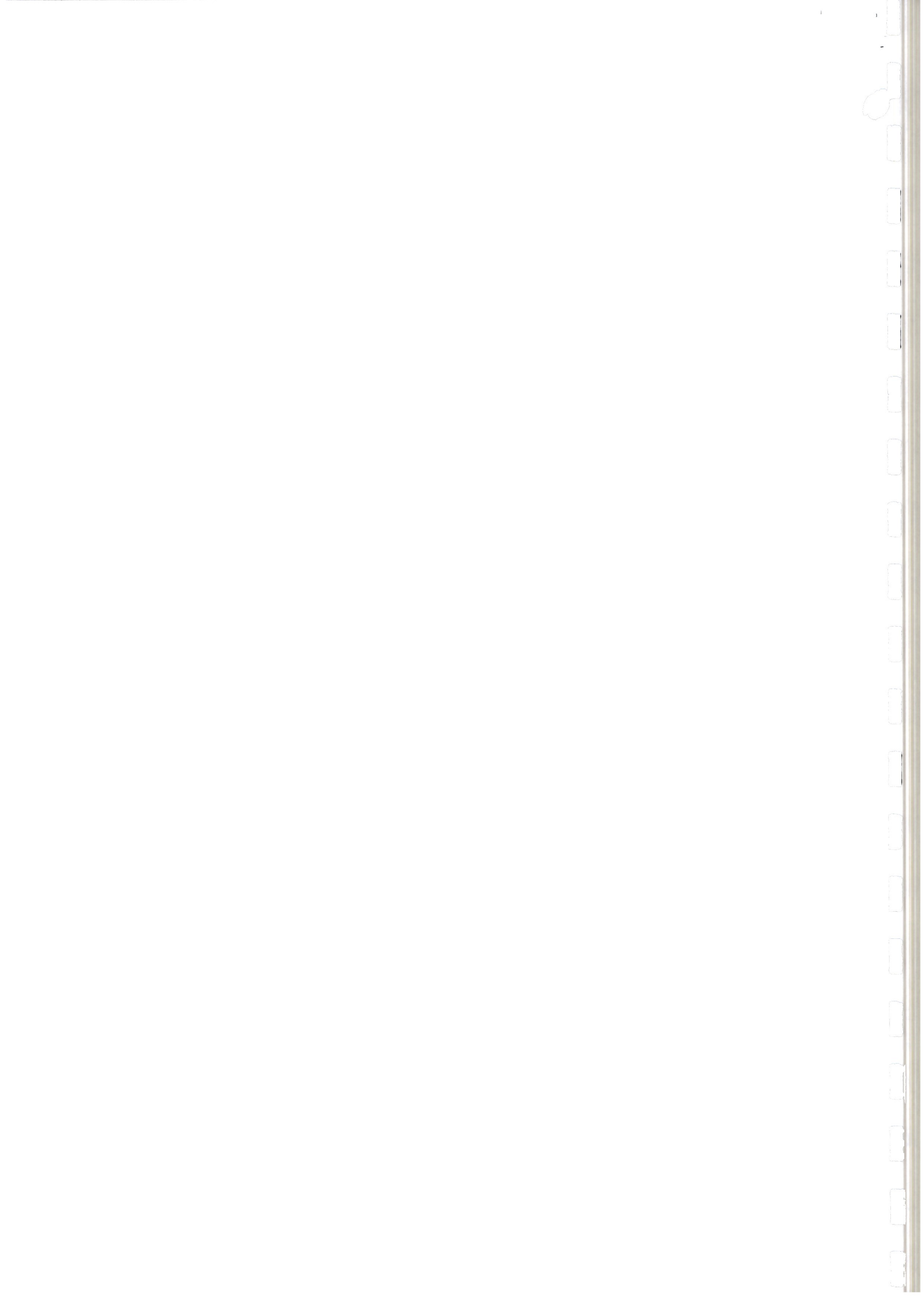
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-DAGORETTI NORTH Constituency financial statements were approved on _____ 2018 and signed by:



Fund Account Manager
Name: Aziz Masoud Juma



Sub-County Accountant
Name: Alois Kimuyu
ICPAK Member Number: 8506



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
DAGORETTI NORTH CONSTITUENCY**

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

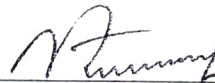
V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2017 - 2018 Kshs	2016 - 2017 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	6,069,514	17,956
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalent		6,069,514	17,956
Accounts Receivable - Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		6,069,514	17,956
FINANCIAL LIABILITIES			
Accounts Payable - Retention	12	-	-
NET FINANCIAL ASSETS		<u>6,069,514</u>	<u>17,956</u>
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	17,956	47,174,543
Surplus/Deficit for the year		6,051,558	(47,156,587)
Prior year adjustments	14	-	
NET FINANCIAL POSITION		<u>6,069,514</u>	<u>17,956</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-DAGORETTI NORTH Constituency financial statements were approved on _____ 2018 and signed by:



Fund Account Manager
Name: Aziz Masoud Juma



Sub-County Accountant
Name: Alois Kimuyu
ICPAK Member Number: 8506



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
DAGORETTI NORTH CONSTITUENCY**

Reports and Financial Statements


For the year ended June 30, 2018

VI. STATEMENT OF CASHFLOW

Receipts for operating income		2017 - 2018	2016 - 2017
Transfers from CDF Board	1	69,353,447	95,835,085
Other Receipts	3	-	-
		69,353,447	95,835,085
Payments for operating expenses			
Compensation of Employees	4	1,728,246	2,324,426
Use of goods and services	5	4,472,338	7,677,789
Transfers to Other Government Units	6	22,979,007	85,054,685
Other grants and transfers	7	34,122,298	46,618,131
Other Payments	9	-	1,316,640
		63,301,889	142,991,671
Adjusted for:			
Adjustments during the year	14	-	-
Net cash flow from operating activities		6,051,558	(47,156,587)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		6,051,558	(47,156,587)
Cash and cash equivalent at BEGINNING of the year	13	17,956	47,174,543
Cash and cash equivalent at END of the year		<u>6,069,514</u>	<u>17,956</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-DAGORETTI NORTH Constituency financial statements were approved on _____ 2018 and signed by:


Fund Account Manager
Name: Aziz Masoud Juma


Sub-County Accountant
Name: Alois Kimuyu
ICPAK Member Number: 8506



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	86,810,345	47,345,542	134,155,887	69,371,404	64,784,483	52%
Proceeds from Sale of Assets	-	-	-	-	-	
Other Receipts						
TOTAL RECEIPTS	86,810,345	47,345,542	134,155,887	69,371,404	64,784,483	52%
PAYMENTS						
Compensation of Employees	2,260,000	2,182,759	4,442,759	1,728,246	2,714,513	39%
Use of goods and services	9,052,931	2,933,427	11,986,358	4,472,338	7,514,020	37%
Transfers to Other Government Units	31,479,007	16,986,207	48,465,214	22,979,007	25,486,207	47%
Other grants and transfers	34,341,379	23,243,149	57,584,528	34,122,298	23,462,230	59%
Acquisition of Assets	-	-	-	-	-	-
Other Payments	9,677,027	2,000,000	11,677,027	-	11,677,027	0%
TOTAL	86,810,345	47,345,542	134,155,887	63,301,889	70,853,997	47%


On Receipts, the total receipt from NGCDF Board is 52% which is due to an additional Supplementary fund which was planned in may 2018 for proposal submission of 11,379,310.34 and 63,423,129.35 which was not yet disbursed by the Board.

