REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - SUBA NORTH CONSTITUENCY

FOR THE YEAR ENDED 30 JUNE, 2019

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - SUBA NORTH CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2019

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

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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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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 Suba North Constituency 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 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Enock Nyasende
2.	Sub-County Accountant	Elias Mungai
3.	Chairman NGCDFC	John Oooko Andele
4.	Member NGCDFC	Irene Ojwang

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF – Suba 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 Suba North Constituency Headquarters
P.O. Box 311-40305
D.D.O complex
Mbita –Homa Bay Highway,
Mbita, KENYA

(f) NGCDF Suba North Constituency Contacts
P.O Box 311-40305
DDO Complex
Mbita homa Bay Highway
E-mail: subanorthngcdf.go.ke
Website: www.go.ke

(g) NGCDF Suba North Constituency Bankers

1. Equity Bank
Mbita Point Branch
A/c No.0760297600325
P.O Box 101 – 40305
Mbita, Kenya

(h) Independent Auditors

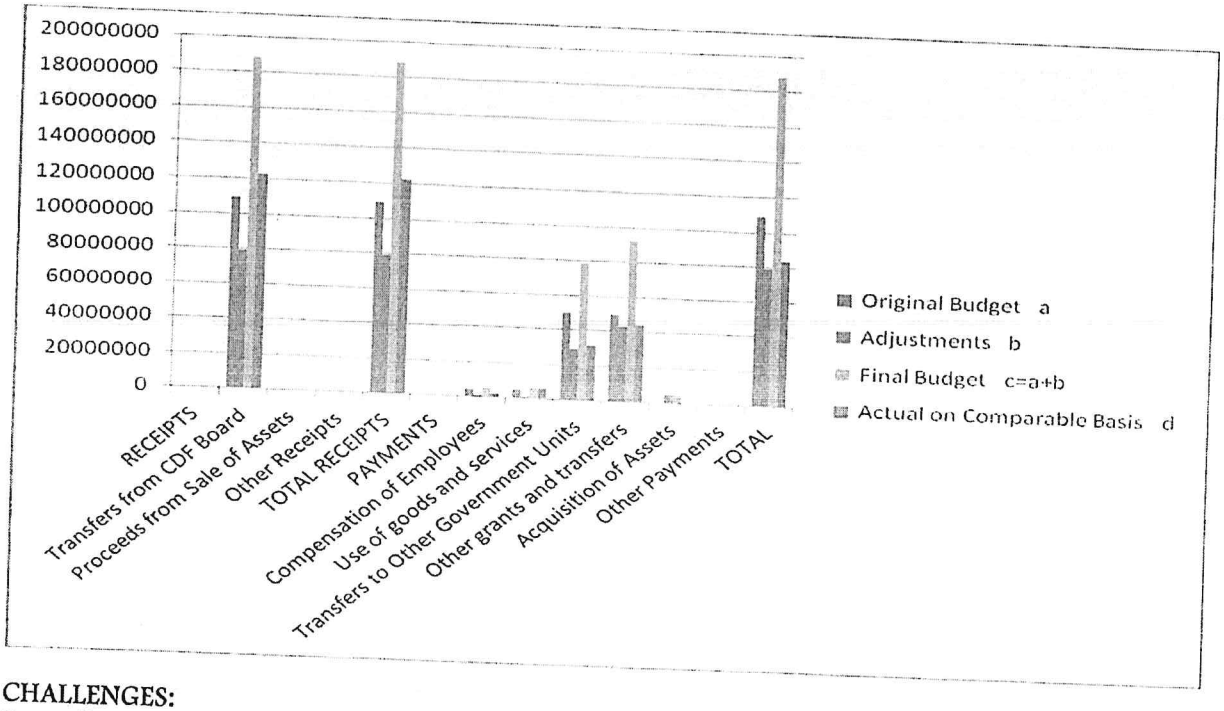
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(i) Principal Legal Adviser

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

II. FOREWORD BY THE CHAIRMAN NGCDF COMMITTEE

The just concluded financial year 2018/2019 has seen Suba North NG-CDF improve in project implementation which has enhanced the livelihood of the constituents. The constituency therefore has above average performance against actual amounts for current year based on economic classification and programs graph as below:



CHALLENGES:
Sporadic rains coming after droughts have destroyed a number of roads making communication as well as transportation impossible, thus occasioning unforeseen delays in project implementation.

