


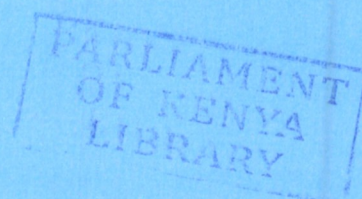
REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 24 JUL 2019	DAY OF <i>Wednesday</i>
TABLED BY: <i>Hon. A. J. M. P. (L.O.M.)</i>	
GENERAL MANAGER: <i>Habib Ahmed</i>	THE AUDITOR-GENERAL



ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – GATUNDU NORTH
CONSTITUENCY**

**FOR THE YEAR
ENDED 30 JUNE 2018**





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

23 APR 2019

RECEIVED



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND GATUNDU
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)



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
GATUNDU 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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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)
GATUNDU NORTH CONSTITUENCY**

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

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 GATUNDU 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:

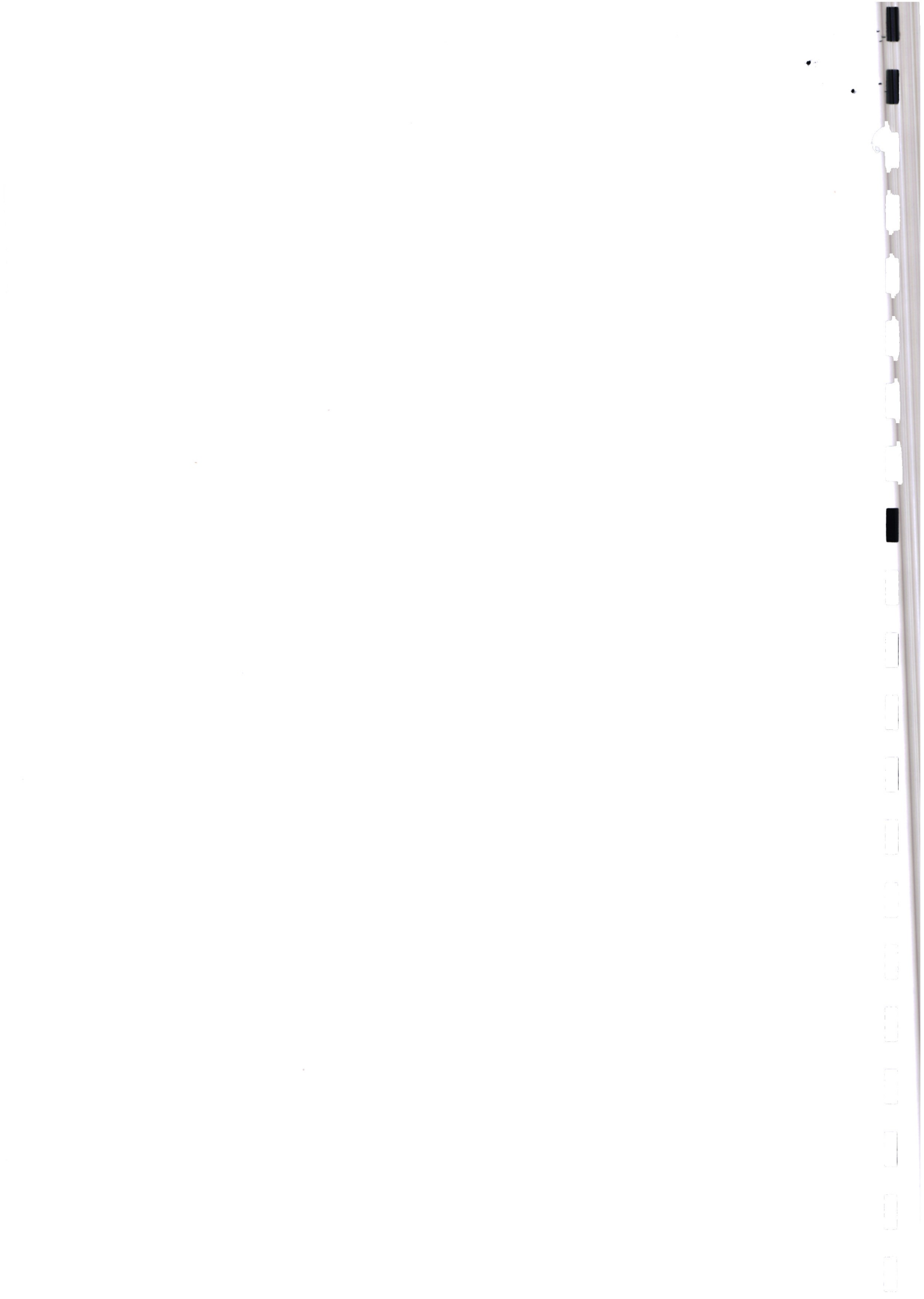
No	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Evans Machira
3.	Sub-County Accountant	James Nderi
4.	Chairman NGCDFC	John Ngaruiya
5.	Member NGCDFC	Jane Wanjiru

(d) Fiduciary Oversight Arrangements

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

P.O. Box 201-01004, Kanjuku,
GATUNDU NORTH NG-CDF Office,
Gatundu North DCC Compound,
Kamwangi



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

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

(f) NGCDF GATUNDU NORTH Constituency Contacts

Telephone: (254)
E-mail: cdfgatundunorth@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF GATUNDU NORTH Constituency Bankers

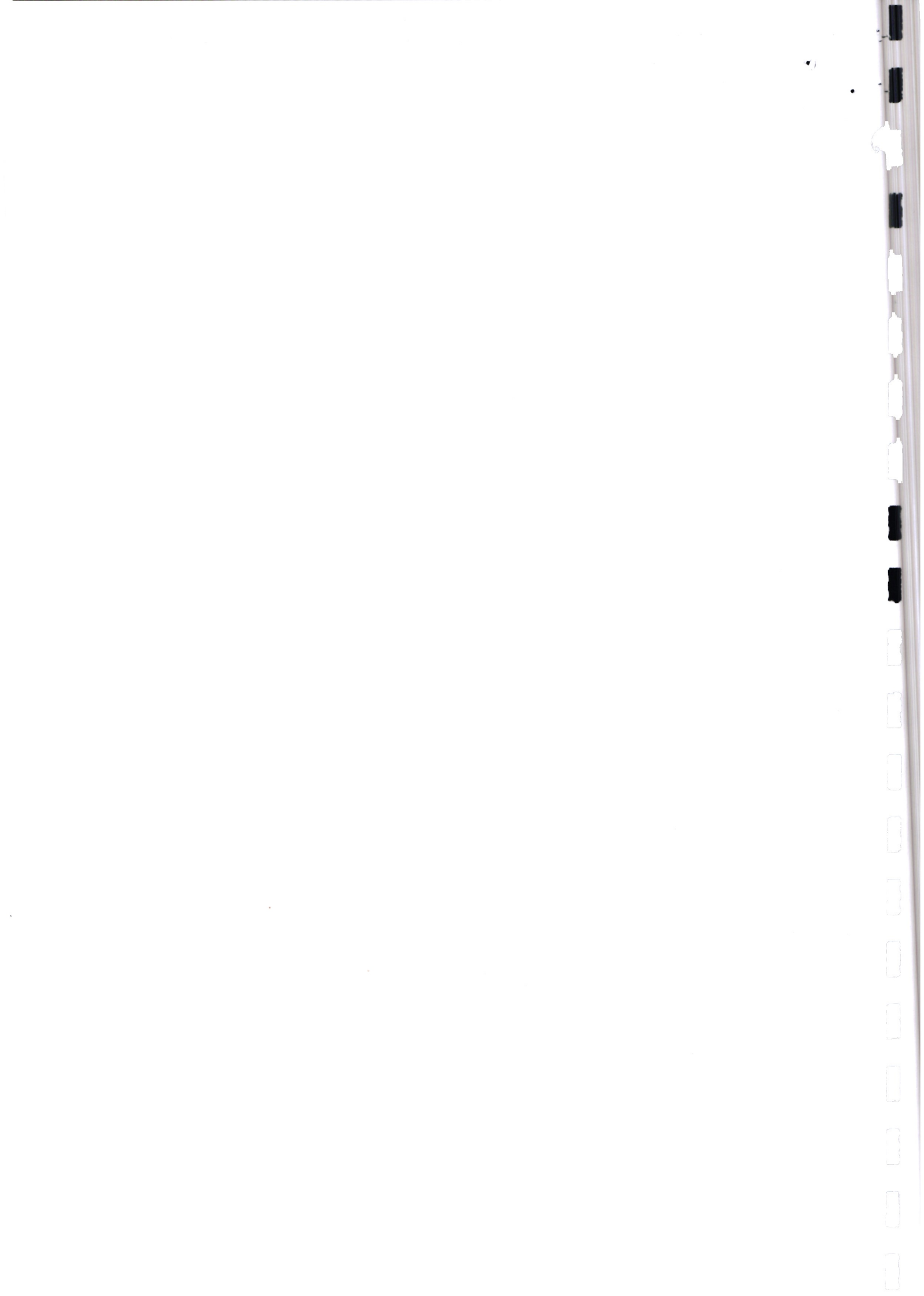
1. Bank Name: Kenya Commercial Bank
Branch: Gatundu
Account Name: GATUNDU NORTH NG - CDF
Account Number: 1102763853
Address: 518 Gatundu

(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)
GATUNDU NORTH CONSTITUENCY**

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

II. FORWARD BY THE CHAIRMAN 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

NG-CDF being the backbone of development in the Constituency is an integral part in any development agenda. The Constitutional crisis arising on NG-CDF should be taken as a critical decision for the survival of CDF.

Emerging issues:-

1. Arising from the impact so far created at the grassroots level and the high expectation from the local community there is need for the Government to consider an increase of the NG-CDF kitty from 2.5% of the total revenue collected to 10%.
2. Due heavy responsibility bestowed to the CDFC, NG - CDF board should enhance the allowance to be commensurate to the duties.
3. Due to shortage of land, implement new projects such as police posts, chief's camps and schools is a challenge, in this case, the NGCDFB should allow usage of containers.

Implementation challenges.

1. Delay in disbursement of NG - CDF funds. The Board with relevant bodies should strive to release funds to the NG - CDFC in the first quarter of each financial year. It will also be helpful if the funds are released latest before the end of the second quarter of every financial year.
2. The NG - CDF relies fully on ministerial technical departments for support in areas of Bill of Quantities, technical design and supervision of projects, delays normally occur as the personnel involved are not under direct control of NG - CDFC. The national NG - CDF Board should have its own technical experts within her structures for uniformity.
3. Some projects may require a long span of implementation creating a big variance between initial budget and actual cost during implementation. The national NG - CDF Board needs to be flexible on financing of such projects.

We humbly look forward to working very closely with the national NG – CDF Board with a view to enhancing accountability and efficiency in project management



**John Ngaruiya,
CHAIRMAN NG-CDF COMMITTEE**



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

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

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

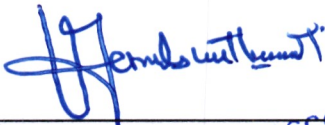
The Accounting Officer in charge of the NGCDF-GATUNDU NORTH Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 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-GATUNDU 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 charge of the NGCDF-GATUNDU 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-GATUNDU 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-GATUNDU NORTH Constituency financial statements were approved and signed by the Accounting Officer on 18/04 2019.

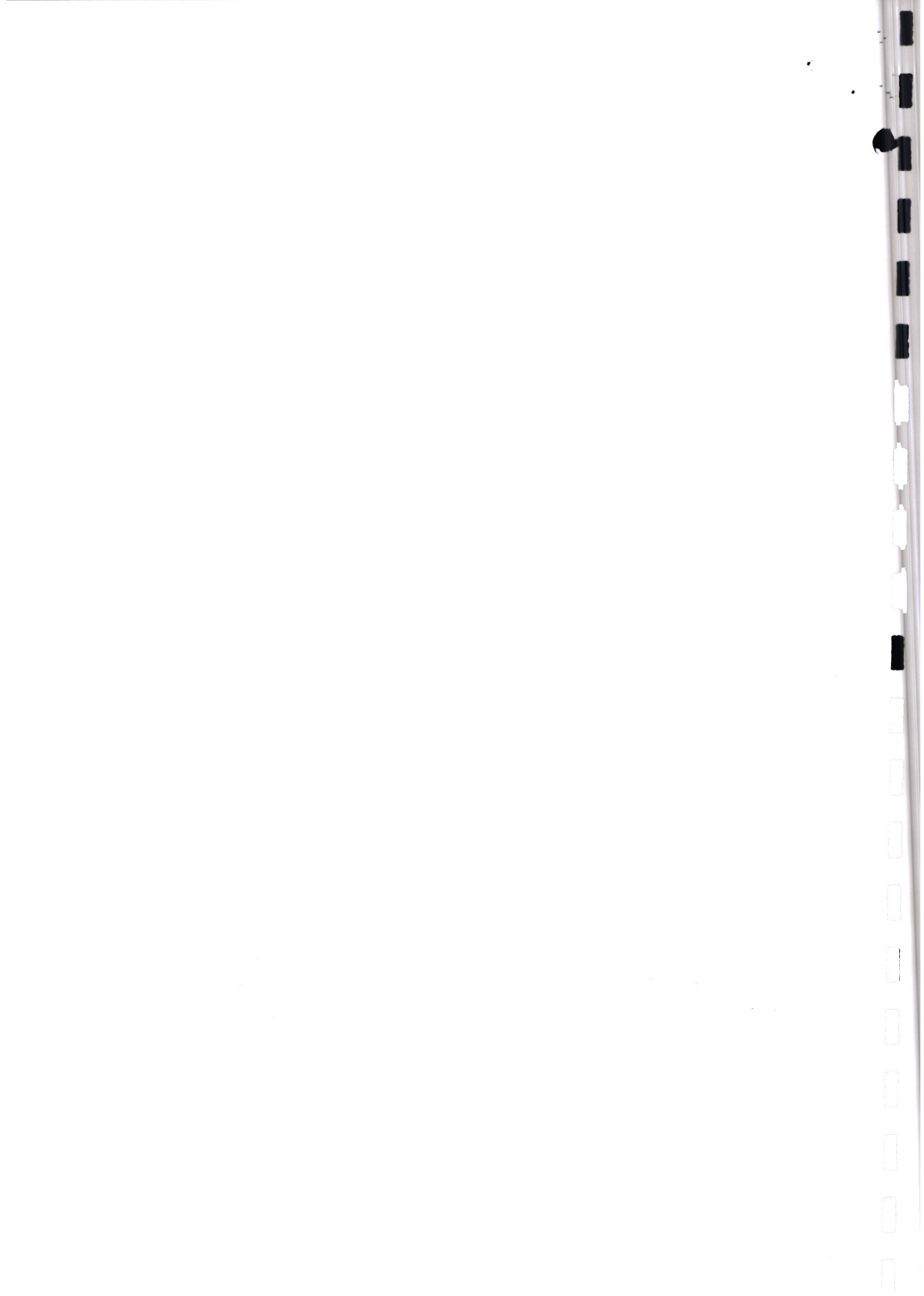


Fund Account Manager
Name: Jese Mbuthia
ACCOUNT MANAGER
NGCDF GATUNDU NORTH
P. O. BOX 201 - 01004.
KANJUKU

THE NATIONAL SUB-COUNTY ACCOUNTANT
GATUNDU NORTH
P. O. Box 473 - 01030, GATUNDU



Sub-County Accountant
Name: Hannah Kariuki



REPUBLIC OF KENYA

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

P.O. Box 30084-00100
NAIROBI



OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – GATUNDU NORTH CONSTITUENCY 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 - Gatundu North Constituency set out on pages 6 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 - Gatundu 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 - Gatundu 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 Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section, I have determined that there are no key audit matters to communicate in my report.