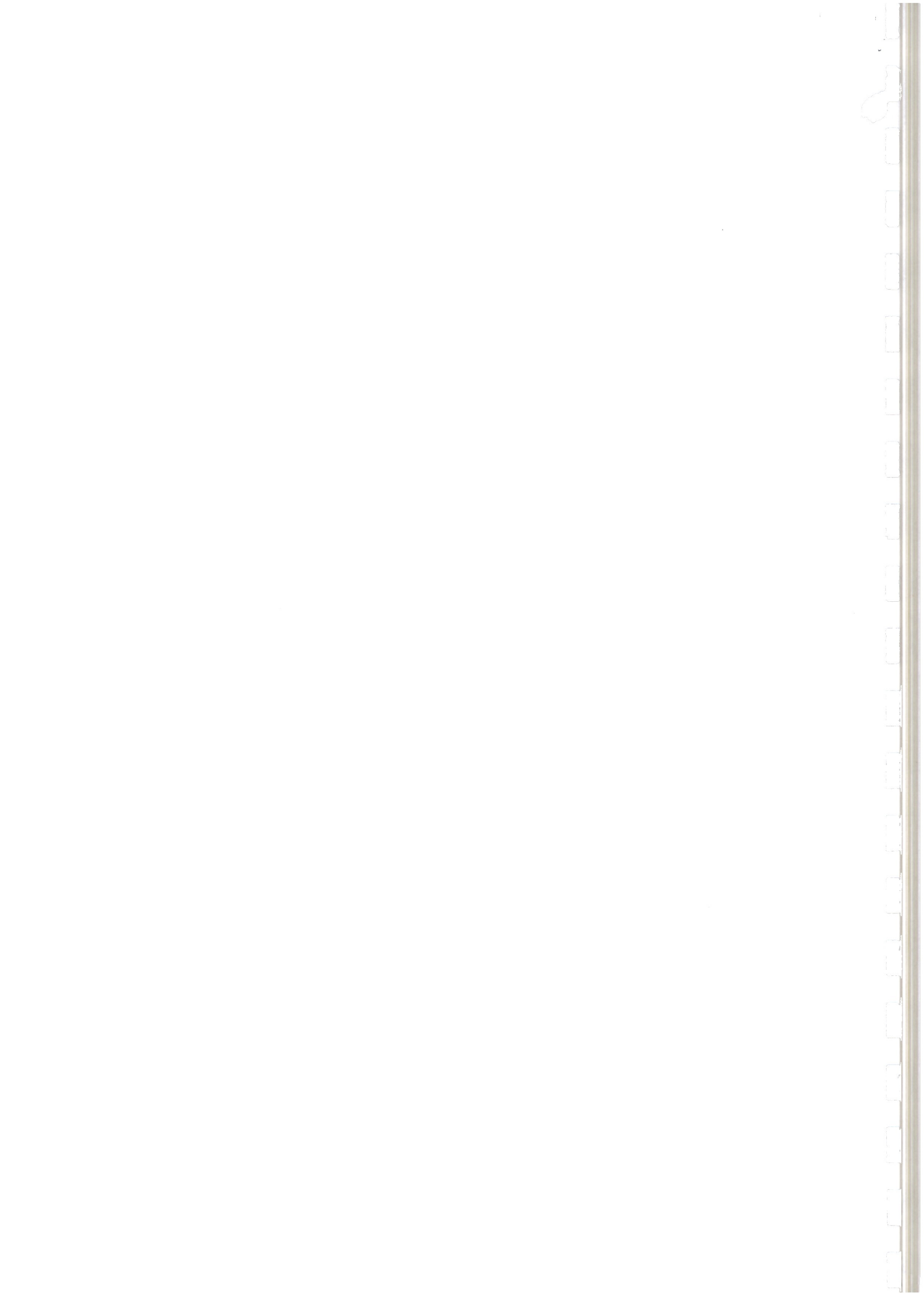
On other payments 0% is due to the funds for the construction of Dagoretti North NGCDF Office and Constituency ICT Hubs which is underway to be done and so far, no expense has been incurred as at the end of the financial year.

The changes between the original budget and final Budget are as a result of the supplementary budget, opening cashbook balance and the funds for financial year 2016/2017 that were not yet disbursed by the Board.

The NGCDF-DAGORETTI NORTH Constituency financial statements were approved on _____ 2018 and signed by:


Fund Account Manager
Name: Aziz Masoud Juma


Sub-County Accountant
Name: Alois Kimuyu
ICPAK Member Number: 8506



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-Dagoretti North 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

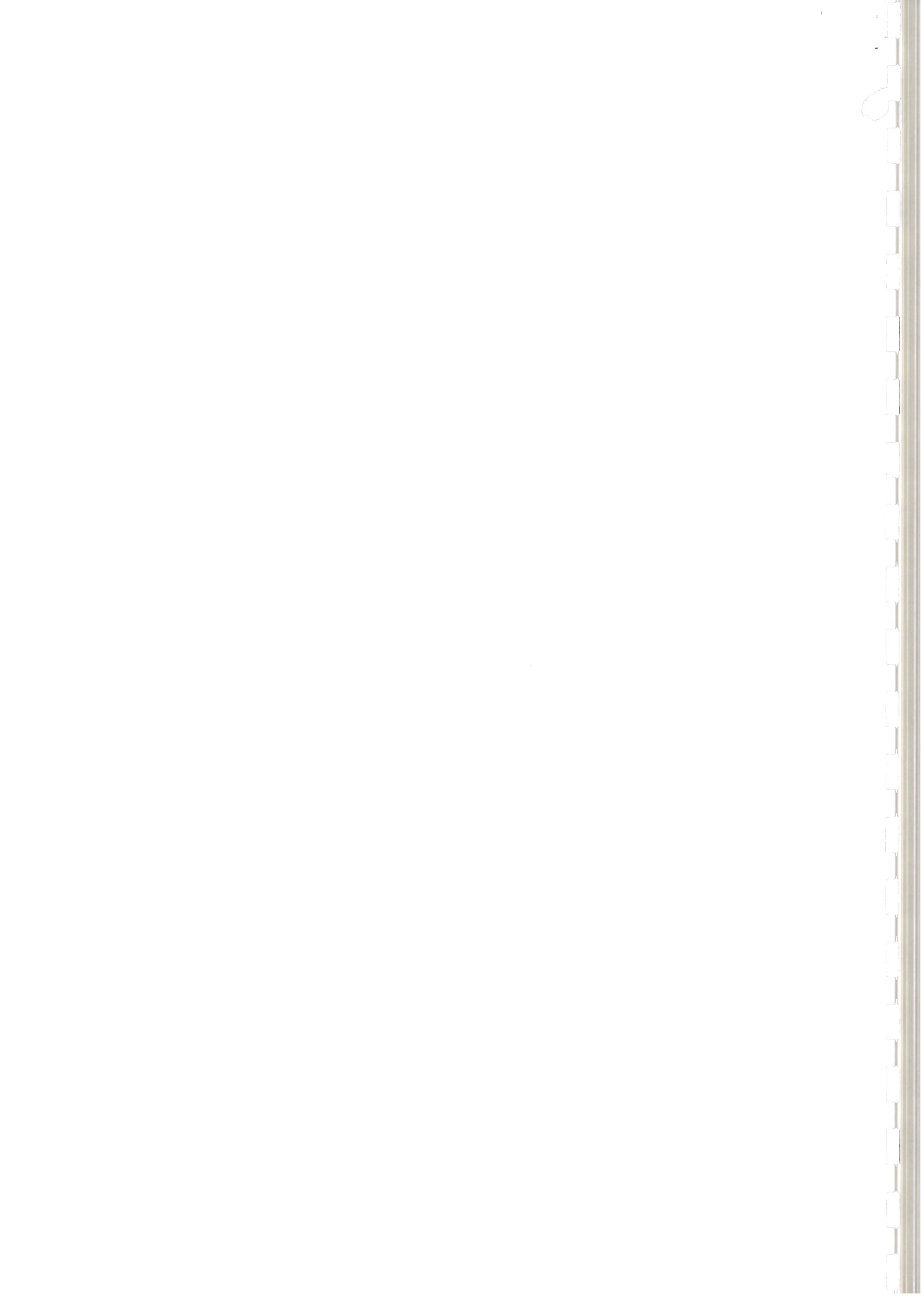
The Entity recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Entity.

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.