Sign

CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF-Suba 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, 2019. 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-Suba 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, 2019, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-Suba 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-Suba 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-Suba North Constituency financial statements were approved and signed by the Accounting Officer on 30TH AUGUST 2019.

Sub County Accountant
National Treasury
P.O. Box 30 - 40305, Mbita

Fund Account Manager
Name: Enock Nyaseide
FUND ACCOUNT MANAGER
SUBA NORTH NGCDF
P. O. Box 311-40305
MBITA

Sub-County Accountant
Name: Elius Mungai
ICPAK Member Number: 15267

REPUBLIC OF KENYA

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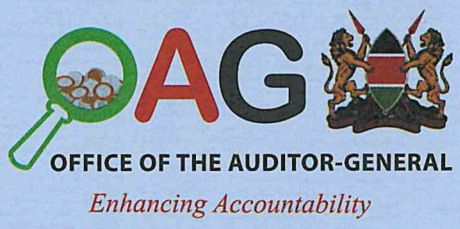

HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - SUBA NORTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Suba North Constituency set out on pages 6 to 29, which comprise of the statement of assets and liabilities as at 30 June, 2019, statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Suba North Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in Statement of Assets and Liabilities

The statement of assets and liabilities reflects a nil balance in respect of outstanding imprests while the board of survey report indicated a balance of Kshs.688,500. Further, the statement reflects total financial assets balance of Kshs.38,543,089 and nil liabilities. The statement, however, shows reflects net liabilities at the bottom instead of net financial position.

The errors were not corrected.

In the circumstances, the accuracy, completeness and validity of the statement of assets and liabilities as at 30 June, 2019 could not be confirmed.

2. Unsupported Use of Goods and Services

As disclosed in Note 5 to the financial statements, the statement of receipts and payments reflects use goods and services expenditure totalling to Kshs.6,222,066. However, the balance includes an amount of Kshs.1,530,300 that was not supported with adequate relevant documents including payment vouchers. Further, Management made double payments of other committee expenses amounting to Kshs.564,500.

In the circumstances, the accuracy, completeness and validity of the expenditure amounting to Kshs.2,094,800 for the year ended 30 June, 2019 could not be confirmed.

3. Unsupported Other Grants and Transfers

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and transfers expenditure totalling to Kshs.43,710,365. The expenditure includes an amount of Kshs.1,300,000 incurred in sporting activities which included purchase of uniforms, balls and trophies. However, Management did not provide store records to support receipts and issue of items. Further, the distribution schedule which was provided did not indicate the actual date of distribution of the sports items.

In the circumstances, the accuracy, completeness and validity of the expenditure amounting to Kshs.1,300,000 for the year ended 30 June, 2019 could not be confirmed.

4. Unsupported Summary Statement of Appropriation

The summary statement of appropriation: recurrent and development combined reflects adjustments totalling to Kshs.79,282,420 for both receipts and payments. However, a detailed schedule of the projects and programmes in the approved code list in the prior year which were to be funded during 2018/2019 financial year was not provided.

In the circumstances, the accuracy, completeness and validity of the adjustments amounting to Kshs.79,282,420 reflected in the summary statement of appropriation - recurrent and development combined for the year ended 30 June, 2019 could not be confirmed.