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

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

During the year under review, Gatundu North NG-CDF management had budgeted to receive and spend Kshs.103,109,385. However, the actual expenditure was Kshs.23,249,225 or 23% and thus, resulting in under expenditure of Kshs.79,860,160 or 77% of the final budget which has not been explained satisfactorily.

Further analysis of the final budget against the actual expenditure indicate that out of the development budget of Kshs.85,229,168, an amount of Kshs.18,754,808 was spent, resulting in an under expenditure of Kshs.66,474,360 or 78% of the development budget.

The overall under expenditure was mainly on transfers to other government units – Kshs.45,130,115, other grants and transfers - Kshs.9,564,935, acquisition of assets – Kshs.11,779,310 and other payments – Kshs.7,677,027. The under expenditure is an indication that the approved projects and programmes were not implemented and which in turn impacted negatively on efficient and effective delivery of services to the constituents.

2. Unutilized Funds in PMC Bank Account

The PMC Bank Accounts reflects a balance of Kshs.1,199,780 as at 30 June 2018 for A/c No. 0660173209327 at Equity Bank. The funds were meant for purchase of 0.25 acre of land for Gichuka Primary School. As at the time of audit, the land had not been purchased because of ownership issues.

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- Gatundu 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:

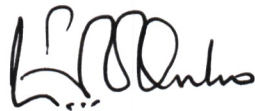
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting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

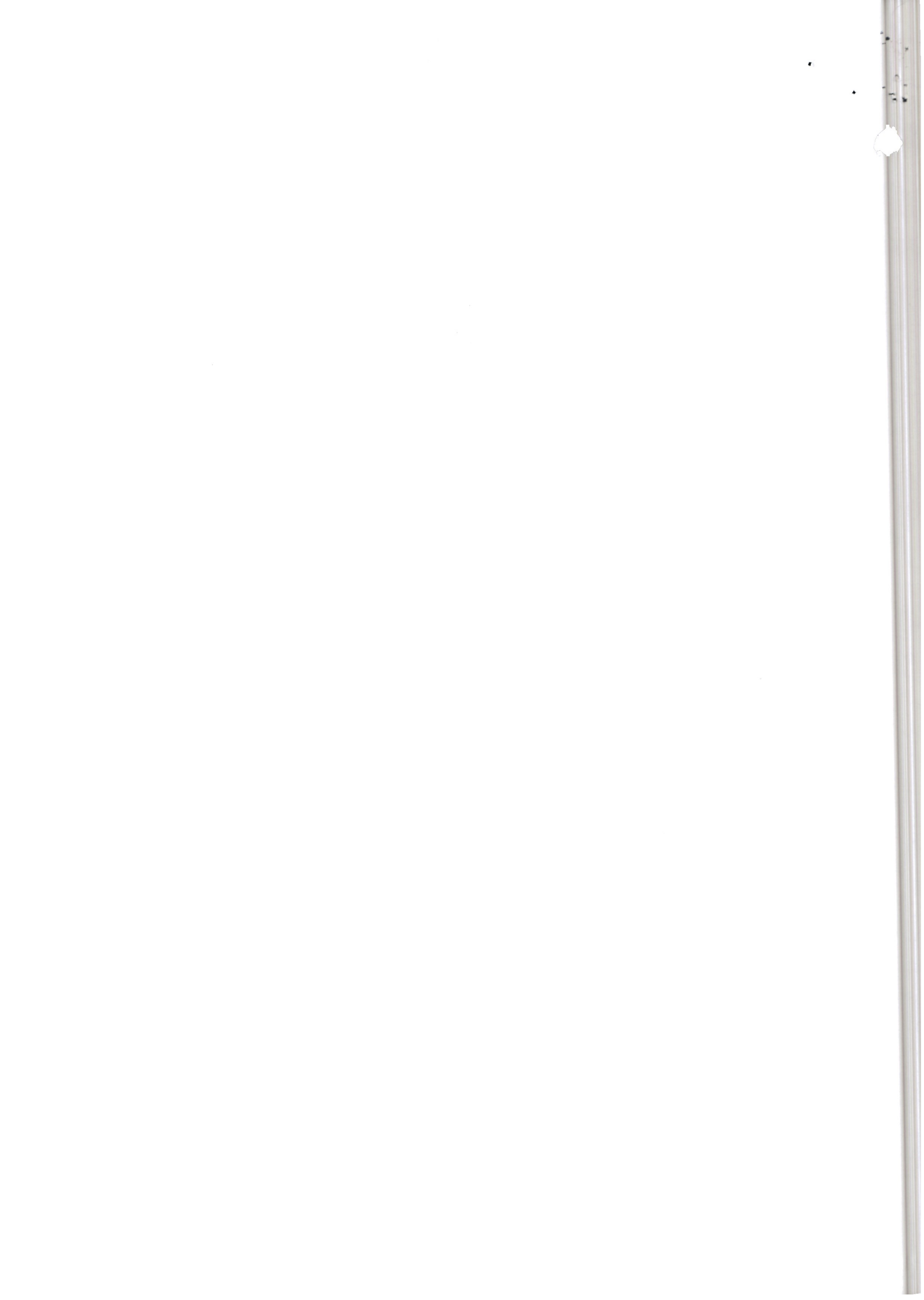
I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



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

Nairobi

6 May 2019



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

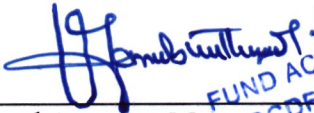
Reports and Financial Statements


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	43,405,172.00	92,396,552.00
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		43,405,172.00	92,396,552.00
PAYMENTS			
Compensation of employees	4	940,060.00	1,395,981.00
Use of goods and services	5	3,554,357.00	6,112,738.00
Transfers to Other Government Units	6	-	50,958,787.00
Other grants and transfers	7	18,754,808.00	42,008,804.00
Acquisition of Assets	8	-	2,567,000.00
Other Payments	9	-	-
TOTAL PAYMENTS		23,249,225.00	103,043,310.00
SURPLUS/DEFICIT		20,247,977.00	(10,646,758.00)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-GATUNDU NORTH Constituency financial statements were approved on 18/04/19 2019 and signed by:


FUND ACCOUNT MANAGER
Name: Jese Mbuthia
 P. O. BOX 201 - 01004 - KANJUKU


THE NATIONAL SUB-COUNTY ACCOUNTANT
GATUNDU NORTH
P. O. Box 473 - 01030, GATUNDU
Sub-County Accountant
Name: Hannah Kariuki



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

Reports and Financial Statements

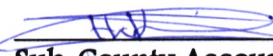
For the year ended June 30, 2018

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	25,167,707.01	4,919,730.00
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		25,167,707.01	4,919,730.00
Current receivables-Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		25,167,707.01	4,919,730.00
FINANCIAL LIABILITIES			
Accounts Payable-Retention	12		
NET FINANCIAL ASSETS		25,167,707.01	4,919,730.00
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	4,919,730.00	15,566,488.00
Surplus/Deficit for the year		20,247,977.01	(10,646,758.00)
Prior year adjustments	14	-	-
NET FINANCIAL POSITION		25,167,707.01	4,919,730.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-GATUNDU NORTH Constituency financial statements were approved on 18/04 2019 and signed by:


FUND ACCOUNT MANAGER
NGCDF GATUNDU NORTH
P. O. BOX 201 01004.
KANJUKU
 Fund Account Manager
 Name: Jesece Mbuthia

THE NATIONAL SUB-COUNTY ACCOUNTANT
GATUNDU NORTH
P. O. Box 473 - 01030, GATUNDU

Sub-County Accountant
 Name: Hannah Kariuki

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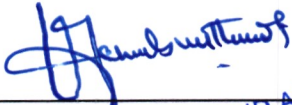
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
GATUNDU NORTH CONSTITUENCY**


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

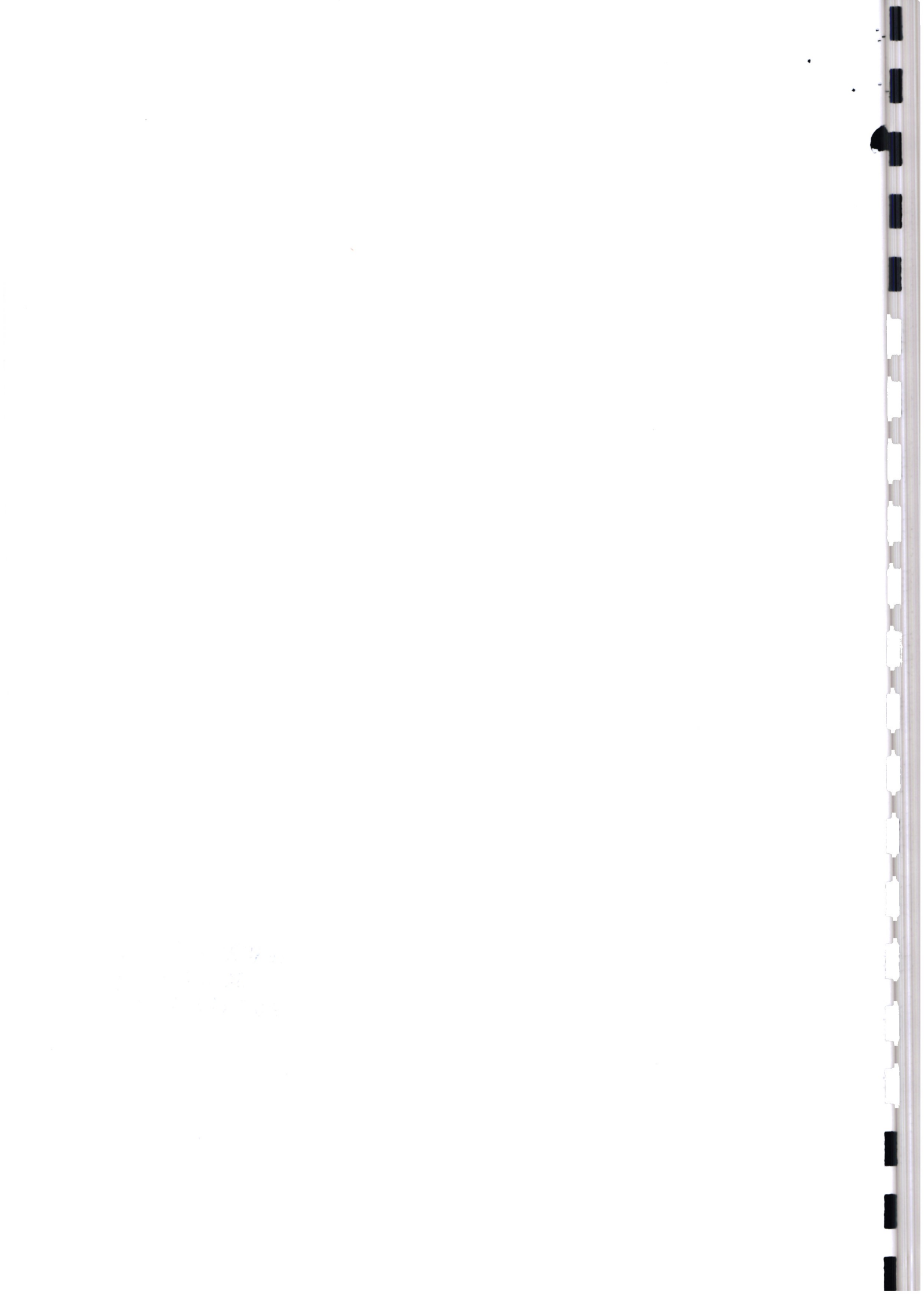
VI. STATEMENT OF CASHFLOW

Receipts for operating income		2017 - 2018 Kshs	2016 - 2017 Kshs
Transfers from CDF Board	1	43,405,172.00	92,396,552.00
Other Receipts	3	-	-
		43,405,172.00	92,396,552.00
Payments for operating expenses			
Compensation of Employees	4	940,060.00	1,395,981.00
Use of goods and services	5	3,554,357.00	6,112,738.00
Transfers to Other Government Units	6	-	50,958,787.00
Other grants and transfers	7	18,754,808.00	42,008,804.00
Other Payments	9	-	-
		23,249,225.00	100,476,310.00
Adjusted for:			
Adjustments during the year	14	-	-
Net cash flow from operating activities		20,247,977.01	(8,079,758.00)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	2,567,000.00
Net cash flows from Investing Activities		-	(2,567,000.00)
NET INCREASE IN CASH AND CASH EQUIVALENT		20,247,977.01	(10,646,758.00)
Cash and cash equivalent at BEGINNING of the year	13	4,919,730.00	15,566,488.00
Cash and cash equivalent at END of the year		25,167,707.01	4,919,730.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-GATUNDU NORTH Constituency financial statements were approved on 18/04 2019 and signed by:

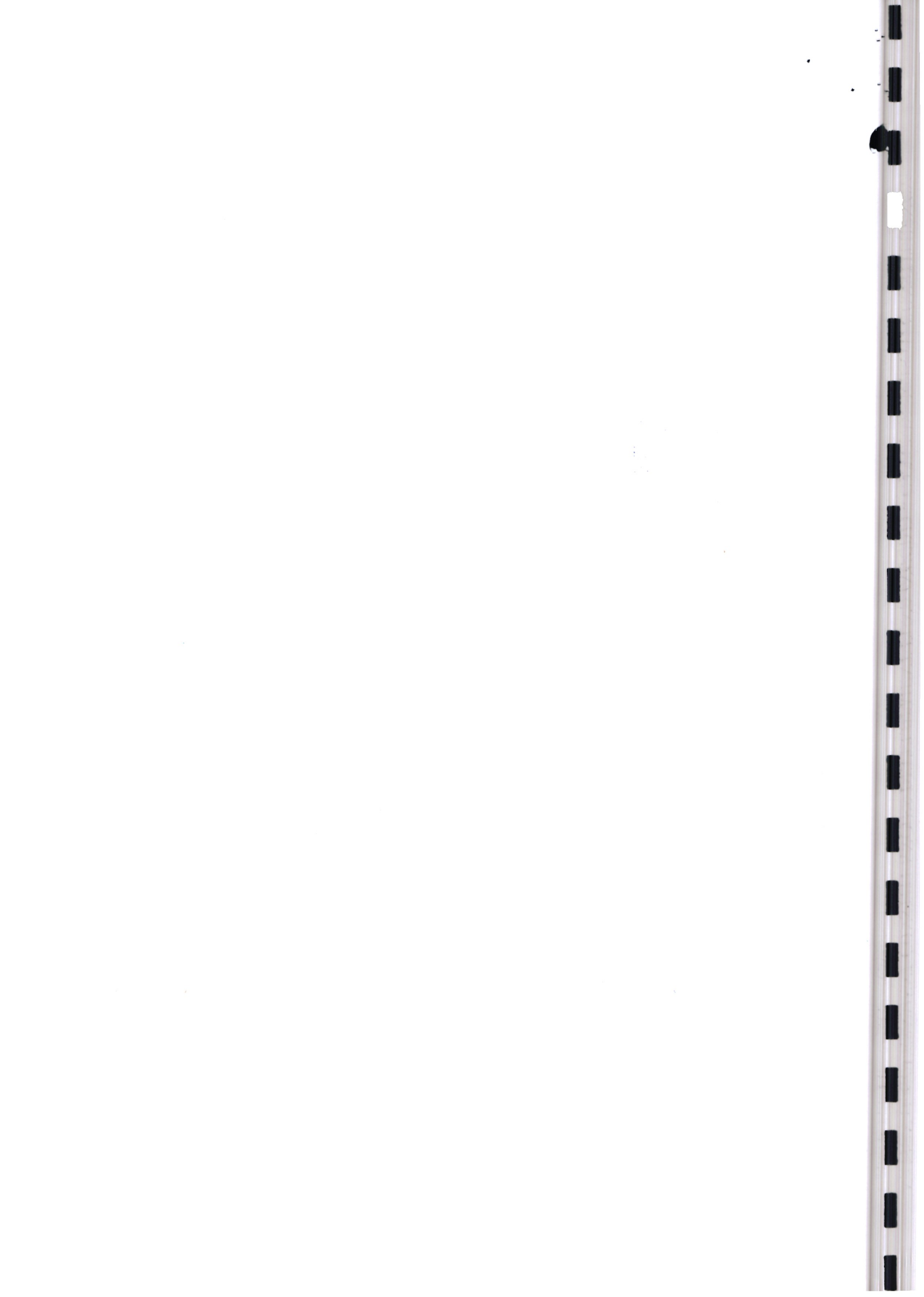

Fund Account Manager
Name: Jese Mbutia
NGCDF ACCOUNT MANAGER
NGCDF GATUNDU NORTH
P. O. BOX 201 * 01004
KANJUKU


Sub-County Accountant
Name: Hannah Kariuki
THE NATIONAL SUB-COUNTY ACCOUNTANT
GATUNDU NORTH
P. O. Box 473 - 01030, GATUNDU



VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	86,810,344.82	16,299,040.00	103,109,384.82	48,324,902.00	54,784,482.82	46.9%
Proceeds from Sale of Assets						
Other Receipts						
TOTAL RECEIPTS	86,810,344.82	16,299,040.00	103,810,344.82	48,324,902.00	54,784,482.82	55.7%
PAYMENTS						
Compensation of Employees	1,121,379.90	898,184.00	2,019,563.90	940,060.00	1,079,503.90	46.5%
Use of goods and services	4,704,065.20	3,479,561.00	8,183,626.20	3,554,357.00	4,629,269.20	43.4%
Transfers to Other Government Units	45,130,115.00		45,130,115.00	-	45,130,115.00	0.0%
Other grants and transfers	27,777,757.52	541,985.00	28,319,742.52	18,754,808.00	9,564,934.52	66.2%
Acquisition of Assets	400,000.00	11,379,310.20	11,779,310.20	-	11,779,310.20	0.0%
Other Payments	7,677,027.00		7,677,027.00	-	7,677,027.00	0.0%
TOTAL	86,810,344.62	16,299,040.20	103,109,384.82	23,249,225.00	79,860,159.82	22.5%



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

- i. The underutilization of funds is due to the fact that the project implementation has been slow since the procurement process has been repeated a number of times due to high cost estimates of the contractors to the projects. This has been brought about by the comparison to the County project budget estimates.

The NGCDF-GATUNDU NORTH Constituency financial statements were approved on 18/04 2019 and signed by:



Fund Account Manager

Name: Jesse Mbutia

NGCDF ACCOUNT MANAGER
NGCDF GATUNDU NORTH
P.O. BOX 201 KARIUKU

THE NATIONAL SUB-COUNTY ACCOUNTANT
GATUNDU NORTH



Sub-County Accountant

Name: Hannah Kariuki

P.O. Box 473 - 01030, GATUNDU



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-GATUNDU 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.



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

Reports and Financial Statements

For the year ended June 30, 2018

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.

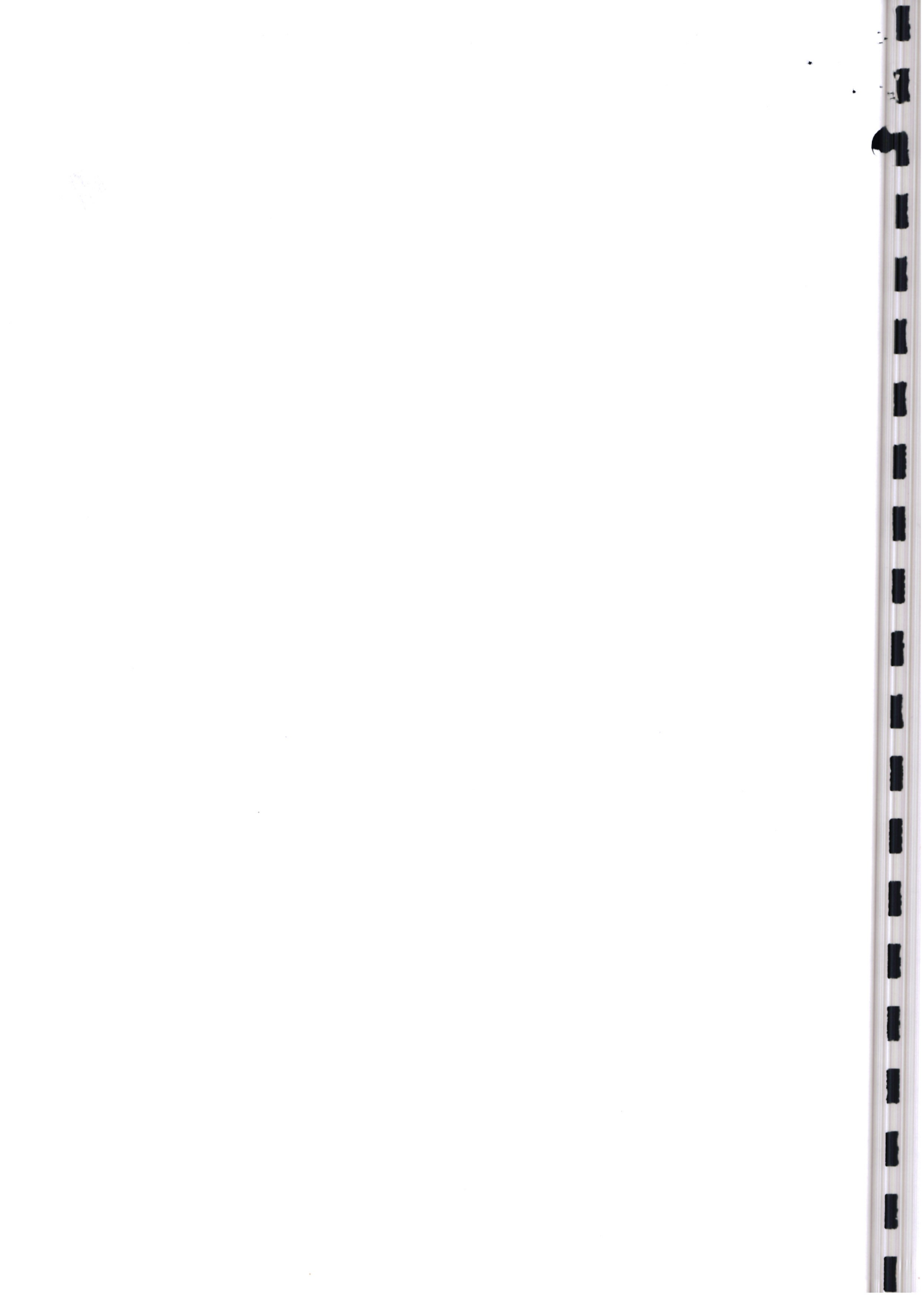
Use of Goods and Services

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) –
GATUNDU 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

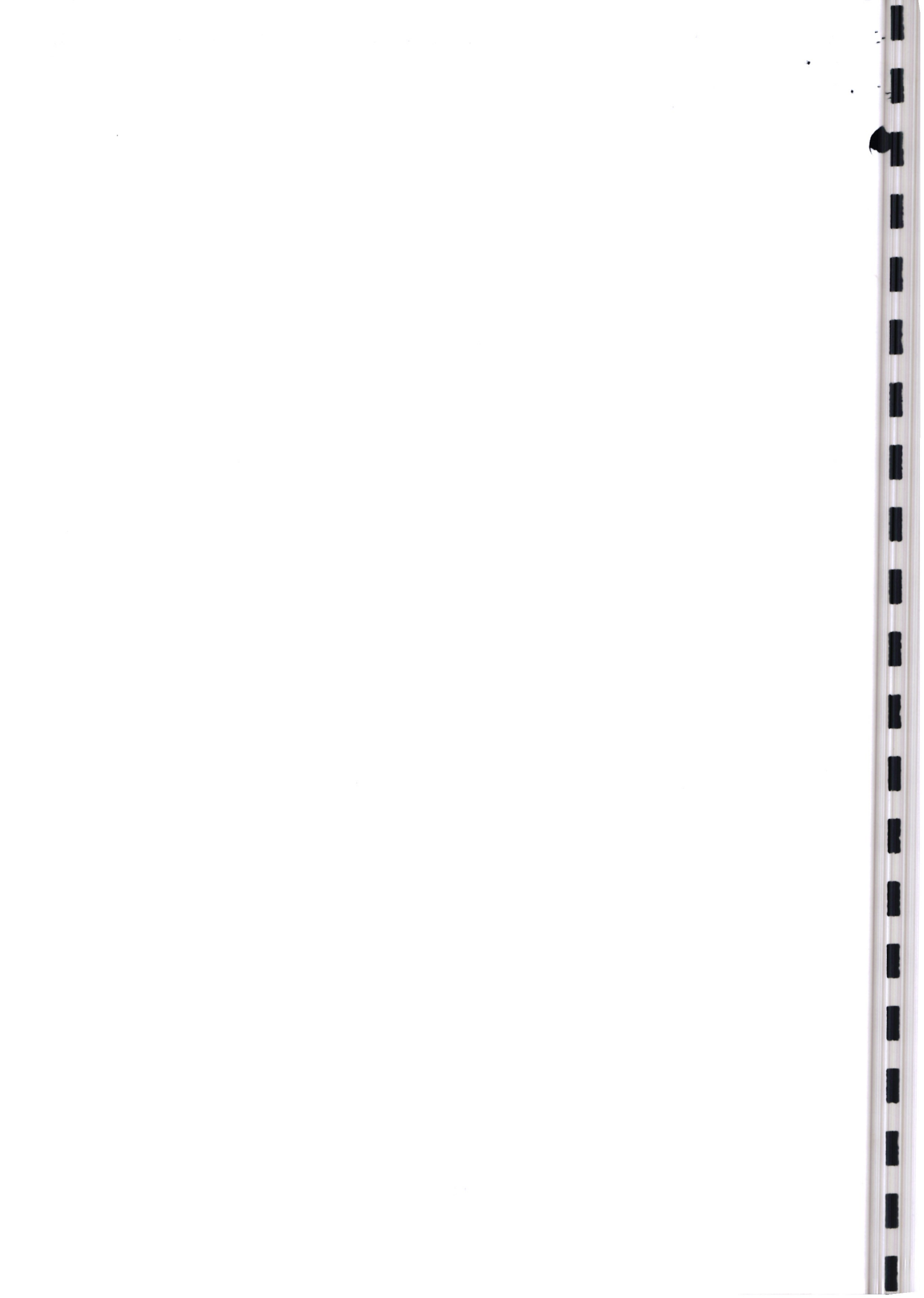
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations 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.