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
DAGORETTI NORTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

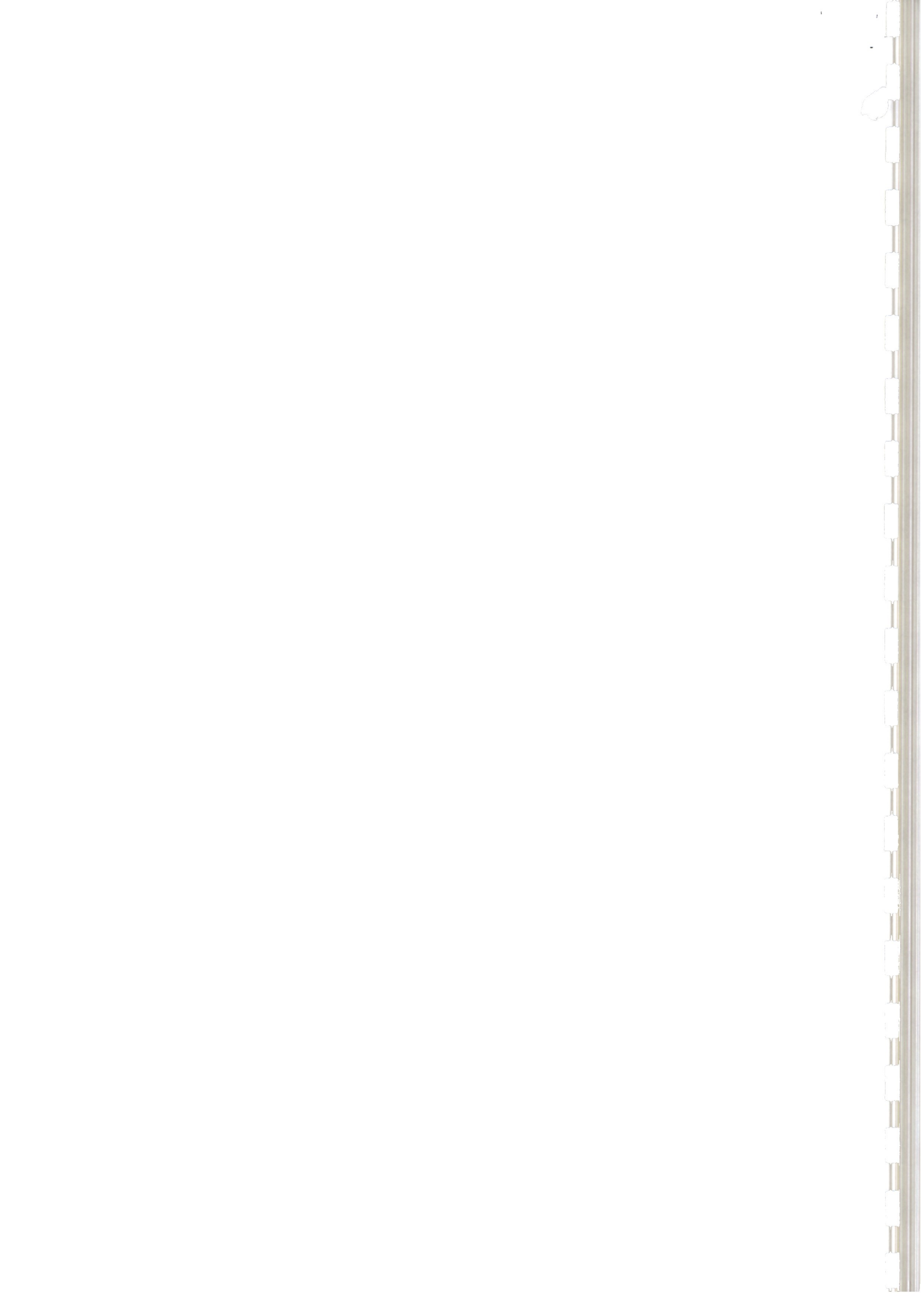
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations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

9. Pending Bills

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

10. Unutilized Funds

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



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.

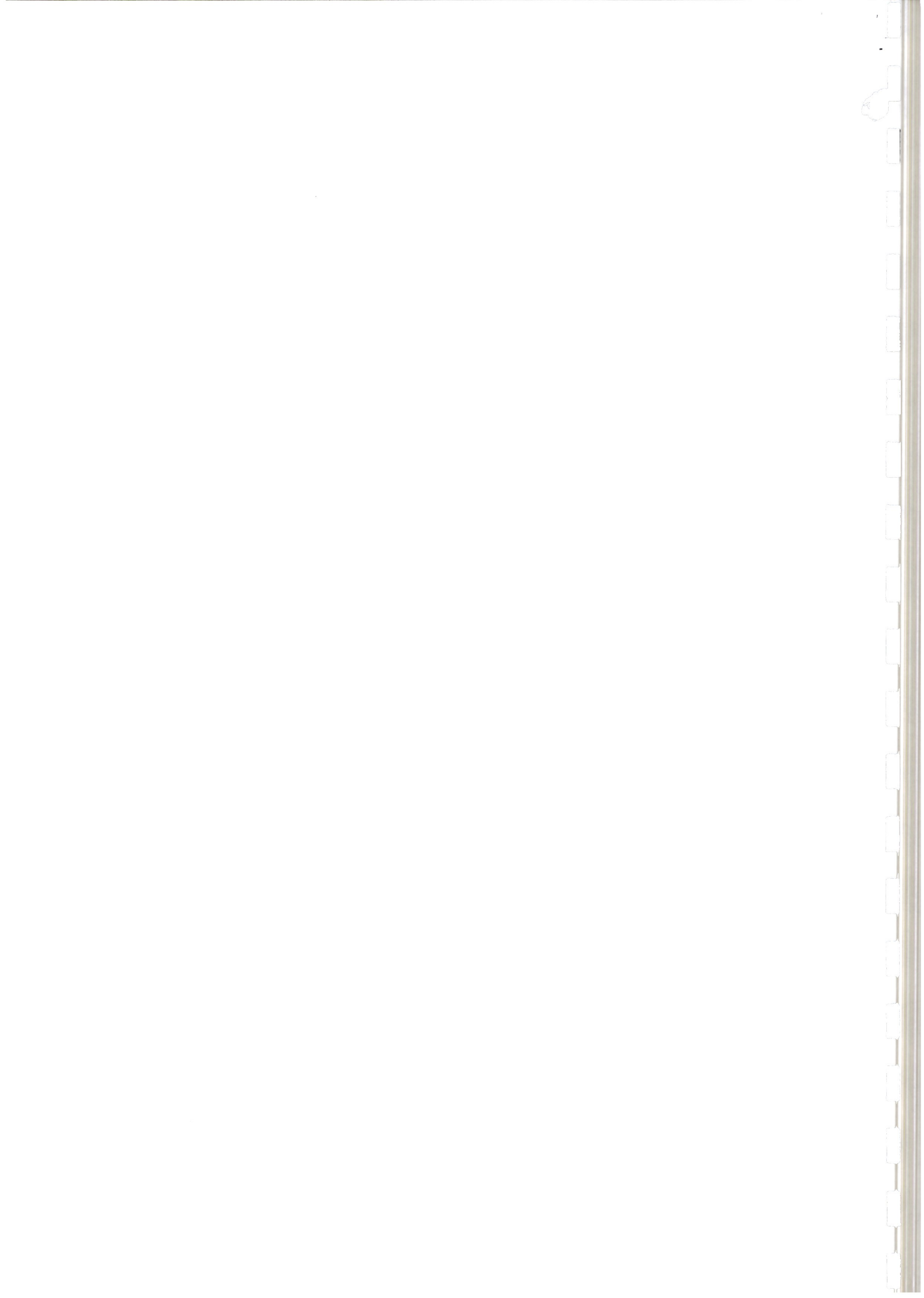
14. Errors

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) –
DAGORETTI NORTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