5. Unsupported Committee Bank Balances

Project Management Committee (PMC) at page 35 disclose bank balances totalling to Kshs.25,417,686 as at 30 June, 2019. However, adequate relevant documents including bank reconciliation statements, confirmation certificates and cash books were not provided. Further, no explanation was provided for not utilizing the funds for the intended purposes.

In the circumstances, the accuracy and completeness of the Committees bank balances totalling to Kshs.25,417,686 reflected in in Annex 5 as at 30 June, 2019 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies

Development Fund – Suba North Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.188,323,295 and Kshs.122,282,430 respectively, resulting to an under-funding of Kshs.66,040,866 or 35% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.188,323,295 and Kshs.83,739,341 respectively, resulting to an under expenditure of Kshs.104,583,954 or 56 of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref: PSASB/1/12 Vol.1(44) of 25 June, 2019.

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

1.0 Transfers to Other Government Units

As disclosed in Note 6 to the financial statements, the statement of receipts and payments reflects transfers to other Government Units expenditure of Kshs.31,600,000. The following unsatisfactory observations were made:

1.1 Irregular Construction of Mbita Medical Training Centre

The balance includes an amount of Kshs.2,000,000, under transfers to tertiary institutions, which was allocated for establishment of Mbita Medical Training Centre (a KMTC Campus) at a contract price of Kshs.47,642,048. A review of records revealed that an amount of Kshs.1,842,641 was spent before the commencement of the project.

Further, tender for the project was advertised only in one newspaper on 16 January, 2019 contrary to the provisions Section 96(2) of the Public Procurement and Asset Disposal Act 2015.

Consequently, the Management is in breach of the law.

1.2 Irregular Gravelling of Access Roads

The balance also includes, under transfers to primary schools, an amount of Kshs.3,000,000 incurred on bush clearing, dozer work and gravelling of a two (2) km access road to Wakondo Primary School and Kshs.3,851,200 which was incurred on grading a 2.6 km access road (drainage works, gravel patching, and culvert installation) to Nyamaji Kisaka and Ndhuru Primary Schools. However, the roads projects are under the County Government. This is contrary to the provisions of Section 24 of National Government Constituencies Development Fund Act, 2015 and the Fourth Schedule of the Constitution of Kenya, 2010.

In the circumstances, the Management is in breach of the law.

2. Irregular Bursary Disbursements

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and transfers expenditure totalling to Kshs.43,710,365. The expenditure includes an amount of Kshs.40,000 which was paid for a student at Tom Mboya High School. However, review of records revealed that the student was not a registered student at the school.

Consequently, the regularity and validity of the expenditure of the bursary amount of Kshs. 40,000 could not be ascertained.

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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material

uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.

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

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

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

Nancy Gathungu
AUDITOR-GENERAL

Nairobi

04 October, 2021

IV. STATEMENT OF RECEIPTS AND PAYMENTS

I. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018-2019	2017-2018
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board	1	108,784,483	63,353,447
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		**108,784,483**	**63,353,447**
PAYMENTS			
Compensation of employees	4	2,206,910	1,805,760
Use of goods and services	5	6,222,066	9,430,452
Transfers to Other Government Units	6	31,600,000	21,200,000
Other grants and transfers	7	43,710,365	17,459,960
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		**83,739,341**	**49,896,172**
SURPLUS/DEFICIT		**25,045,142**	**13,457,275**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Suba North Constituency financial statements were approved on 30TH AUGUST 2019 and signed by:

FUND ACCOUNT MANAGER
SUBA NORTH NGCDF
P.O. Box 211-40305
MIGORI

Fund Account Manager
Name: Enock Nyasende

Sub-County Accountant
National Treasury
P.O. Box 36 - 40305, Kisii

Sub-County Accountant
Name: Elius Mungai
ICPAK Member Number: 15267

VI. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES	Notes	2018 - 2019	2017 - 2018
Receipts			
Transfers from CDF Board	1	108,784,483	63,353,447
Other Receipts	3	-	
Total Receipts		**108,784,483**	**63,353,447**
Payments			
Compensation of Employees	4	2,206,910	1,805,760
Use of goods and services	5	6,222,066	9,430,452
Transfers to Other Government Units	6	31,600,000	21,200,000
Other grants and transfers	7	43,710,365	17,459,960
Other Payments	9	-	-
Total Payments		**83,739,341**	**49,896,172**
Total Receipts Less Total Payments		**25,045,142**	**13,457,275**
Adjusted for:			
Outstanding Imprest	11	-	-
Retention	12A	-	-
Gratuity Payable	12B	-	-
Prior Year adjustment	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		**25,045,142**	**13,457,275**
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		**25,045,142**	**13,457,275**
Cash and cash equivalent at BEGINNING of the year	**13**	**13,497,947**	**40,672**
Cash and cash equivalent at END of the year		**38,543,089**	**13,497,947**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Suba North Constituency financial statements were approved on 30th AUGUST 2019 and signed by:

Fund Account Manager
Name: Enock Nyasende

Sub-County Accountant
Name: Elius Mungai
ICPAK Member Number: 15267

V. STATEMENT OF ASSETS AND LIABILITIES

STATEMENT OF FINANCIAL ASSETS

	Notes	2018 - 2019	2017 - 2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	38,543,089	13,497,947
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		**38,543,089**	**13,497,947**
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		38,543,089	13,497,947
FINANCIAL LIABILITES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
NET FINANCIAL ASSETS		**38,543,089**	**13,497,947**
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	13,497,947	40,672
Surplus/Deficit for the year		25,045,142	13,457,275
Prior year adjustments	14	-	-
NET LIABILITIES		**38,543,089**	**13,497,947**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Suba North Constituency financial statements were approved on 30th August 2019 and signed by:

Fund Account Manager
Name: Enock Nyasende

FUND ACCOUNT MANAGER
SUBA NORTH CDF
P. O. Box 311-40305
MBITA

Sub-County Accountant
Name: Elius Mungai
ICPAK Member Number: 15267

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	109,040,876	79,282,421	188,323,296	122,282,430	66,040,866	64.9%
Proceeds from Sale of Assets	-	-	-	-	-	0.0%
Other Receipts	-	-	-	-	-	0.0%
TOTAL RECEIPTS	**109,040,876**	**79,282,421**	**188,323,296**	**122,282,430**	**66,040,866**	64.9%
PAYMENTS			-		-	
Compensation of Employees	4,500,000	1,182,695	5,682,695	2,206,910	3,475,785	38.8%
Use of goods and services	5,209,828	1,073,438	6,283,266	6,222,066	61,200	99.0%
Transfers to Other Government Units	49,750,000	29,000,000	78,750,000	31,600,000	47,150,000	40.1%
Other grants and transfers	49,581,047	42,711,774	92,292,821	43,710,365	48,582,456	47.4%
Acquisition of Assets	0	5,314,513	5,314,513	-	5,314,513	0.0%
Other Payments			-	-	-	0.0%
TOTAL	**109,040,875**	**79,282,420**	188,323,295	**83,739,341**	104,583,954	44.5%

On receipts, the total receipt from NGCDF Board was 64.9% which is an improvement from 49% received in the previous period.
On compensation of employees, it is 38.8% since there was an additional fund from the previous year and gratuity was due after the end of the period.
On transfer to other government units, 40.1% is due to delays in constituting school management boards by the ministry of education
On other grants and transfers, 47.4% is due to year adjustments which made the total budget high against the actual expense.
On acquisition of assets, 0% there was no assets acquired during the year.