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

Reports and Financial Statements

For the year ended June 30, 2018

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

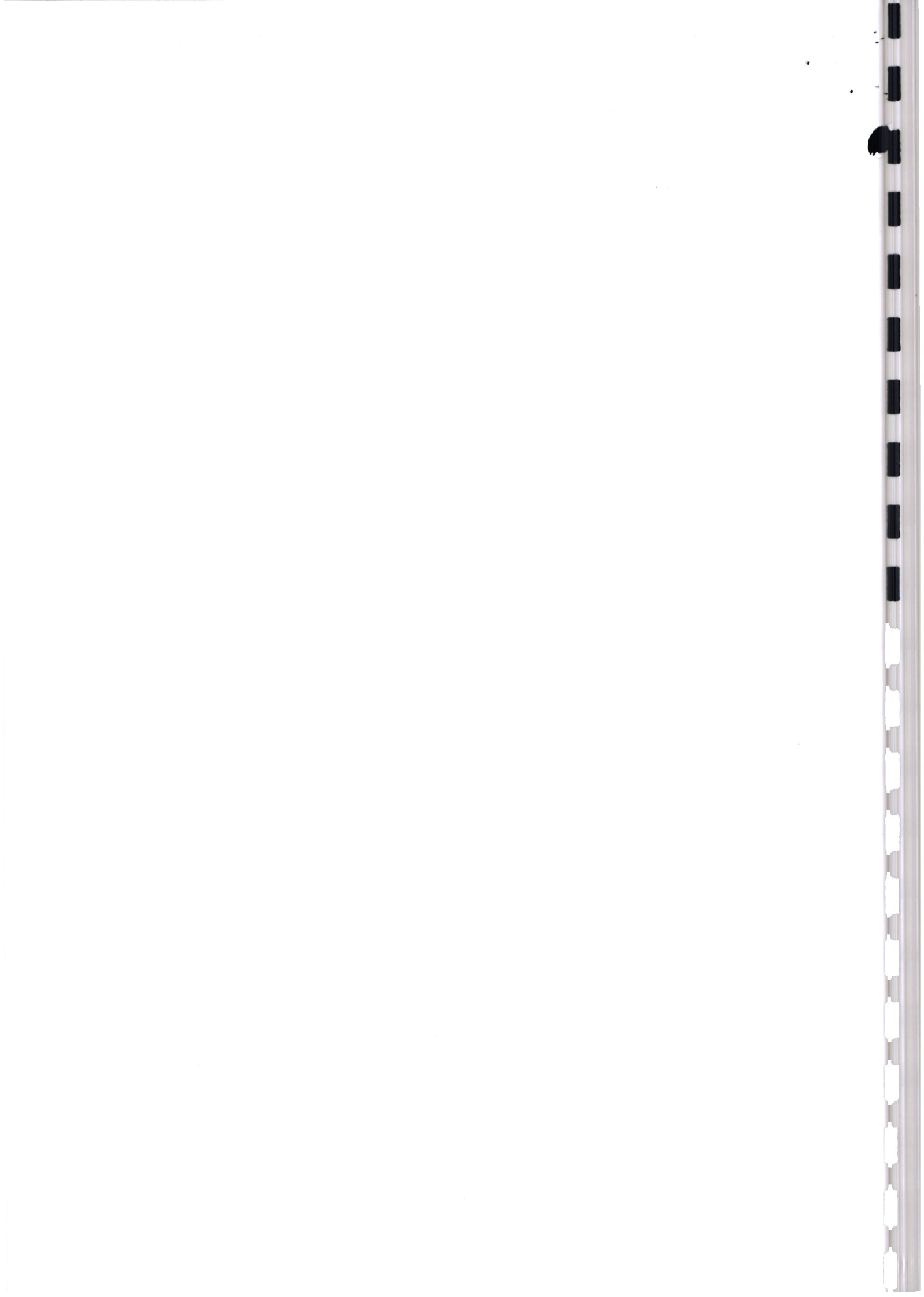
14. Errors

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

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

15. Related Party Transactions

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



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

Reports and Financial Statements

For the year ended June 30, 2018

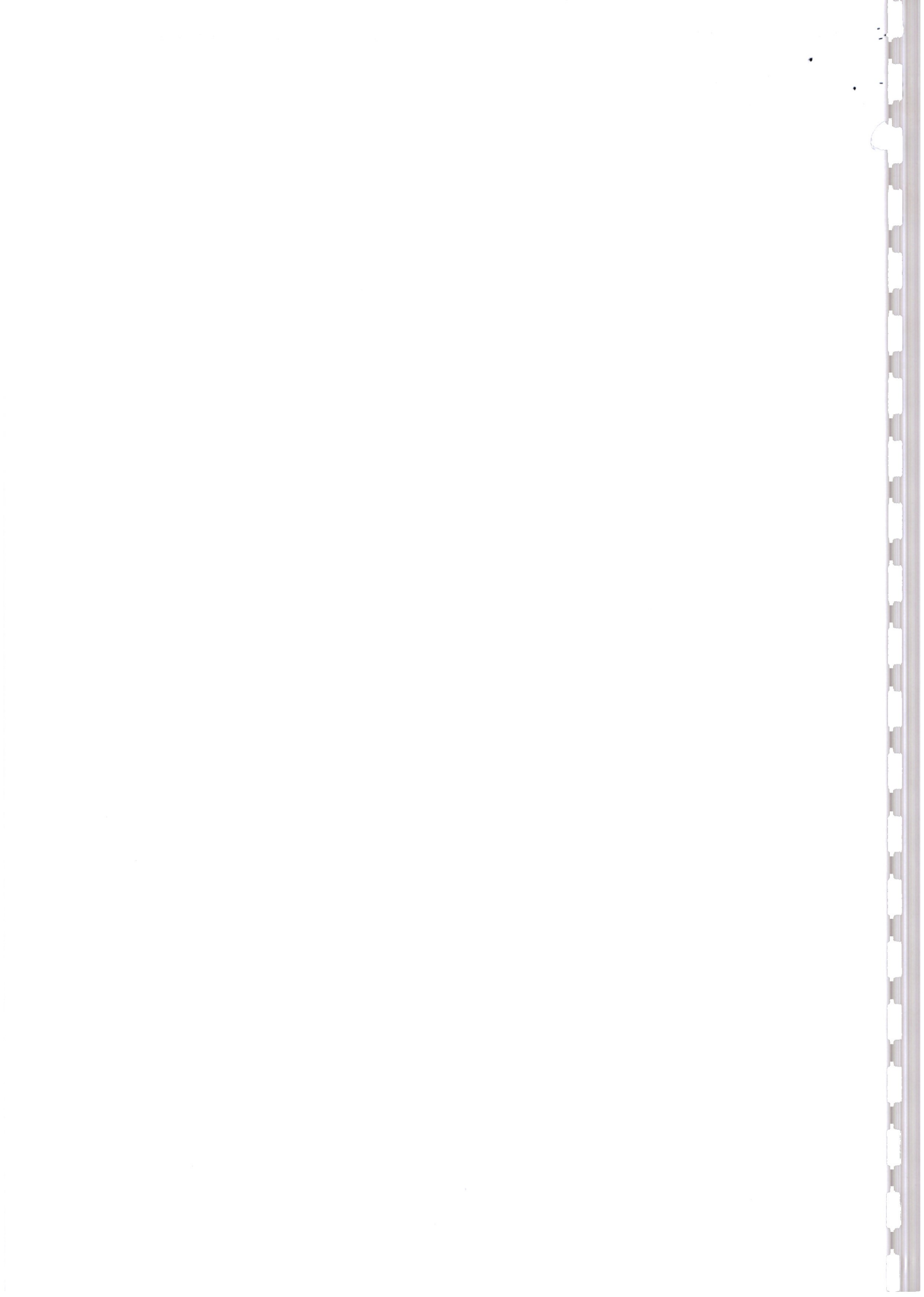
IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

	2017-2018	2016 - 2017
	Kshs	Kshs
AIE NO...825872		10,000,000.00
AIE NO...829551		4,094,828.00
AIE NO...839566		500,000.00
AIE NO...839592		36,853,449.00
AIE NO...855184		40,948,275.00
AIE NO...855808	5,500,000.00	
AIE NO...892992	37,905,172.00	
	43,405,172.00	92,396,552.00

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) –
GATUNDU NORTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

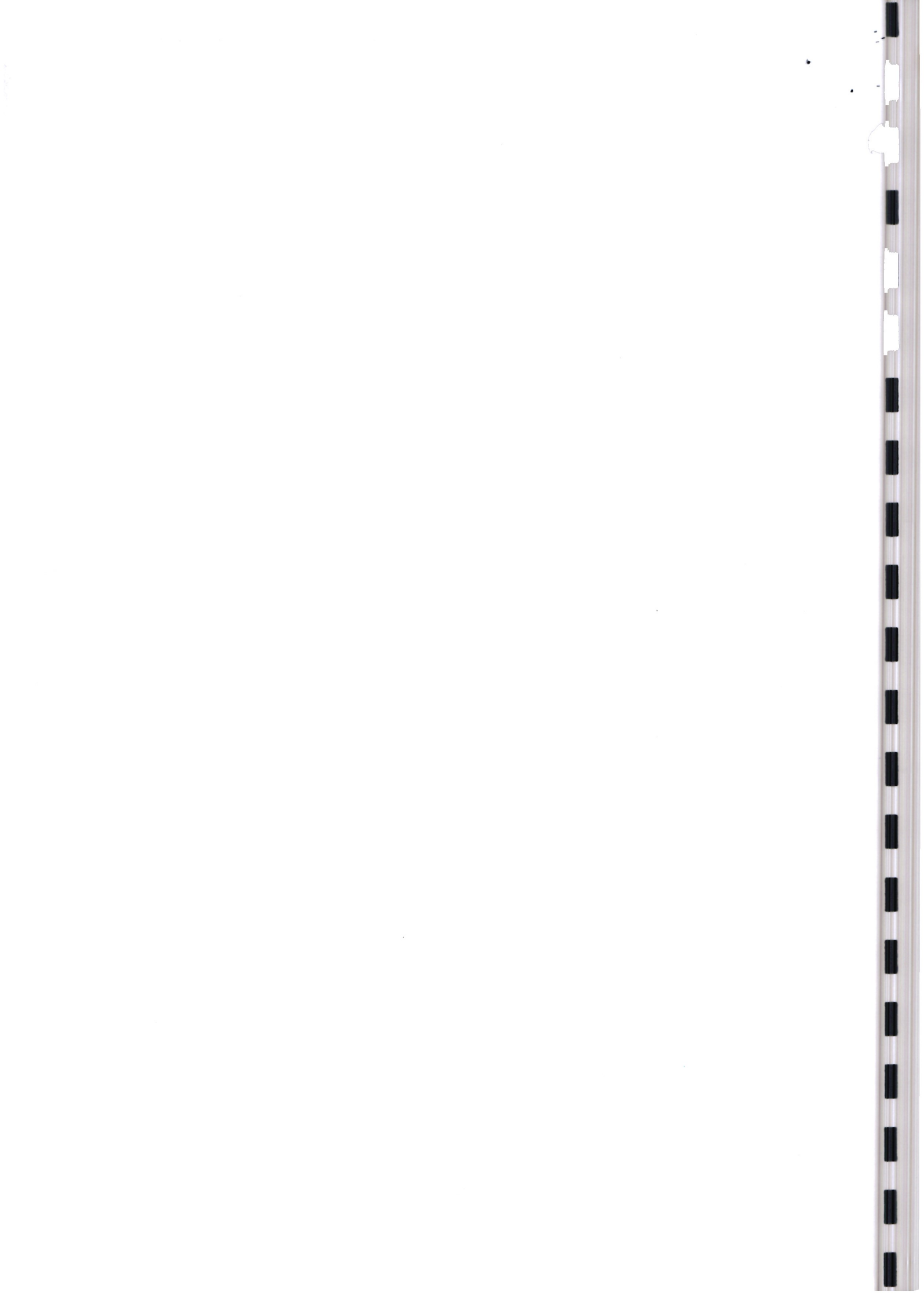
NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

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

4. COMPENSATION OF EMPLOYEES

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Basic wages of contractual employees	791,040.00	899,370
Basic wages of casual labour		
Personal allowances paid as part of salary		-
House allowance		
Transport allowance		-
Leave allowance		-
Other personnel payments		348,841
Employer contribution to NSSF	19,440.00	54,670
Gratuity-contractual employees	129,580.00	93,100
TOTAL	940,060.00	1,395,981.00