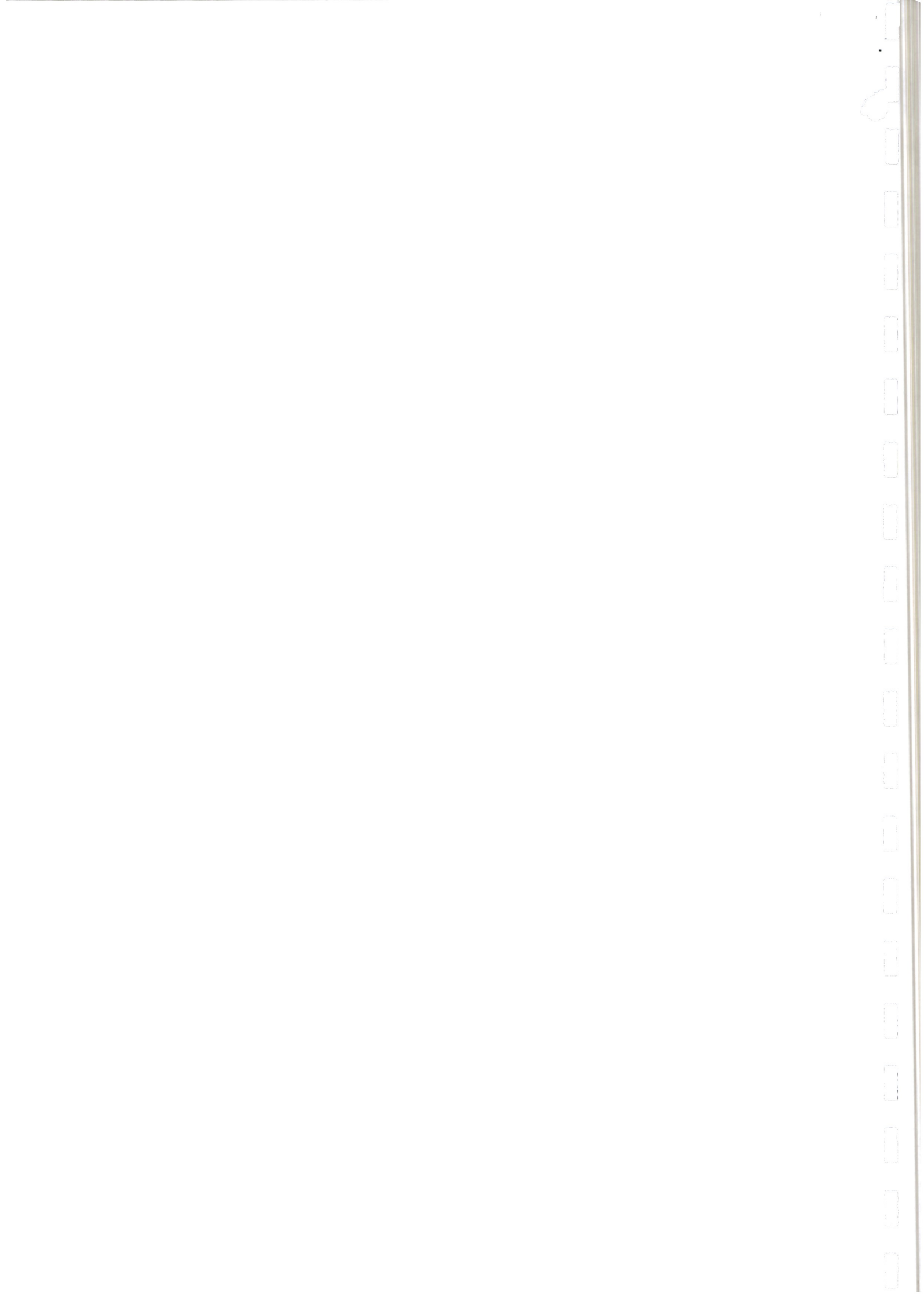
IX NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2017 - 2018	2016 - 2017
		Kshs	Kshs
Normal Allocation			
	AIE NO. A855786	5,500,000	
	AIE NO. A892575	25,948,275	
	AIE NO. A892879	37,905,172	
	AIE NO. A829531		4,094,828
	AIE NO. A825992		18,386,808
	AIE NO. A855249		36,853,449
	AIE NO. A855522		21,500,000
	AIE NO. A839721		15,000,000
TOTAL		69,353,447	95,835,085

2. PROCEEDS FROM SALE OF ASSETS

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



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

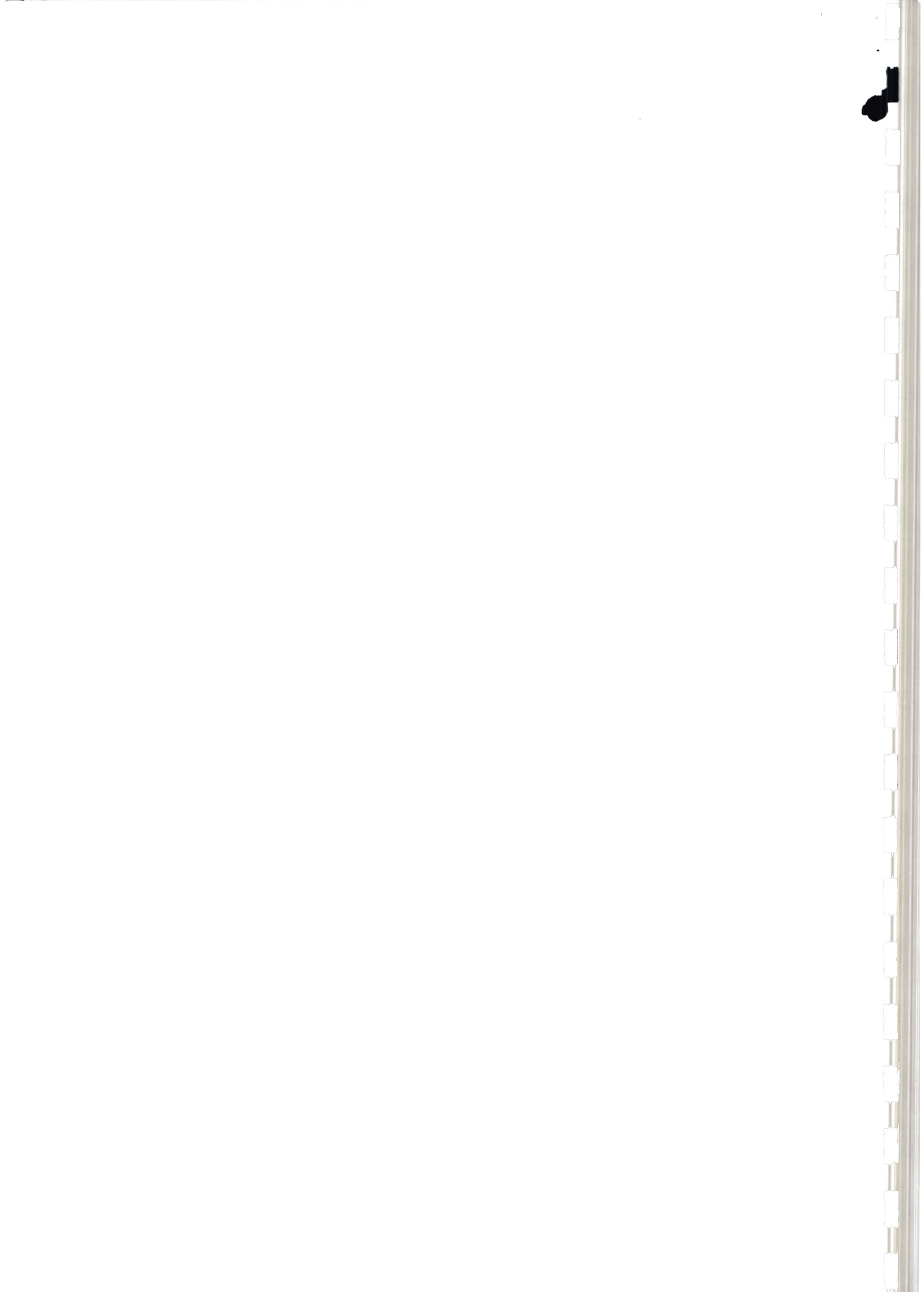
NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