(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

The NGCDF-Suba North Constituency financial statements were approved on 30th August 2019 and signed by:

FUND ACCOUNT MANAGER
SUBA NORTH NGCDF
P. O. Box 311-40305
MBITA

Fund Account Manager
Name: Enock Nyasende

Sub-County Accountant
National Treasury-Mbita

Sub-County Accountant
Name: Elius Mungai
ICPAK Member Number: 15267

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2018/2019		2018/2019	30/06/2019	
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
Compensation of employees	4,500,000.00	1,182,695.00	5,682,695.00	2,206,910.00	3,475,785.00
Goods and Service	842,452.53	1,073,438.00	1,915,890.53	950,816.00	965,074.53
Committee Expenses	1,200,000.00	-	1,200,000.00	1,632,450.00	(432,450.00)
Acqusition of assets		5,314,513.00			
Sub-Total	**6,542,452.53**	-	**6,542,452.53**	**4,790,176.00**	1,752,276.53
2.0 Monitoring and evaluation		-	-		-
Use of goods and services	867,375.52	-	867,375.52	700,300.00	167,075.52
Committee allowances	1,300,000.00	-	1,300,000.00	1,996,500.00	(696,500.00)
Capacity building	1,000,000.00	-	1,000,000.00	942,000.00	58,000.00
Sub-Total	**3,167,375.52**	-	**3,167,375.52**	**3,638,800.00**	(471,424.48)
3.0 Emergency		-	-		-
Security projects	5,738,993.45	-	5,738,993.45	**2,920,365.00**	2,818,628.45
			-		-
Sub-Total	**5,738,993.45**	-	**5,738,993.45**	**2,920,365.00**	2,818,628.45
4.0 Bursary and Social Security		-	-		-
Bursary Secondary Schools	20,000,000.00	-	20,000,000.00	22,983,000.00	(2,983,000.00)
Bursary Tertiary Schools	9,380,319.00	-	9,380,319.00	14,451,000.00	(5,070,681.00)

Bursary Special Schools	800,000.00	-	800,000.00	956,000.00	(156,000.00)
Sub-Total	**30,180,319.00**	-	**30,180,319.00**	**38,390,000.00**	(8,209,681.00)
			-		-
5.0 Sports	**2,180,817.51**	-	**2,180,817.51**		2,180,817.51
		-	-	**1,300,000.00**	(1,300,000.00)
Sub-Total	**2,180,817.51**	-	**2,180,817.51**	**1,300,000.00**	880,817.51
6.0 Environment		-	-		-
6.1 balance b/f		-	-		-
		-	-		-
Sub-Total	-	-	-	-	-
7.0 Primary Schools Projects		-	-		-
Hope Special School for the Mentally Handicapped Children	500,000.00			500,000.00	
Lambwe Christian School for the Deaf	400,000.00			400,000.00	
God Awendo Primary School	1,500,000.00			1,500,000.00	
Ndhuru Primary School	300,000.00			300,000.00	
Wanga Primary School	400,000.00			400,000.00	
Nyawiya Primary School	600,000.00			600,000.00	
Wamwanga Primary School	500,000.00			500,000.00	
Got Rateng Primary School	1,000,000.00			1,000,000.00	
God Jope Primary School	1,100,000.00			1,100,000.00	
Kirindo Primary School	500,000.00			500,000.00	
Obalwanda Special Primary School	500,000.00			500,000.00	
Lwanda Oloo Primary School	400,000.00			400,000.00	
Nyamuga Primary School	300,000.00			300,000.00	
Nyamuga Primary School	1,100,000.00			1,100,000.00	
Olweya Primary School	600,000.00			600,000.00	
Kamasengre Primary School	450,000.00			450,000.00	
Waringa Primary School	600,000.00			600,000.00	
Masisi Primary School	600,000.00			600,000.00	