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

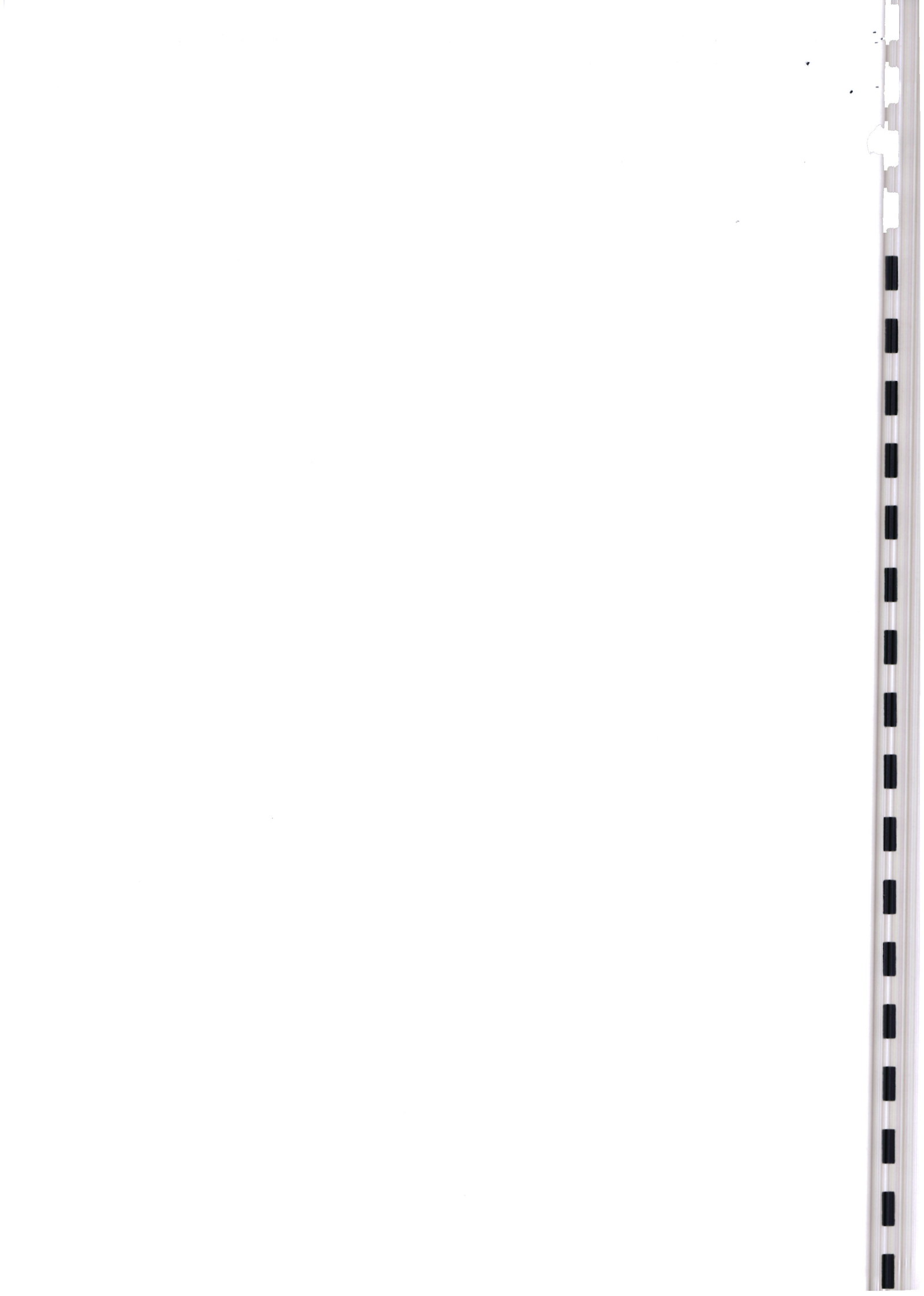
Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Utilities, supplies and services	32,295.00	26,450.00
Electricity	30,000.00	
Water & sewerage charges	10,000.00	
Office rent		
Communication, supplies and services	10,960.00	6,960.00
Domestic travel and subsistence	250,000.00	-
Printing, advertising and information supplies & services	166,622.00	-
Rentals of produced assets		
Training expenses	200,000.00	-
Hospitality supplies and services		
Other committee expenses	874,500	349,000.00
Committee allowance	1,860,560.00	3,972,000.00
Insurance costs		
Specialised materials and services		
Office and general supplies and services		566,117.00
Fuel , oil & lubricants		
Other operating expenses	119,420.00	158,597.00
Bank service commission and charges		
Security operations		
Routine maintenance - vehicles and other transport equipment		633,614.00
Routine maintenance- other assets		400,000.00
TOTAL	3,554,357.00	6,112,738.00



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
GATUNDU NORTH 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		34,526,406.00
Transfers to Secondary schools		15,063,780.00
Transfers to Tertiary institutions		903,376.00
Transfers to Health institutions		465,225.00
TOTAL	-	50,958,787.00

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2017 - 2018	2016 - 2017
	Kshs	Kshs
Bursary –Secondary	10,000,000.00	25,936,000.00
Bursary –Tertiary	8,754,808.00	
Bursary-Special schools		
Mocks & CAT		
Water		
Food security		
Electricity		
Security		9,500,000.00
Roads and Bridges		
Sports		663,795.00
Environment		2,492,534.00
Cultural Projects		
Agriculture		
Emergency Projects		3,416,475.00
TOTAL	18,754,808.00	42,008,804.00



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

Reports and Financial Statements

For the year ended June 30, 2018

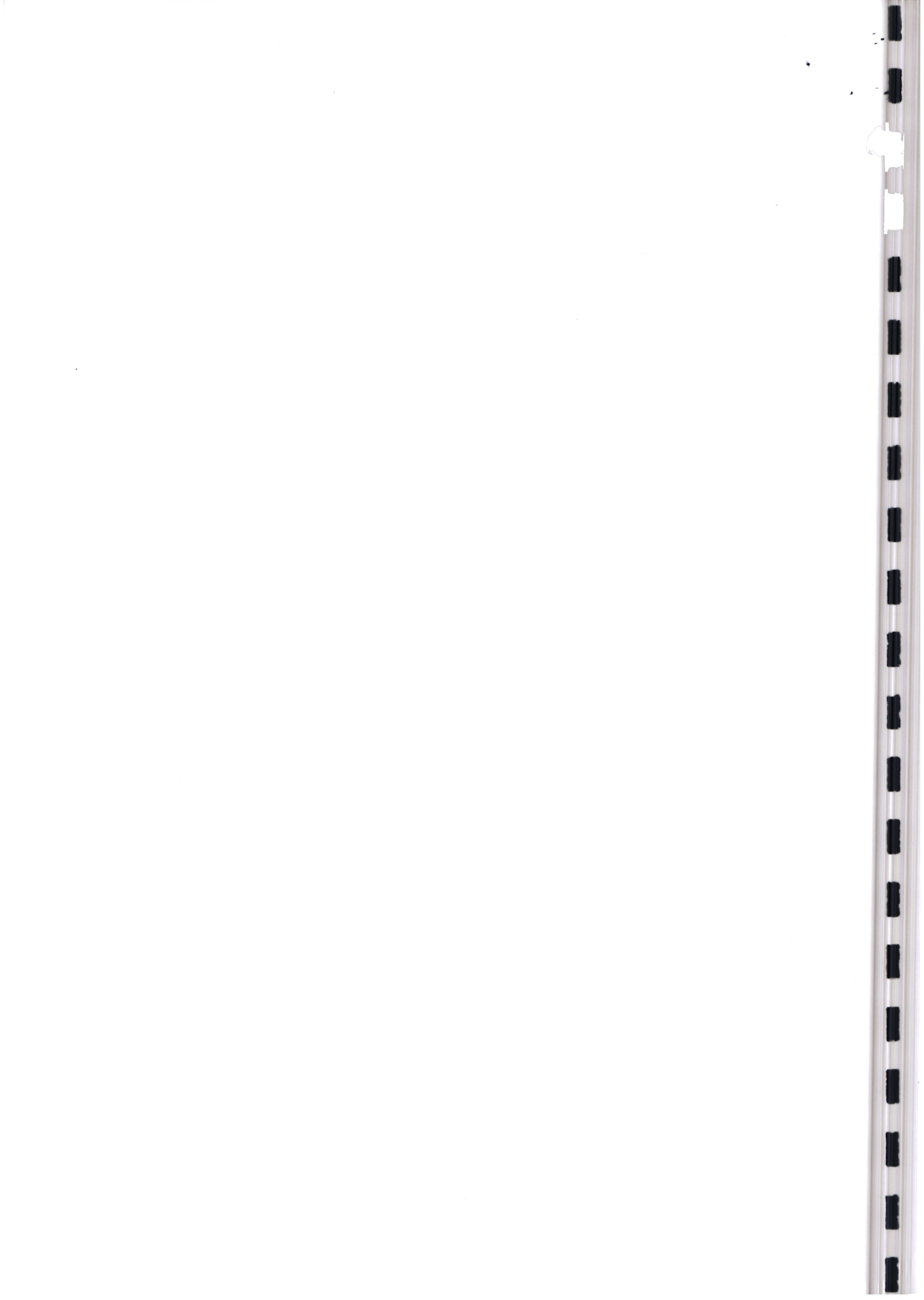
NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets	2017- 2018	2016 - 2017
	Kshs	Kshs
Purchase of Buildings		
Construction of Buildings		
Refurbishment of Buildings		2,567,000.00
Purchase of Vehicles		
Purchase of Bicycles & Motorcycles		
Overhaul of Vehicles		
Purchase of office furniture and fittings		
Purchase of computers ,printers and other IT equipment		
Purchase of photocopier		
Purchase of other office equipment		
Purchase of soft ware		
Acquisition of Land		
TOTAL	-	2,567,000.00

9. OTHER PAYMENTS

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



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

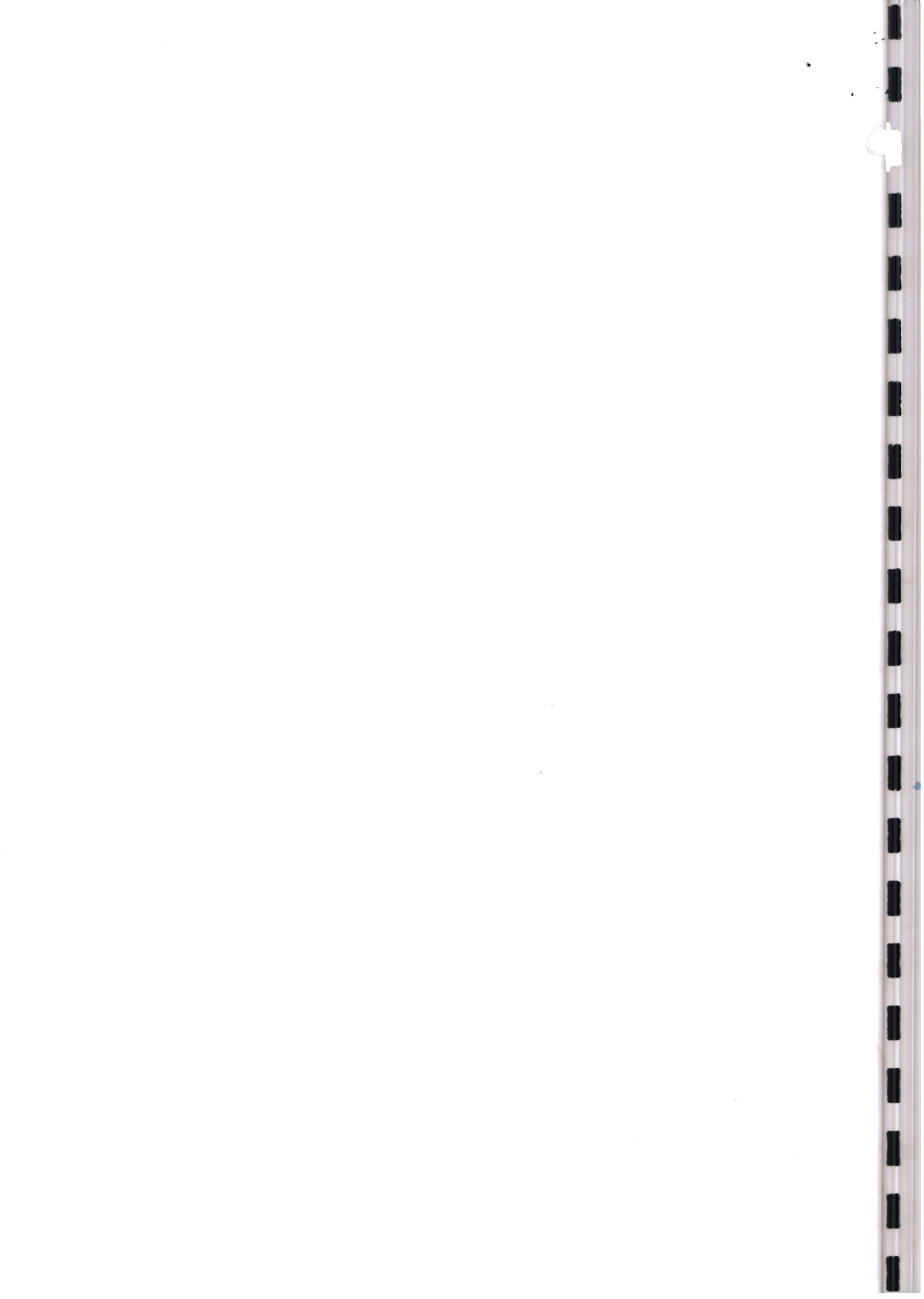
Reports and Financial Statements

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
Kenya Commercial Bank A/C No. 1102763853	25,167,707.01	4,919,730.00
Total	25,167,707.01	4,919,730.00
10B: CASH IN HAND		
Location 1		
Location 2		
Other Locations (<i>specify</i>)		
Total	-	-
<i>[Provide cash count certificates for each]</i>		



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
GATUNDU 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>
<i>Name of Officer or Institution</i>	-			
<i>Name of Officer or Institution</i>				
Total				