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

4. COMPENSATION OF EMPLOYEES

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Basic wages of contractual employees	1,020,246	1,571,316
Basic wages of casual labour	279,000	-
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Employer contribution to NSSF	13,600	18,000
Gratuity-contractual employees	415,400	735,110
Total	<u>1,728,246</u>	<u>2,324,426</u>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
DAGORETTI NORTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Utilities, supplies and services	231,023	450,000
Electricity	60,000 ✓	
Water & sewerage charges	34,000	
Office rent	580,000 ✓	696,000
Communication, supplies and services	40,000	362,000
Domestic travel and subsistence	30,000	450,000
Printing, advertising and information supplies & services	46,977	326,724
Rentals of produced assets		
Training expenses	1,127,000	1,357,000
Hospitality supplies and services		
Other committee expenses	150,000	1,260,000
Committee allowance	1,541,000 ✓	1,932,000
Insurance costs		
Specialised materials and services		
Office and general supplies and services	273,448	623,880
Fuel, oil & lubricants	200,000 ✓	200,000
Other operating expenses		
Bank service commission and charges	10,890 ✓	20,185
Security operations		
Routine maintenance - vehicles and other transport equipment	24,000	
Routine maintenance- other assets	124,000	
Total	<u>4,472,338</u>	<u>7,677,789</u>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
DAGORETTI NORTH CONSTITUENCY**

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For the year ended June 30, 2018

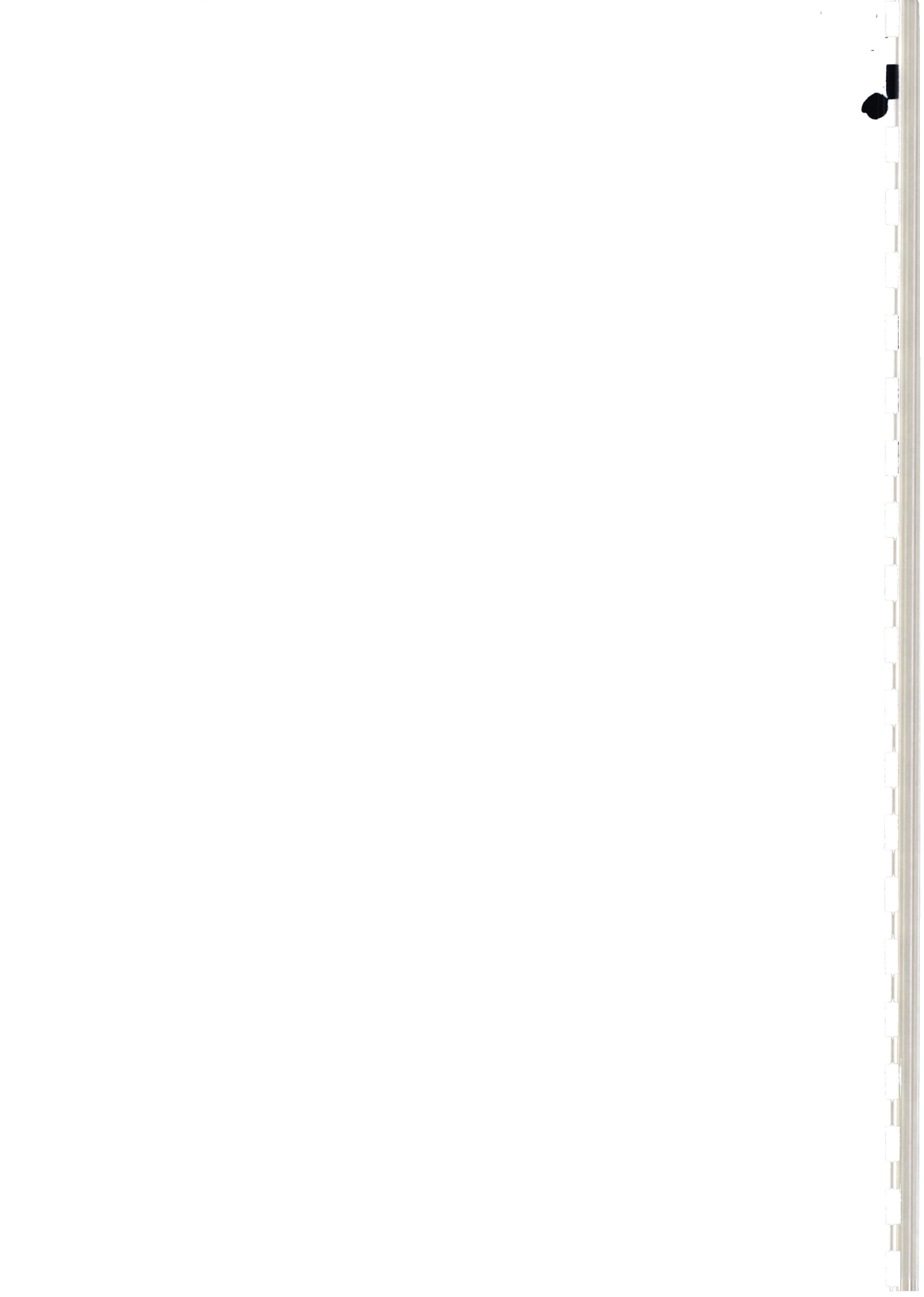
NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017-2018 Kshs	2016-2017 Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	17,979,007	59,700,215
Transfers to secondary schools (see attached list)	5,000,000	25,354,470
Transfers to tertiary institutions (see attached list)	-	
Transfers to health institutions (see attached list)	-	
TOTAL	<u>22,979,007</u>	<u>85,054,685</u>

7. OTHER GRANTS AND OTHER PAYMENTS

	2017-2018 Kshs	2016-2017 Kshs
Bursary – secondary schools (see attached list)	13,400,500	21,683,546
Bursary – tertiary institutions (see attached list)	10,650,000	8,000,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	6,433,867	10,764,008
Sports projects (see attached list)	-	2,658,753
Environment projects (see attached list)	1,637,931	-
Emergency projects (see attached list)	2,000,000	3,511,824
Total	<u>34,122,298</u>	<u>46,618,131</u>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
DAGORETTI NORTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

<u>Non-Financial Assets</u>	2017-2018	2016-2017
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	-

9. OTHER PAYMENTS

	2017-2018	2016-2017
	Kshs	Kshs
Strategic plan	-	1,316,640
ICT Hub	-	-
TIVET	-	-
	=	<u>1,316,640</u>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
DAGORETTI NORTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2017-2018	2016-2017
	Kshs	Kshs
<i>Equity Bank, Kilimani Supreme Branch. Dagoretti North NG-CDF- A/C no.14702616322406</i>	6,069,514	17,956
Total	6,069,514	17,956
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
DAGORETTI NORTH 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>
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
Total				-

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

12 RETENTION

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

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2017-2018	2016-2017
	Kshs	Kshs
Bank accounts	17,956	47,174,543
Cash in hand		-
Imprest		-
Total	17,956	47,174,543

[Provide short appropriate explanations as necessary]



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

	2017- 2018 Kshs	20 16-2017 Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	-	-

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (staff <i>Gratuity</i>)	49,848	-
	49,848	-

15.3: UNUTILIZED FUNDS (See Annex 3)

	Kshs	Kshs
Compensation of employees	2,714,513	-
Use of goods and services	4,014,020	-
Amounts due to other Government entities (see attached list)	25,486,207	-
Amounts due to other grants and other transfers (see attached list)	23,462,230	-
Acquisition of assets	-	-
Others (<i>Strategic plan</i>)	3,500,000	-
	70,853,997	-

This is amount not disbursed from the NGCDF Board plus cash book balance at the end of the financial year.



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

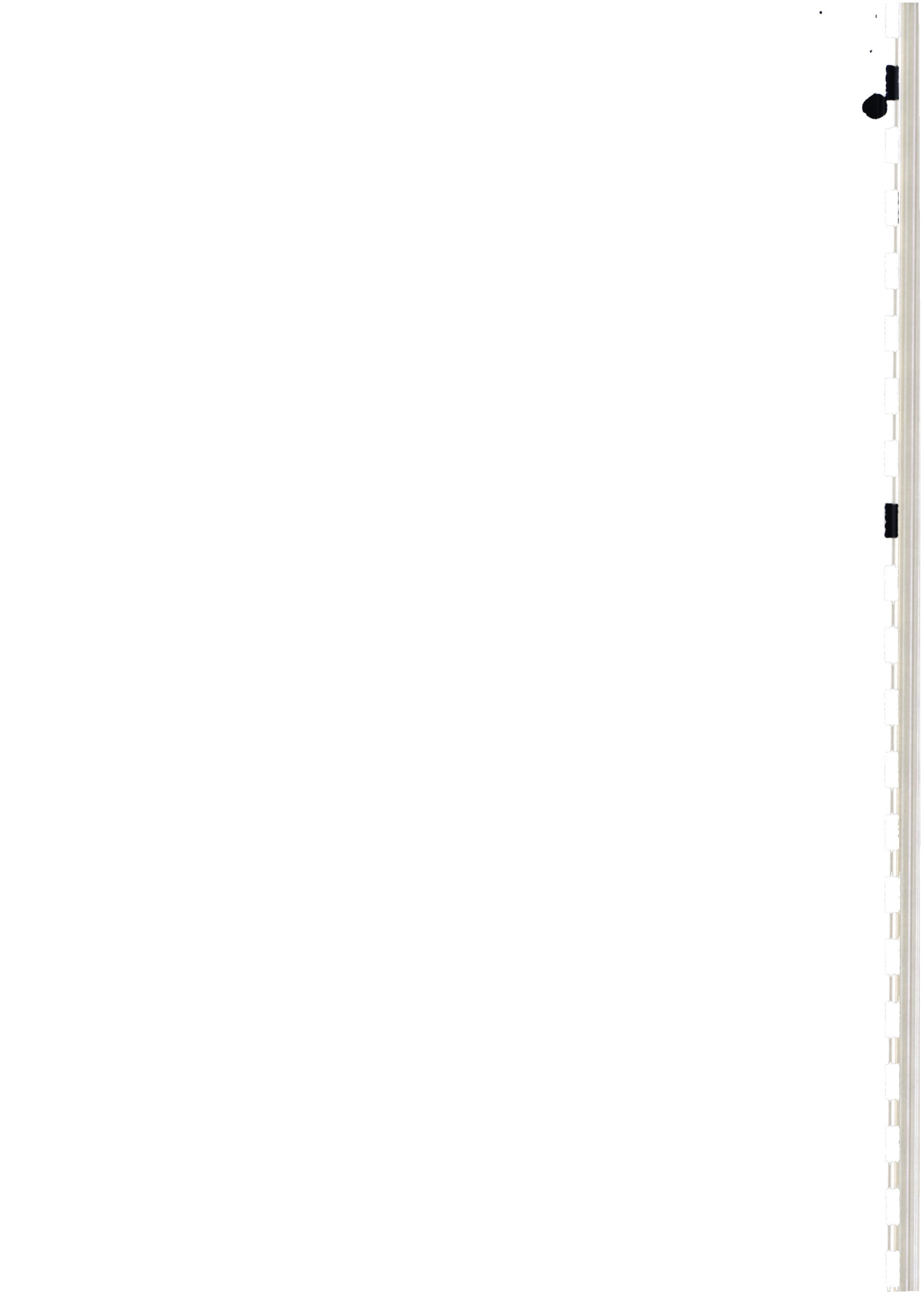
	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	29,052,993	48,069,428
	29,052,993	48,069,428



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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

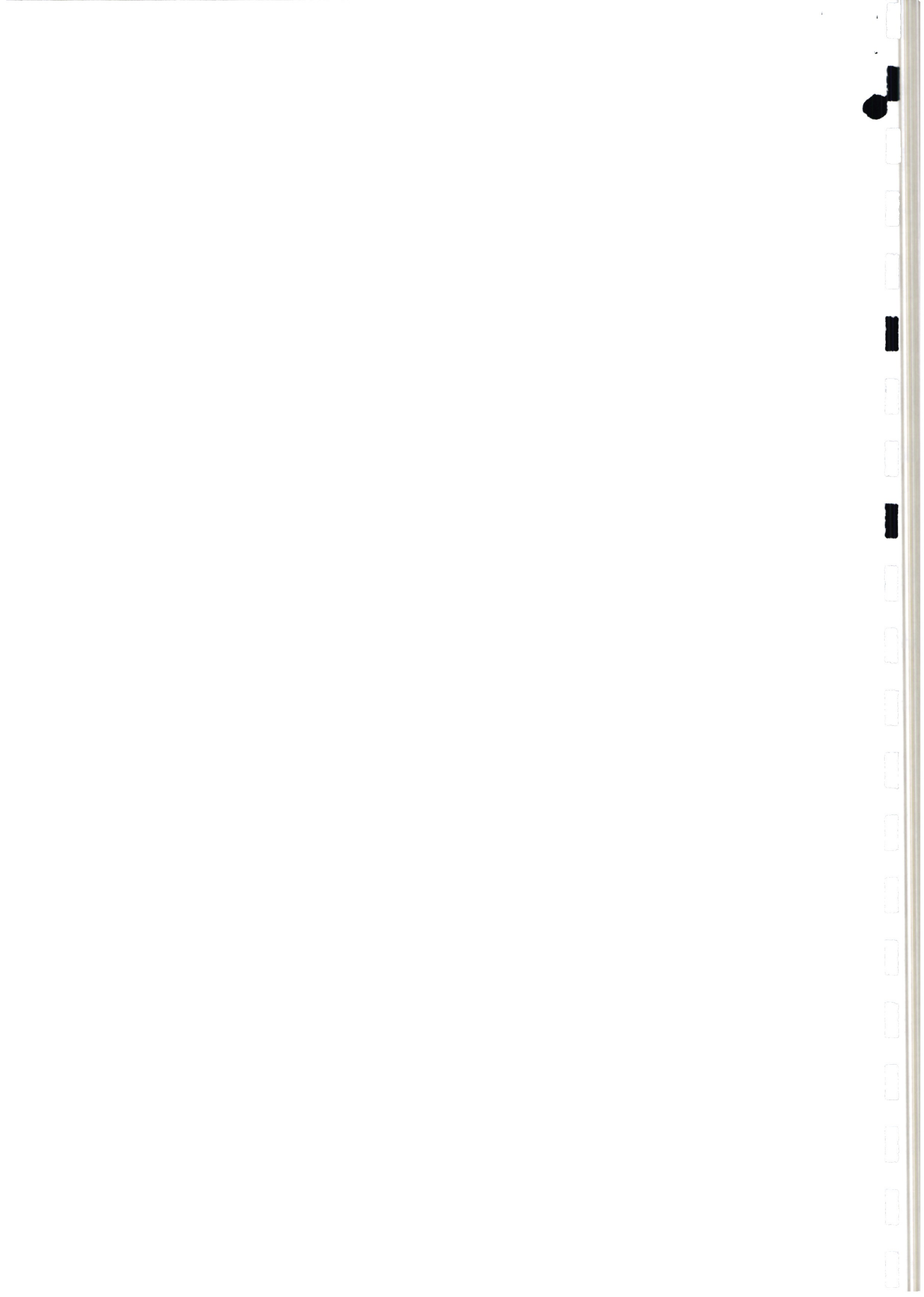
Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2017	Comments
	a	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						



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 2018	Outstanding Balance 2017	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 (Staff Gratuity)							
10. Gilbert Momanyi Karani		49,848	01/03/2018	-	49,848	-	The contract runs for 2 years beginning from 1 st March 2018 hence by the end of the financial year only four months are due for payment of gratuity
11.							
12.							
	Sub-Total				49,848		
	Grand Total				49,848		