12 RETENTION

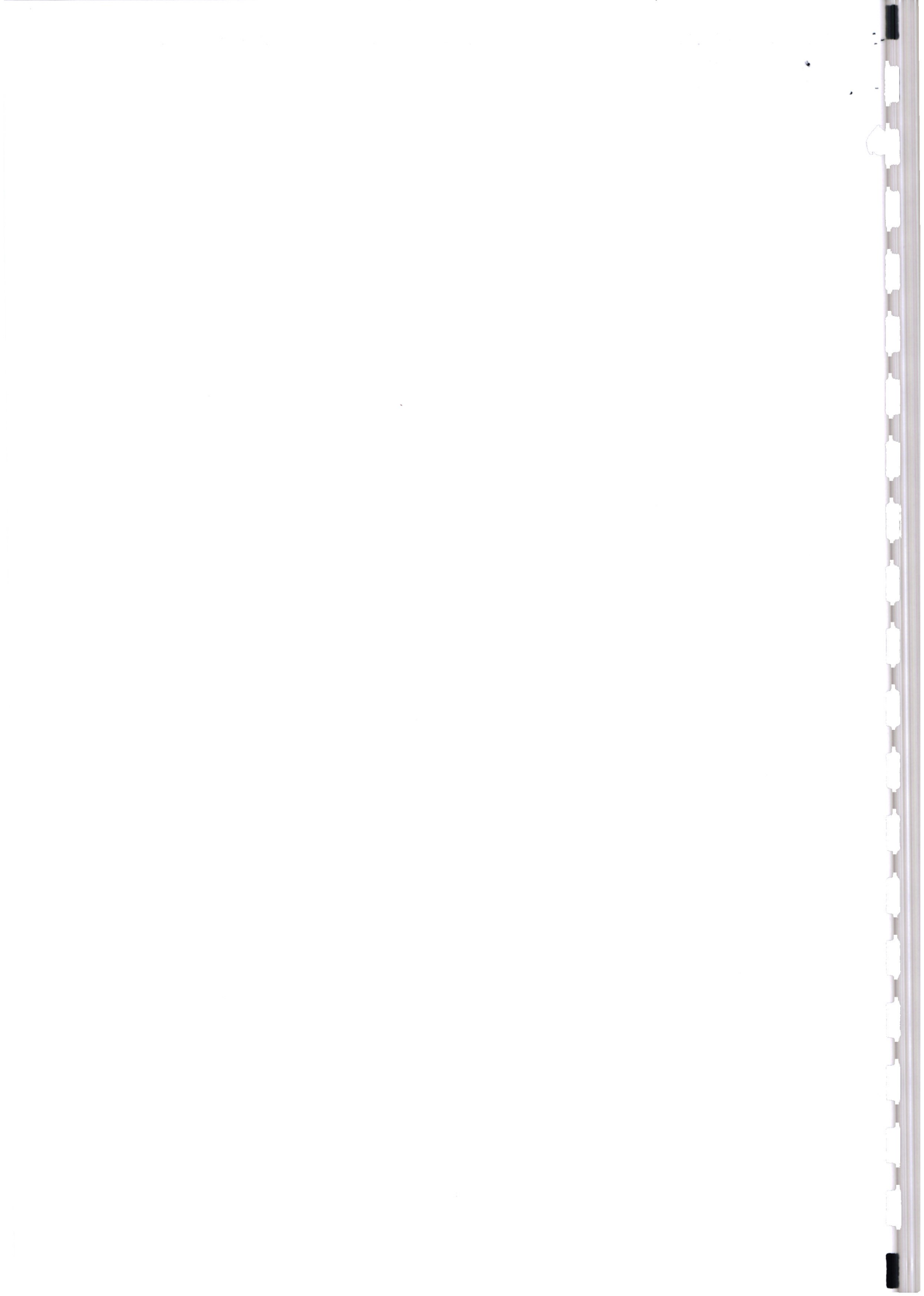
		2017 - 2018	2016 - 2017
		Kshs	Kshs
Supplier/Contractor	PV No.		
TOTAL			

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2016 – 2017	2016 - 2017
	Kshs (1/7/2017)	Kshs (1/7/2016)
Bank accounts	4,919,730.00	15,566,488.00
Cash in hand		
Imprest		
TOTAL	4,919,730.00	15,566,488.00

[Provide short appropriate explanations as necessary]



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

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

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

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

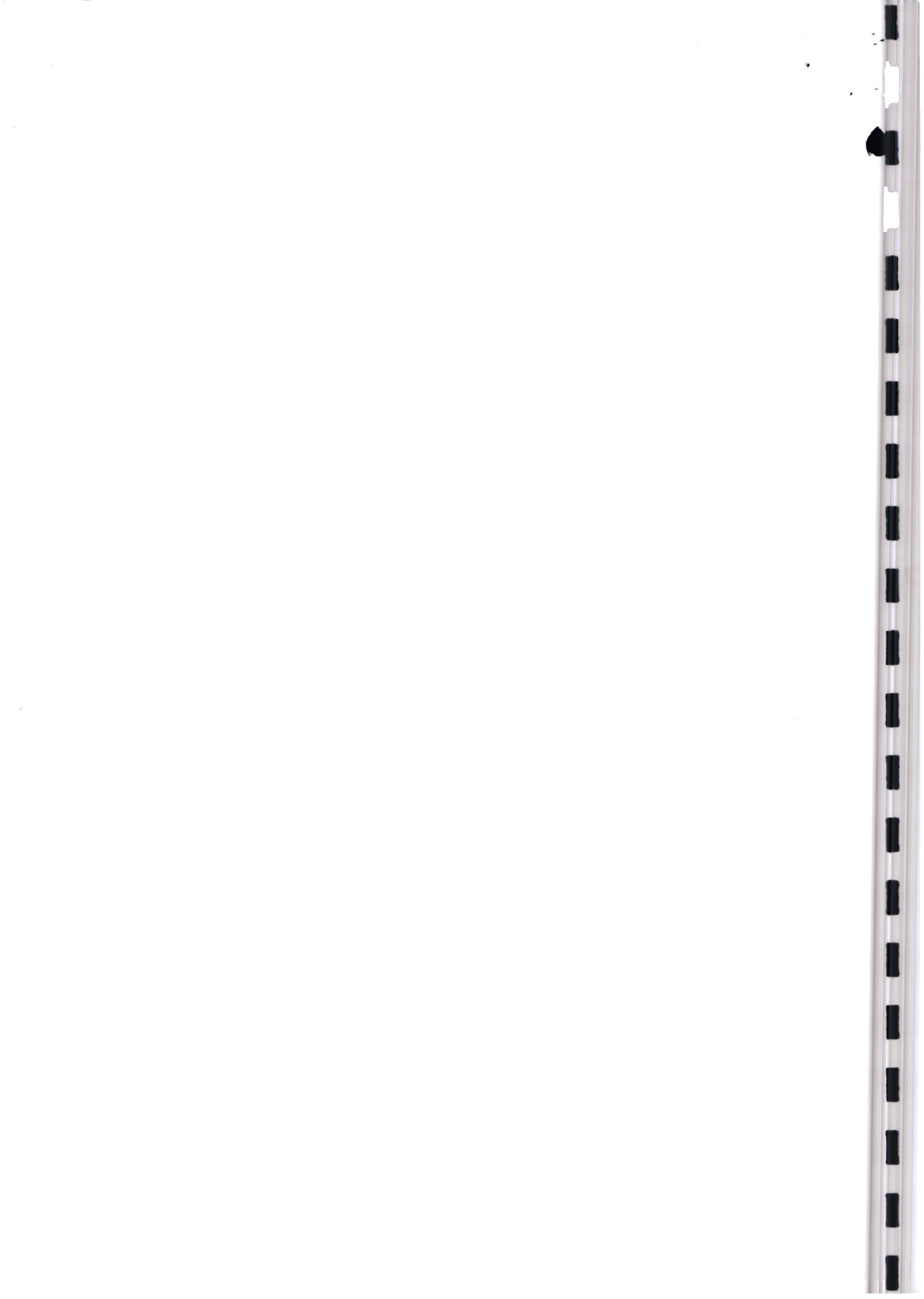
	2017 – 2018	2016 - 2017
	Kshs	Kshs
Construction of buildings		-
Construction of civil works		-
Supply of goods		-
Supply of services		-
TOTAL		-

15.2: PENDING STAFF PAYABLES (See Annex 2)

	2017 – 2018	2016 - 2017
	Kshs	Kshs
Senior management		
Middle management		-
Unionisable employees		-
Others (specify) –Staff gratuity	258,540.00	-
TOTAL	258,540.00	-

15.3: UNUTILIZED FUNDS (See Annex 3)

	2017 - 2018	2016 - 2017
	Kshs	Kshs
Compensation of employees	1,079,503.90	
Use of goods and services	4,629,269.20	
Amounts due to other Government entities (see attached list)	45,130,115.00	-
Amounts due to other grants and other transfers (see attached list)	9,564,934.52	-
Acquisition of assets	11,779,310.20	
Others (specify)	7,677,027.00	-
Total	79,860,159.82	



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

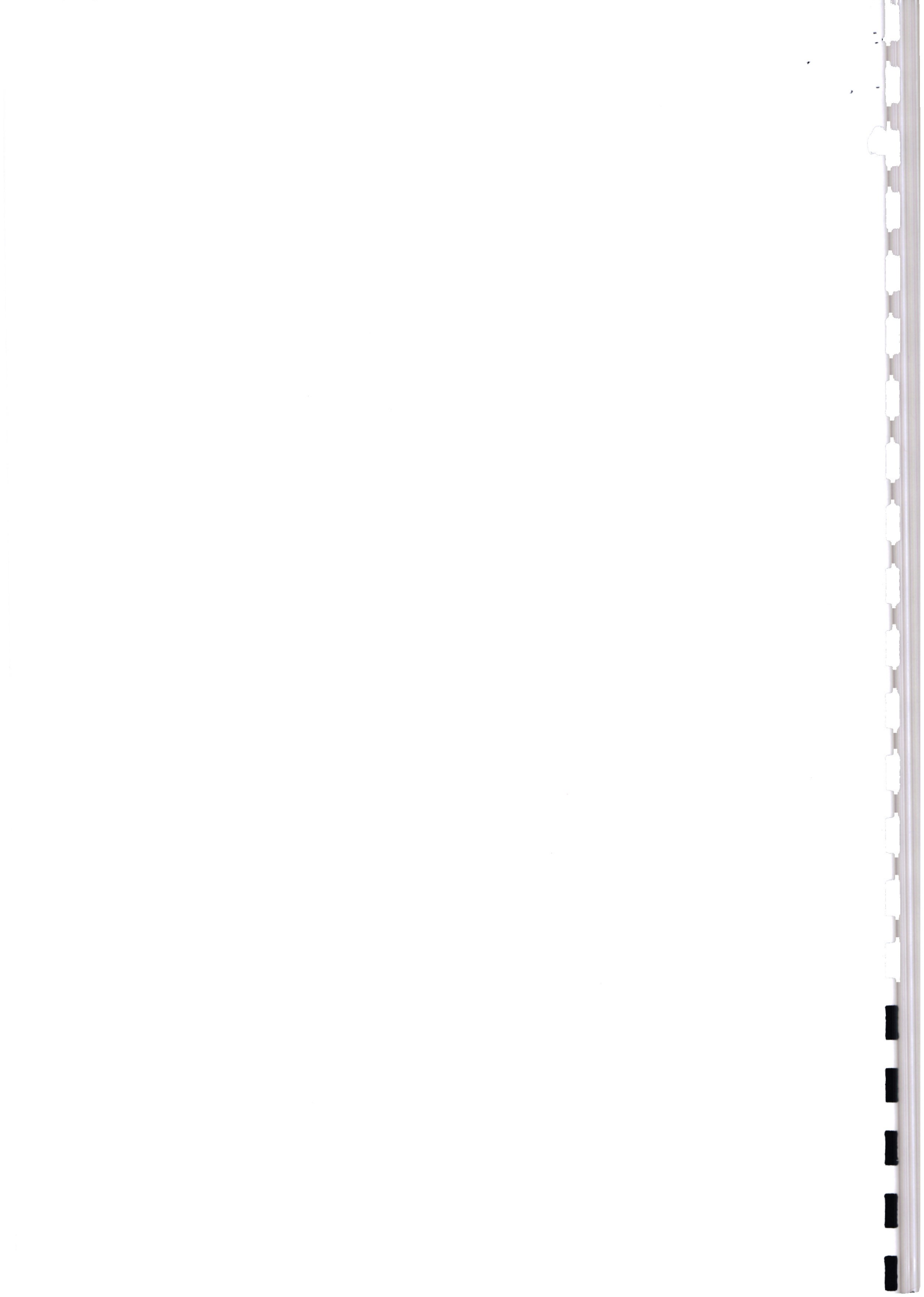
Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

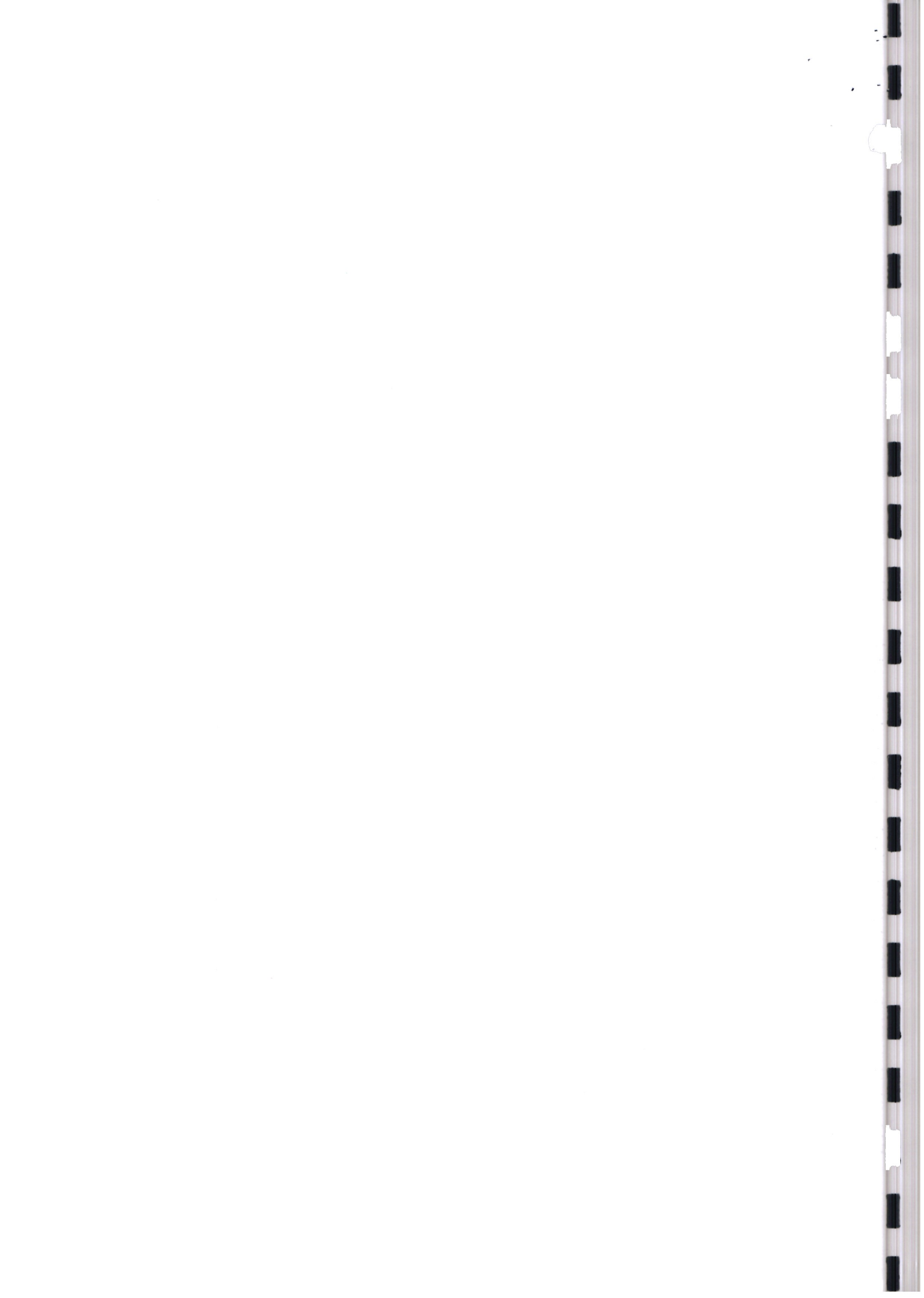
	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	3,530,591.96	4,093,966.45
	3,530,591.96	4,093,966.45



NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

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						



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

Reports and Financial Statements

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

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018	Outstanding Balance 2015	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. Staff gratuity					258,540.00		
11.							
12.							
	Sub-Total				258,540.00		
	Grand Total				258,540.00		



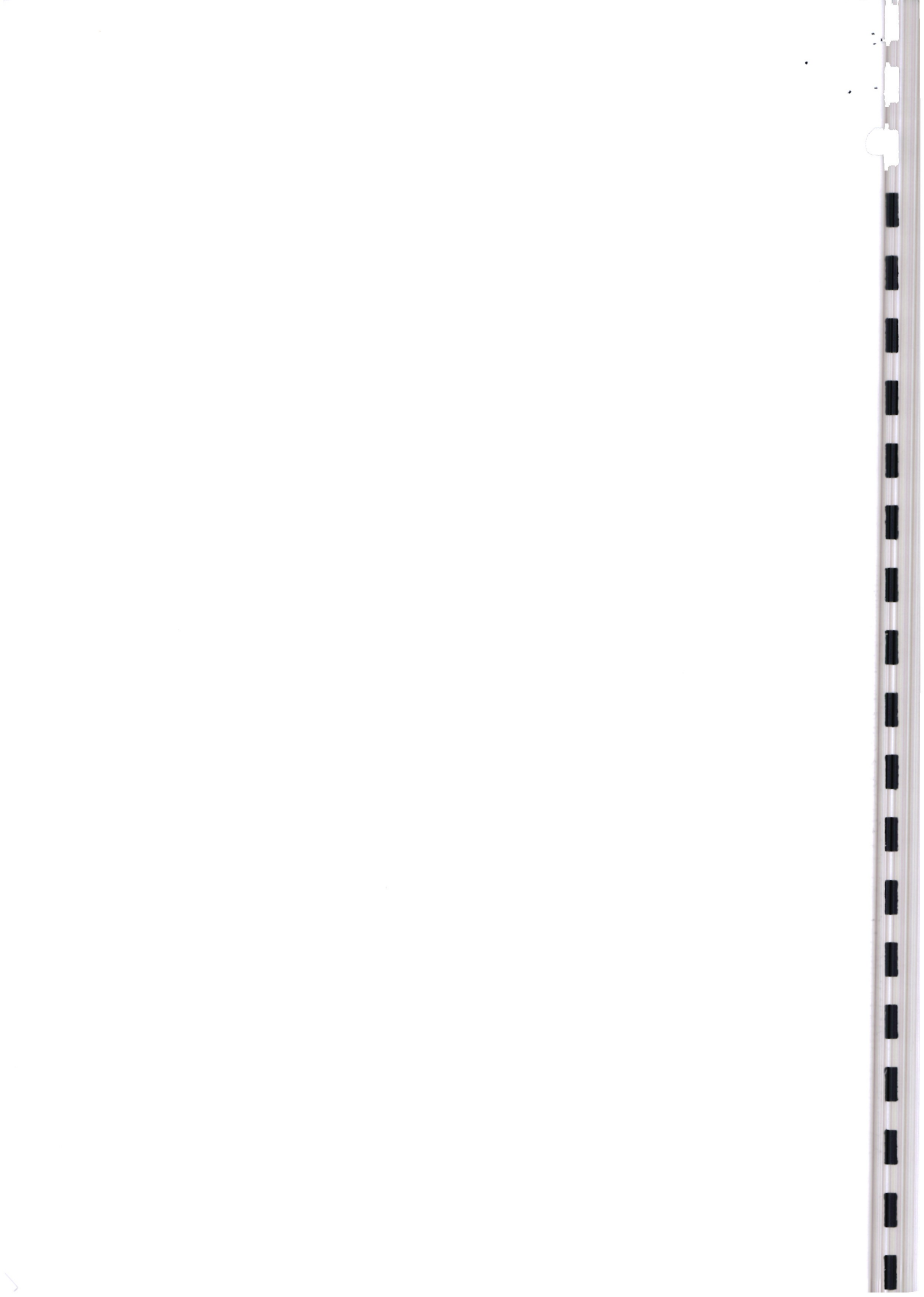
NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)

Reports and Financial Statements

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

ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees		1,079,503.90		
Use of goods & services		4,629,269.20		
Amounts due to other Government entities				
Mang'u Primary Sch		3,795,000		
Mutuma Primary Sch		3,910,000		
Igegania Primary Sch		2,530,000		
Wandui pry		3,220,000		
Muirigo Primary Sch		3,220,000		
Kairi Primary Sch		2,070,000		
Chania Primary Sch		6,175,000		
Njathaini Primary Sch		2,990,000		
Miugu Primary Sch		2,875,000		
Muchakai Primary Sch		2,990,000		
Miiri Primary Sch		1,955,000		
Munyaka Primary Sch		1,725,000		
Kamwirigi pry		2,300,000		
Mwea Secondary Sch		4,140,000		
Mukurwe Sec Sch		2,235,115		
Sub-Total		45,130,115.00		
Amounts due to other grants and other transfers				
Bursary		3,489,763.00		
Emergency		4,568,965.52		
Sports		1,506,206.00		
Sub-Total		9,564,934.52		



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

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Sub-Total				
Acquisition of assets		11,779,310.20		
Others (specify)				
Strategic plan		3,000,000.00		
ICT Hubs		4,677,027.00		
Sub-Total		7,677,027.00		
Grand Total		79,860,159.82		



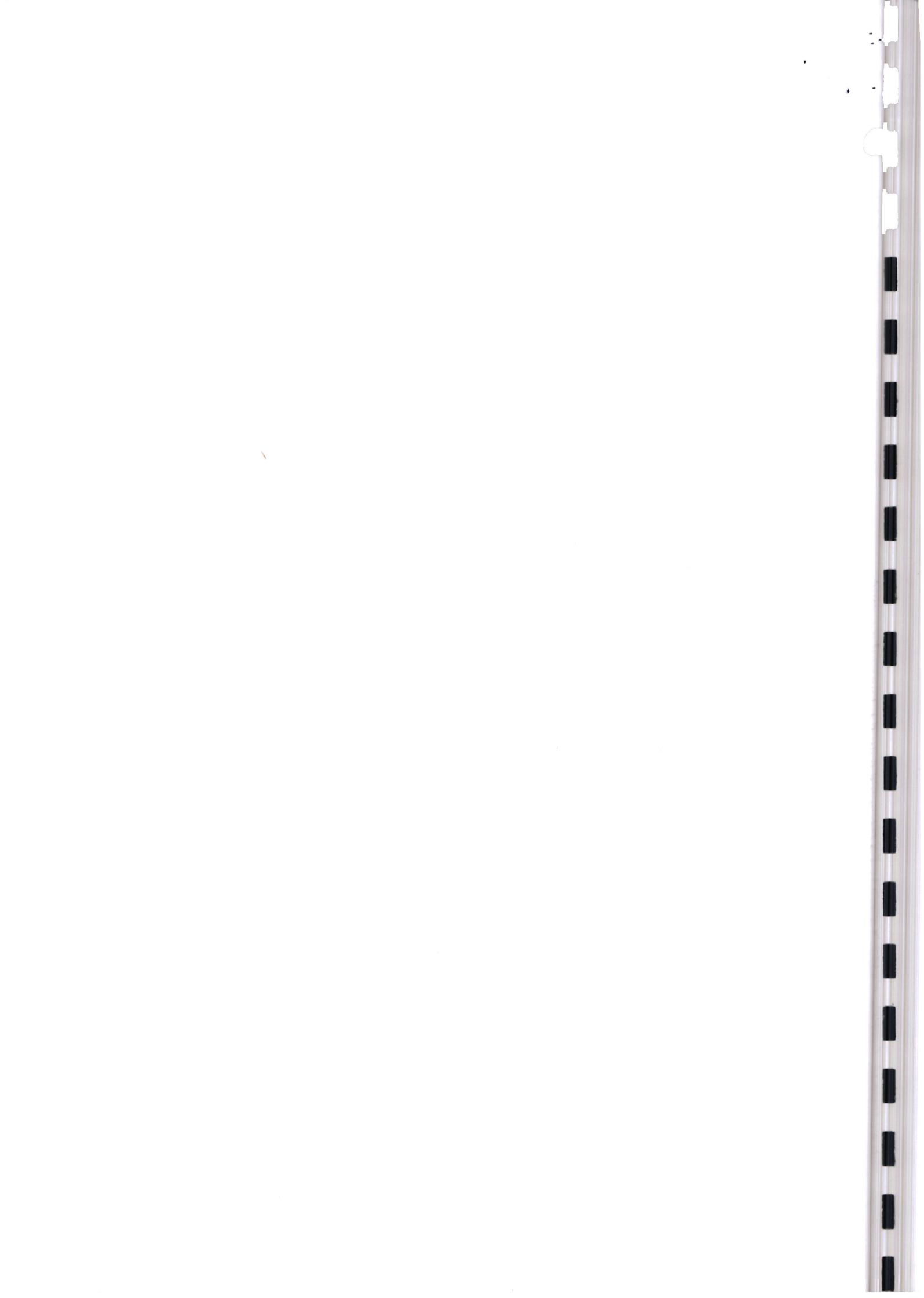
NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land	-			-
Buildings and structures	24,067,000.00			24,067,000.00
Transport equipment	5,457,448.00			5,457,448.00
Office equipment, furniture and fittings	1,301,413.00			1,301,413.00
ICT Equipment, Software and Other ICT Assets	1,904,976.00			1,904,976.00
Other Machinery and Equipment	20,849.00			20,849.00
Heritage and cultural assets	-			-
Intangible assets	-			-
Total	32,751,686.00			32,751,686.00



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

Reports and Financial Statements

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

ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Chania Mixed School	Equity	0660192937710	281.45	281.45
Gakoe Secondary School	Equity	0660197798330	23.3	23.3
Gatei Mixed Secondary	Equity	0660299845074	87.50	87.50
Gatundu North Education Fund	Equity	0660262160589	4,470	4,470
Gatundu North Sport Activity	Equity	0660162657413	0	0
Gichuka Primary School	Equity	0660293019456	1,199,780	1,200,000
Gikindu Primary School	Equity	0660166463698	0	0
Igamba Primary School	Equity	0660192937665	0	0
Igegania Karure Ap Post	Equity	0660171475107	129.00	899,890.00
Igegania Secondary School	Equity	0660193044666	0	0
Ihiga-ini Primary School	Equity	0660268691653	60	60
IHM Kairi Girls Sec. School	Equity	0660168192263	250	250
Iruri Secondary School	Equity	0660193123305	0.2	0.2
James Njenga Primary School	Equity	0660293081930	219.55	219.55
Kaibere primary School	Equity	0660192998523	14.1	14.1
Kamunyaka Dispensary	Equity	0660165876647	30	30
Kamunyaka Primary School	Equity	0660195447771	0.5	0.5