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

ANNEX 3 – UNUTILIZED FUNDS

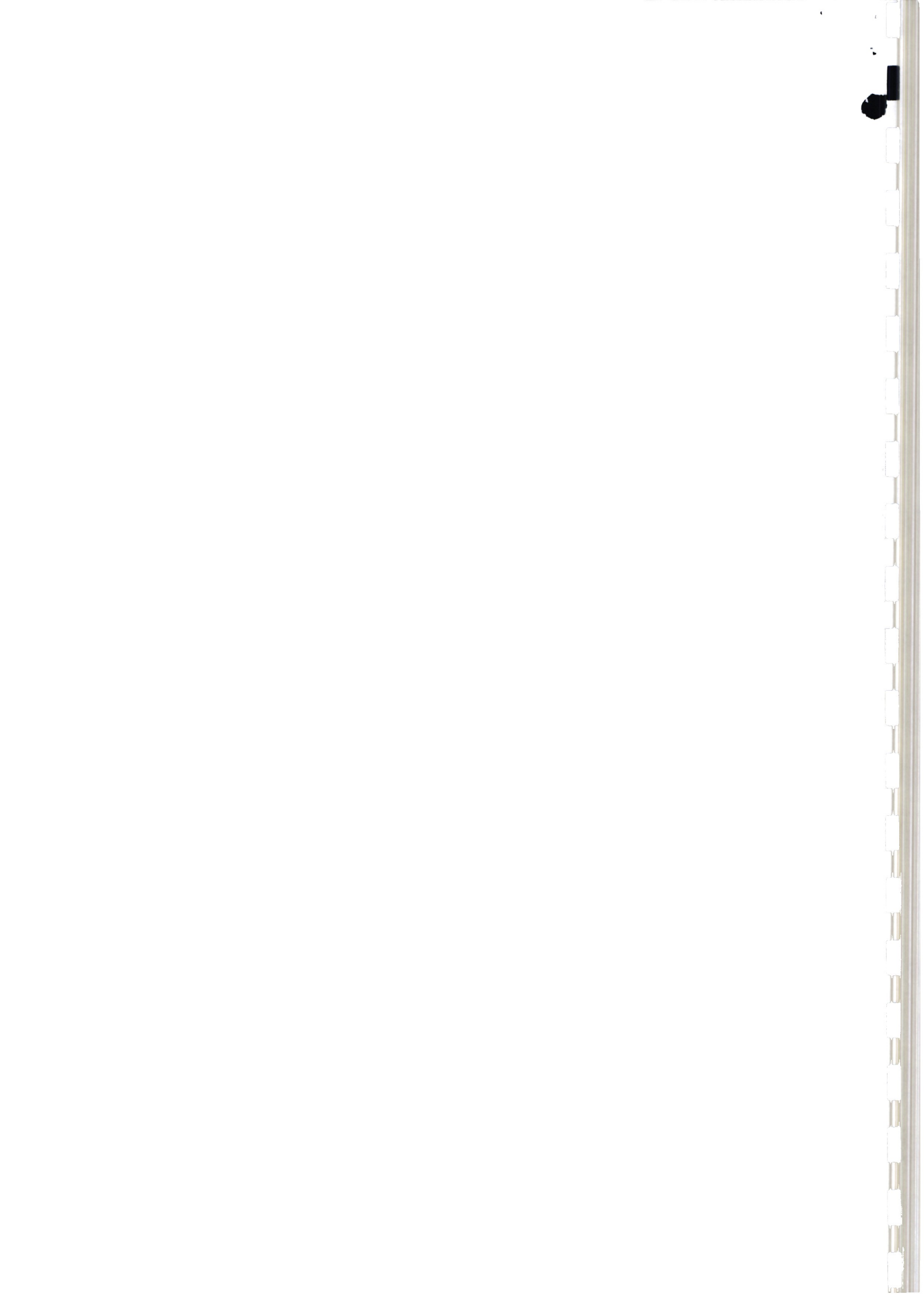
Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees		2,714,513		
Use of goods & services		4,014,020		
Sub-Total		6,728,533		
Amounts due to other Government entities				
Lavington Primary School		1,500,000		
Muslim Primary school		2,000,000		
Lavington sec school		5,000,000		
St. Georges Primary School		1,200,000		
Nairobi Milimani Sec School		5,786,206		
Dagoretti Mixed Primary School		10,000,000		
Sub-Total		25,486,207		
Amounts due to other grants and other transfers				
Bursary		11,036,368		
Kawangware ACC Office		300,000		
Hope Centre		491,379		
Environment		1,963,793		
Emergency		7,706,897		
Sports		1,963,793		
Sub-Total				
Sub-Total		23,462,230		
Acquisition of assets				
Others (specify)				
Strategic plan		3,500,000		
CDF Office		7,000,000		
Constituency Innovation Hubs		4,677,027		
Sub-Total		15,177,027		
Grand Total		70,853,997		



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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land	-	-	-	-
Buildings and structures	-	-	-	-
Transport equipment	2,050,000	-	-	2,050,000
Office equipment, furniture and fittings	1,670,000	-	-	1,670,000
ICT Equipment, Software and Other ICT Assets	-	-	-	-
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	3,720,000	-	-	3,720,000



N. N. OVI ME O...TULAGES DEVELOPMENT FUND (NGCDF) – DAGORETTI NORTH
CONSTITUENCY

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Kileshwa Police Station	Equity-Kilimani Branch	1470272153382	182,814	6,000,000
Muthangari Primary School	Equity-Kilimani Branch	1470271830666	2,504,875	2,000,000
Nairobi Primary School	Equity-Kilimani Branch	1470271830574	4,950,175	2,000,000
Milimani Primary School	Equity-Kilimani Branch	1470269814613	2,491,487	2,008,750
Lavington Primary School	Equity-Kilimani Branch	1470271830222	1,775	3,001,824
Kileshwa Primary School	Equity-Kilimani Branch	1470268910687	620,369	2,500,000
Riruta HGM Primary School	Equity-Kilimani Branch	1470271830060	1,002,125	2,666,284
St. Georges Girls Sec. School	Equity-Kilimani Branch	1470271425101	2,197,552	3,000,000
Dagoretti Muslim Pri. Sch.	Equity-Kilimani Branch	1470268579903	467,413	1,499,780
Kabiro Muslim Chiefs Office	Equity-Kilimani Branch	1470271424902	1,138,297	2,499,880
Kawangware Primary School	Equity-Kilimani Branch	1470271424958	2,786,091	198,847
Gatina Primary School	Equity-Kilimani Branch	1470268910644	1,063,826	3,777,068
Dagoretti Mixed Secondary School	Equity-Kilimani Branch	1470268910618	134,572	12,441,851
Dagoretti Sub County Office	Equity-Kilimani Branch	1470268910586	2,780	235,177
Kenya High School	Equity-Kilimani Branch	1470271829992	1,999,835	3,000
Lavington Secondary School	Equity-Kilimani Branch	1470268941783	38,017	2,000,000
Jacaranda Special School	Equity-Kilimani Branch	1470267814476	1,900	38,017



N N O V M L C O N S T I T U E N C I E S D E V E L O P M E N T F U N D (N G C D F) – D A G O R E T T I N O R T H
 CONSTITUENCY

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PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Nairobi Milimani Sec. School	Equity-Kilimani Branch	1470272153436	1,999,835	199,450
Muthangari Police Station	Equity-Kilimani Branch	1470276334943	5,000,000	-
St. Georges Primary School	Barclays- Hurlingham Branch	2036822085	3,471,185	-
State House Girls High School	Cooperative -Moi Avenue Branch	01129152176701	1,993,070	-
Total				

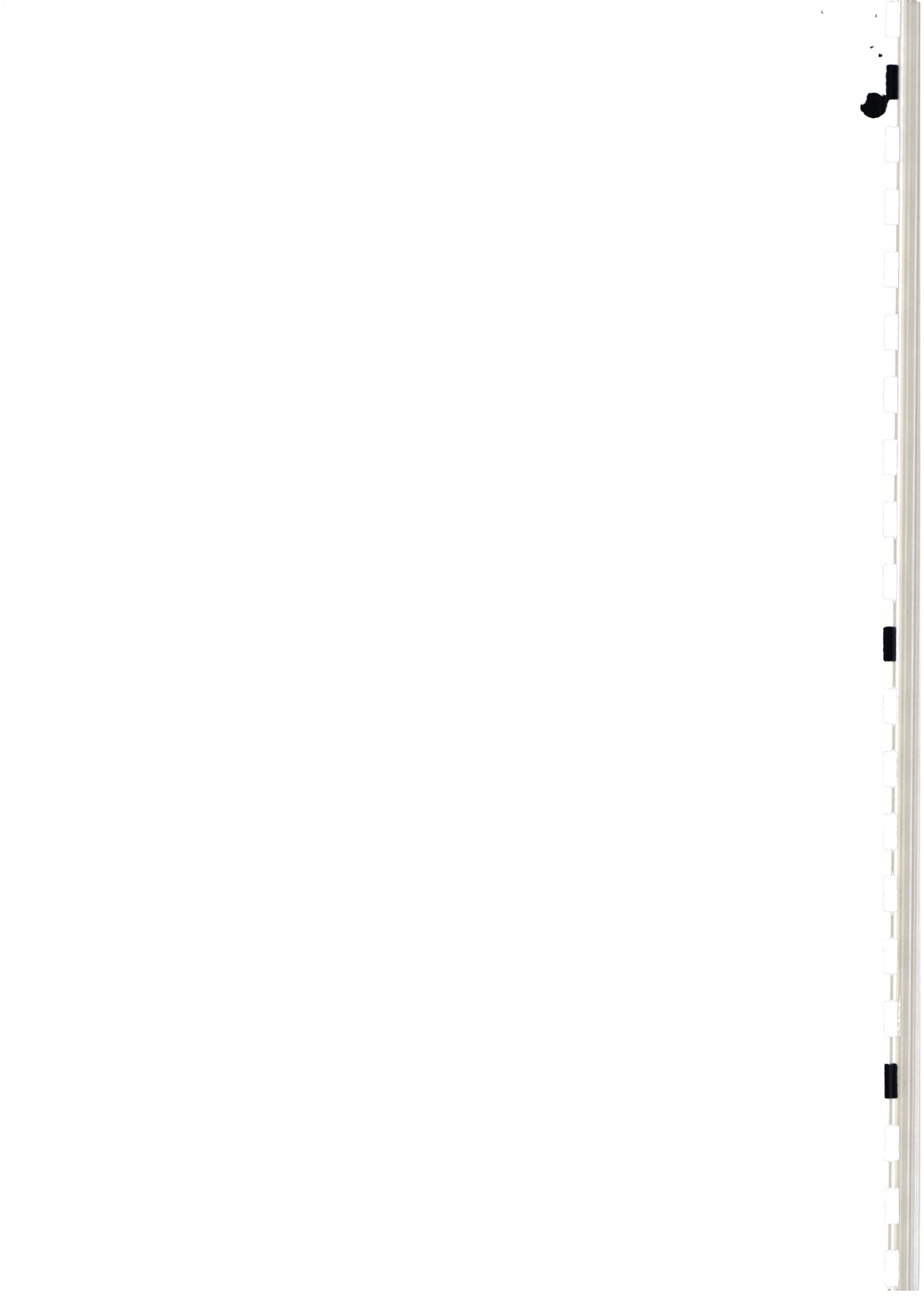


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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

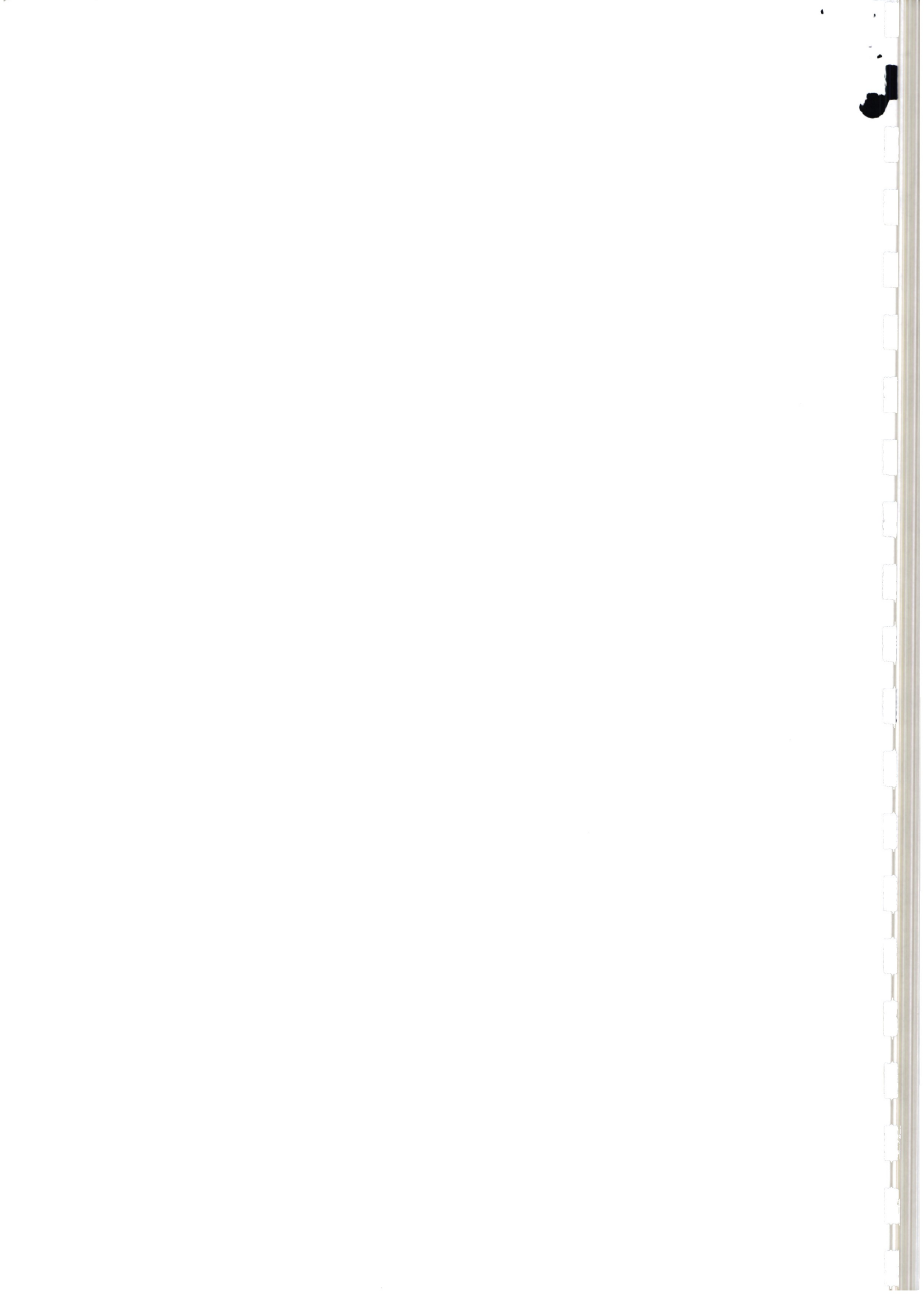
The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.1	Presentation of the financial statements -The statement of compliance and basis of presentation indicates that all values are rounded off to the nearest shilling. However, figures in the financial statement have not been rounded to the nearest shilling.	<i>The statement of compliance and basis of presentation difference was rectified and hence in compliance.</i>	Fam- Aziz M. Juma	Resolved	
1.2	Comparative figures -Differences under use of goods and services, Compensation of employees and social security benefit.	<i>This was occasioned by the change in reporting framework where the Committee Expenses and Social Security Benefit were reported separately from the above main items. This has been explained to auditors.</i>	Fam- Aziz M. Juma	Resolved	
1.3	Differences between balances in the	<i>The expenditures have been</i>	Fam- Aziz M. Juma	Resolved	



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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)
	Financial Statements and supporting schedules	supported by source documents and schedules and were presented to auditors for audit review.			
2.	Cash and Cash Equivalents -Unexplained difference of Kshs.2,218,464.15. -Bank reconciliation statements not provided for audit verification.	The difference of Kshs. 2,218,464.15 was because of failure to capture some transactions in the cash book.. The items have since been reconciled and captured appropriately -Bank reconciliation statements were later presented to auditors for review.	Fam- Aziz M. Juma	Resolved	
3.1	Budget and Budgetary Performance Under-expenditure of Kshs.97,061,351	This was because of late disbursement of funds from the Board. Projects were also paid directly from the main account and not through Project Management Committee account hence the delay in	Fam- Aziz M. Juma	Resolved	



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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)
		<p>payments of full amounts to the projects since payments done on certificates issued by the projects engineer. This is not so for now since all projects go through PMC Accounts.</p>			
3.2	Projects not implemented-	<p>This was because of non-disbursement of funds from the Board. However when funds were made available the projects were implemented.</p>	Fam- Aziz M. Juma	Resolved	