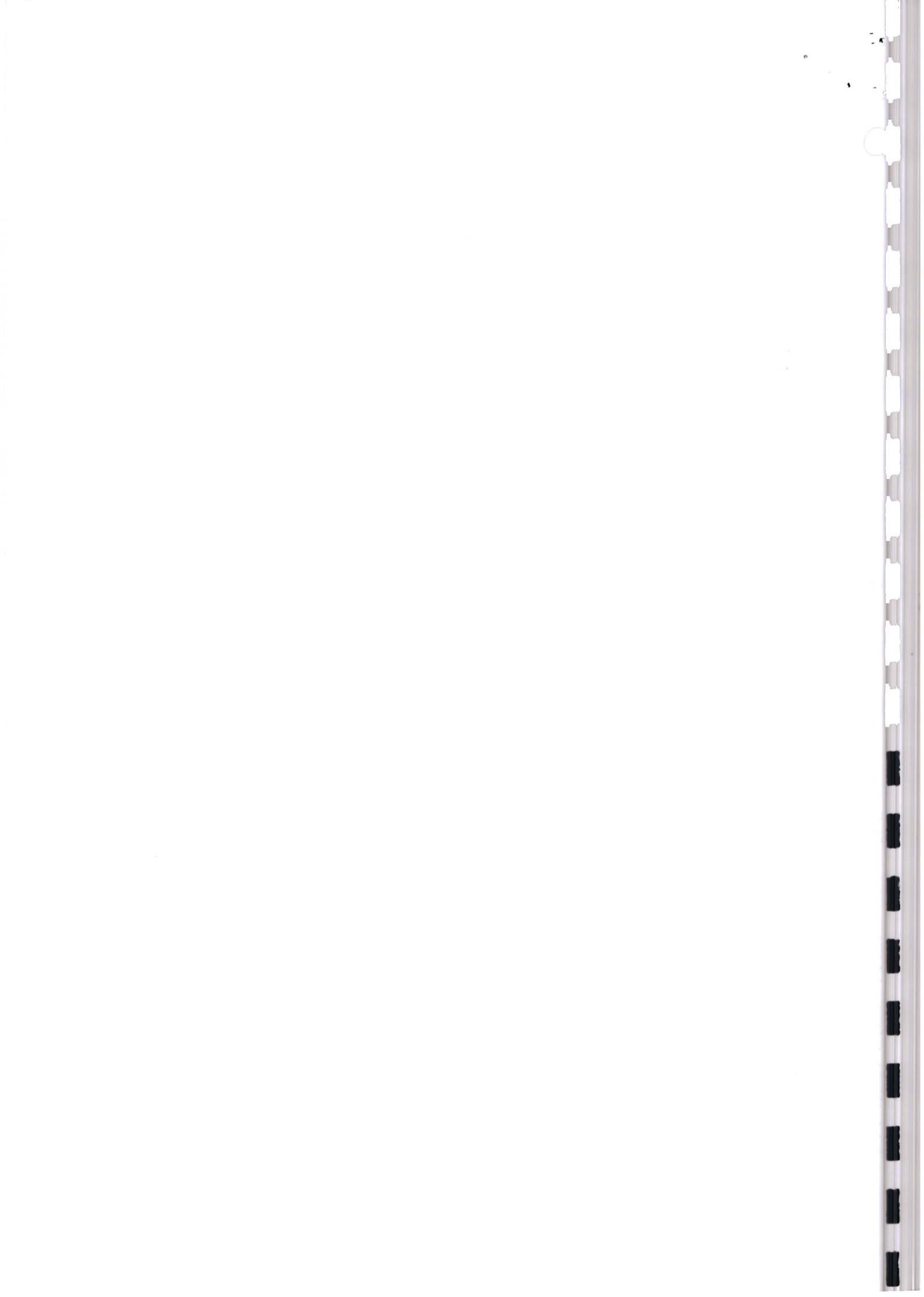


NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Kamwangi Primary School	Equity	0660163636721	90	90
Kamwangi Secondary School	Equity	0660164578311	0	0
Kamunyaka Secondary School	Equity	0660170464013	30	30
Kamwirigi Secondary School	Equity	0660164578311	990	0
Kanjabi Primary School	Equity	0660170931427	0	990
Kanjeria Police Station	Equity	0660164193227	85	85
Kanjuku Secondary	Equity	0660297582017	67.5	67.5
Kanyoni AP Post	Equity	0660164193133	479	479
Karure Primary School	Equity	0660164193133	0	0
Kieni Primary School	Equity	0660172272654	0	0
Makwa Chiefs Office	Equity	0660165906886	0	0
Makwa Primary School	Equity	0660165876733	0	0
Mang'u Youth Polytechnic	Equity	0660296833955	47.5	47.5
Mataara AP Post	Equity	0660296833955	7111.00	905,666
Mataara Primary School	Equity	0660193058647	2,850	2,850
Mitero Mixed Secondary	Equity	0660164992538	170	170
Muchakai Primary School	Equity	06601708335935	20	20
Muhindi Primary School	Equity	0660170931248	30	30
Mukurwe AP Post	Equity	0660173012870	10	10



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

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Mukurwe Primary School	Equity	0660171474975	220	220
Mukurwe Sec School	Equity	0660170464169	39,326	39,326
Mukuyu-ini Primary School	Equity	0660299533548	159	159
Mukuyuini Secondary	Equity	0660193367117	220.4	220.4
Munyaka Primary School	Equity	0660170835896	0	0
Murata wa Twana	Equity	0660173272859	9,780	9,780
Mutuma AP Post	Equity	0660165597148	110.8	110.8
Mwea Primary School	Equity	0660168192062	0	0
Ndekei Primary School	Equity	0660165597148	0	0
NGCDF Gatundu North Bursary	Equity	0660170465329	1,762,995.76	487,910
NGCDF Office Building	Equity	0660268191687	0	0
Ngethu Secondary School	Equity	0660165876707	220	220
Ngorongo Health Centre	Equity	0660165399359	220.35	220.35
Nyamang'ara Chief Office	Equity	0660173209327	500,000	500,000
Nyamangara Secondary	Equity	0660293013016	14.05	14.05
TOTAL			3,530,591.96	4,093,966.45

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS



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

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

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.	Statement of appropriation –recurrent and development combined	The adjustment of Ksh. 25,100,000 appearing in both receipts and payments relate to projects under transfers to other government entities and other grants and transfers-codelist was availed.	Evans Machira	Resolved	
2.	Overall budget execution- underutilization	The NG-CDF Gatundu North Constituency is humbled by this positive commendation, in future we undertake to do even much better to ensure Mwananchi receives what is rightfully hers.	Evans Machira	Resolved	
3.	Budget performance analysis- over expenditures in both the Use of goods and services and Other grants and transfers	The over expenditures as pointed out resulted due rolled over projects from the previous years, a list of the rolled over projects	Evans Machira	Resolved	
4.	Unsupported payments- payment for	Mechanical inspection report was issued after the repairs and is hereby attached for	Evans Machira		

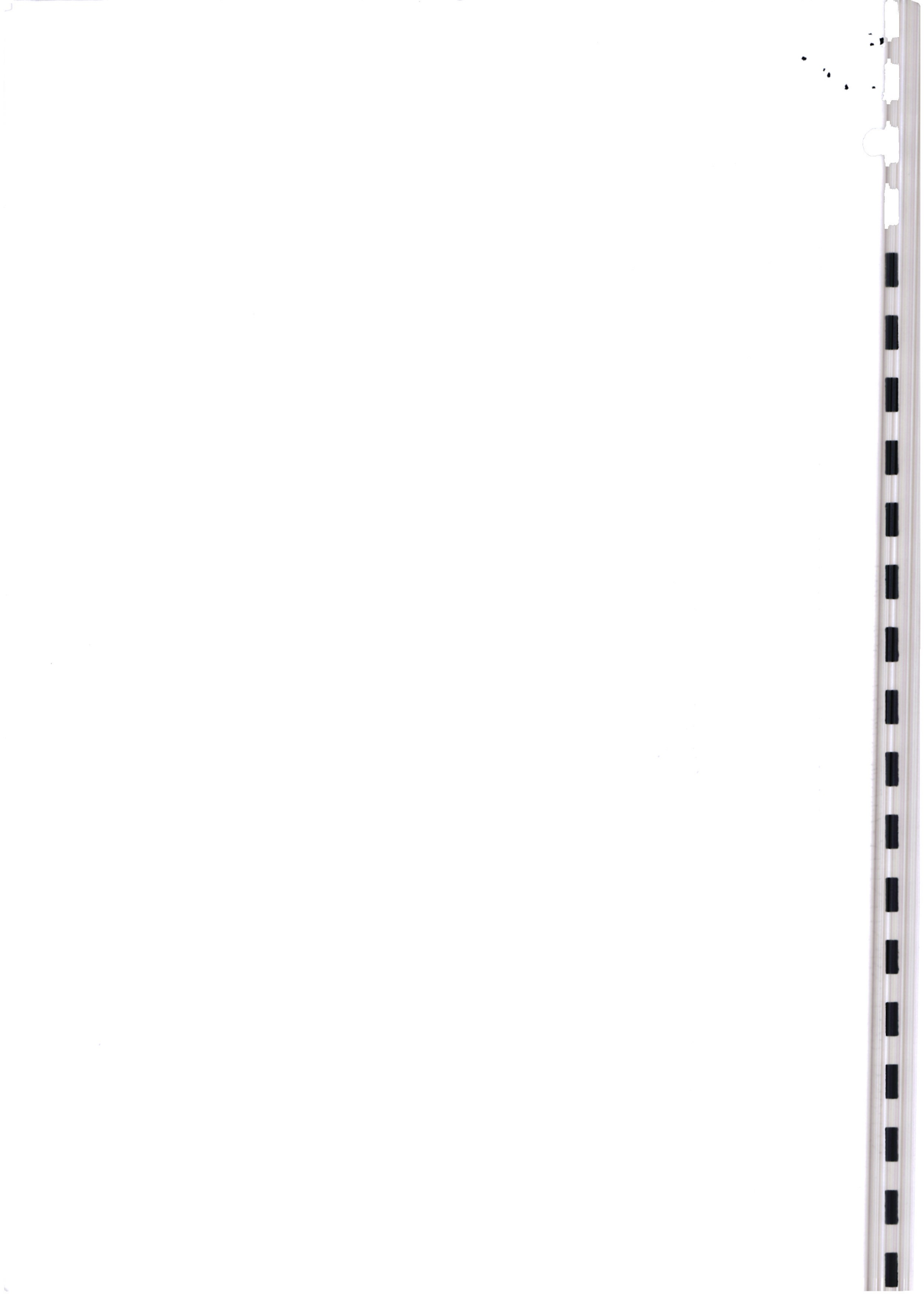


NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

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)
	repair of NG-CDF Land Rover	your review		Resolved	
5.	Unsupported payments- payment for staff capacity building	A staff capacity building report has been attached for your review	Evans Machira	Resolved	
6.	Unsupported payments- committee allowances while in capacity building training in Nanyuki	A programme of activities and cdfc capacity building report has been attached for your review.	Evans Machira	Resolved	
7.	Idle project – Kanjuku Secondary School	The school was visited after the audit report and all the necessary electricity work that was not done to satisfaction has now been done-photos availed	Evans Machira	Resolved	
8.	Unimplemented project at Gichuka Primary school	The funds have not been paid as alleged; a bank statement for this project has been attached for your review.	Evans Machira	Resolved	
9.		The subcounty works officer has been	Evans Machira		

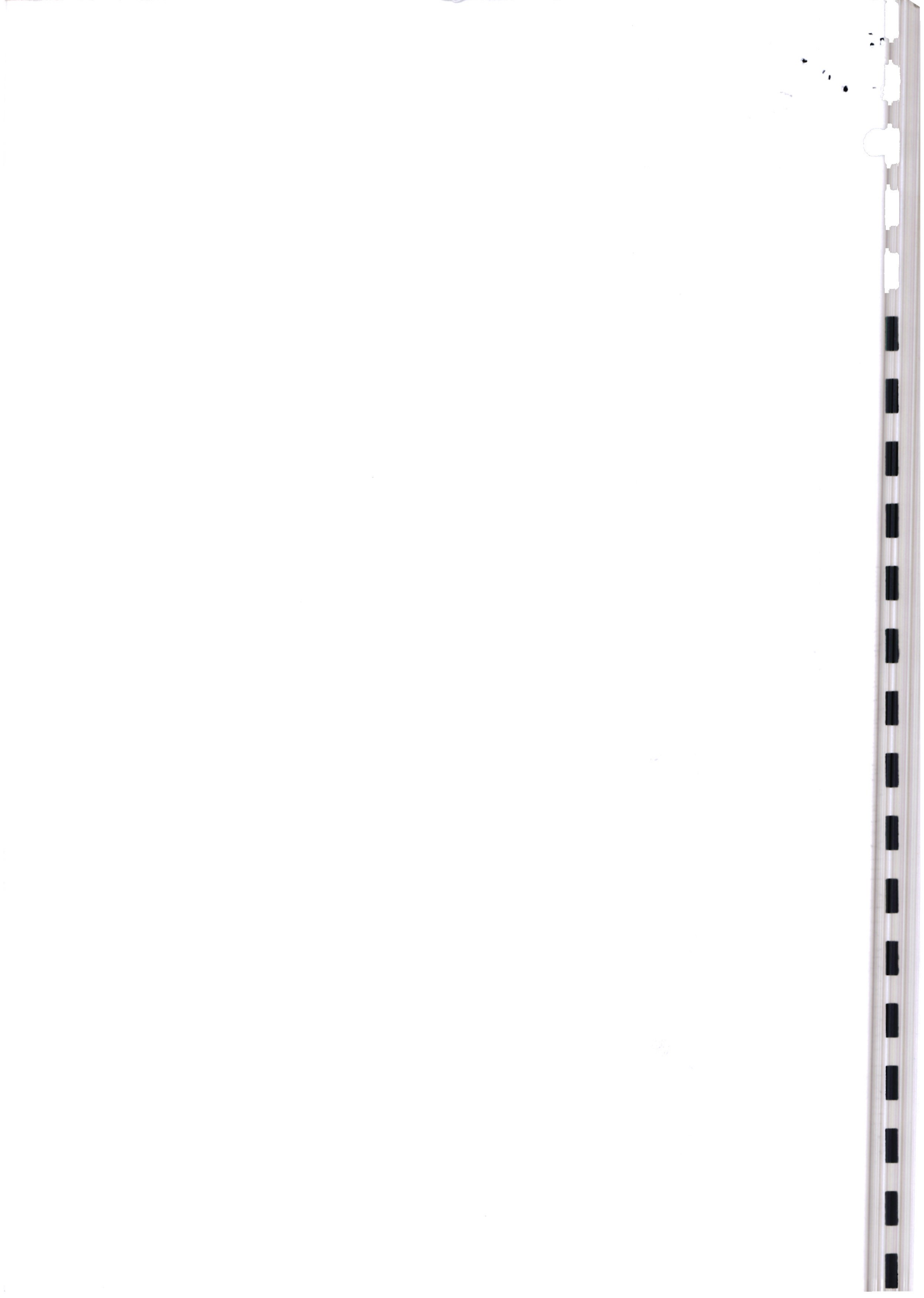


NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

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)
	Poor workmanship at Iruri Secondary School	appropriately informed and already developing a bill of quantities that will be used to convince the contractor to rectify her works		Resolved	
10.	Unreconciled difference in bank balance	the financial statements (FS) have been adjusted to reflect the correct position	Evans Machira	Resolved	
11.	Emergency projects- poor workmanship at Muchakai Primary School	The subcounty works officer has been appropriately informed and already developing a bill of quantities that will be used to convince the contractor to rectify her works.	Evans Machira	Resolved	
12.	Security Projects-poor workmanship and incompleteness of projects	the anomalies as pointed out have been rectified in each of the projects. See the current photos for your review and recommendation.	Evans Machira	Resolved	



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

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

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)
13.	Bursary funds- bursaries to various students below the recommended amount by the CDFC	some students received lower amounts than the recommended due to the fact that the Committee also does a review of the supporting documents. In review of the support documents there are many at times the committee will award according to the balances indicated and what has been applied for	Evans Machira	Resolved	
14.	Unsupported expenditure on Sports Equipment	The documents relating to the expenditure on sports projects are available and the relevant expenditure returns, bank statements, procurement documents and stores records copies were availed	Evans Machira	Resolved	
15.	Acquisition of Assets-over expenditure	code list for 2016/2017 and 2016/2017 availed to confirm the funds approved for acquisition of assets	Evans Machira	Resolved	