Eddie Memorial Primary School	350,000.00			350,000.00	
Nyamanga Primary	350,000.00			350,000.00	
Kisui Primary School	300,000.00			300,000.00	
OGANDO PRIMARY			-		-
GOT NYASUMBI PRIMARY			-		-
NYAMAJI PRIMARY SCHOOL			-		-
WAMWANGA PRIMARY SCHOOL			-		-
EDDIE MEMORIAL PRIMARY SCHOOL			-	400,000.00	(400,000.00)
WANYAMA PRIMARY SCHOOL			-	200,000.00	(200,000.00)
NYAMUGA PRIMARY SCHOOL			-		-
NYAMUGA PRIMARY SCHOOL			-		-
NYAMUGA SPECIAL PRIMARY SCHOOL			-		-
WASARIA PRIMARY SCHOOL			-	300,000.00	(300,000.00)
WAREGI PRIMARY SCHOOL			-	300,000.00	(300,000.00)
UTAJO PRIMARY SCHOOL			-	500,000.00	(500,000.00)
KAKRIGU PRIMARY SCHOOL			-	300,000.00	(300,000.00)
KIWARI PRIMARY SCHOOL			-		-
RINYA PRIMARY SCHOOL			-		-
MAWANGA PRIMARY SCHOOL			-		-
SOKLO PRIMARY SCHOOL			-		-
WAKIANGATA PRIMARY SCHOOL			-	400,000.00	(400,000.00)
KAKRIGU MFANGANO PRIMARY SCHOOL			-	800,000.00	(800,000.00)
NYAKWERI PRIMARY SCHOOL			-	200,000.00	(200,000.00)
MISORI PRIMARY SCHOL			-	400,000.00	(400,000.00)
KITENYI PRIMARY SCHOOL			-	400,000.00	(400,000.00)

MAUTA PRIMARY SCHOOL			-	400,000.00	(400,000.00)
MBITA PRIMARY SCHOOL			-		-
KISUI PRIMARY SCHOOL			-		-
KAMSAMA PRIMARY SCHOOL			-		-
ALERO PRIMARY SCHOOL			-		-
KITARE PRIMARY SCHOOL			-		-
KUGE PRIMARY SCHOOL			-		-
UWI PRIMARY SCHOOL			-	200,000.00	(200,000.00)
LAMBWE PRIMARY SCHOOL			-	500,000.00	(500,000.00)
OSODO PRIMARY SCHOOL			-	300,000.00	(300,000.00)
OBALWANDA PRIMARY SCHOOL			-	500,000.00	(500,000.00)
WAKONDO PRIMARY SCHOOL ACESS ROAD			-	3,000,000.00	(3,000,000.00)
NYAMAJI KISAKA NDHURU PRIMARY SCHOOL ACCESS ROAD			-	4,000,000.00	(4,000,000.00)
OGUTA MBARE PRIMARY SCHOOL			-	300,000.00	(300,000.00)
KAMGERE PRIMARY SCHOOL			-	800,000.00	(800,000.00)
OBALWANDA SPECIAL PRIMARY SCHOOL			-	500,000.00	(500,000.00)
HOPE SPECIAL SCHOOL FOR THE HANDICAPPED	-		-	500,000.00	(500,000.00)
	-	-	-	-	-
7.50 retention b/f	-	-	-	-	-
Sub-Total		-	-		-
8.0 Secondary Schools Projects	-	-	-	15,200,000.00	(15,200,000.00)
KAMATO SECONDARY SCHOOL		-	-		-
LAMBWE SECONDARY SCHOOL	1,000,000.00		1,000,000.00	1,000,000.00	-
	500,000.00		500,000.00	500,000.00	-

WANDIJI SECONDARY SCHOOL	700,000.00		700,000.00		700,000.00
KAMASENGRE SECONDARY SCHOOL	500,000.00		500,000.00	500,000.00	-
KASWANGA GIRLS SECONDARY SCHOOL	1,000,000.00		1,000,000.00	1,000,000.00	-
SEN. OTIENO KAJWANG HIGH SCHOOL GERA	500,000.00		500,000.00		500,000.00
ST. MICHAELS NYASUMBI SECONDARY SCHOOL	300,000.00		300,000.00		300,000.00
ST. STEPHEN KIRINDO SECONDARY SCHOOL	500,000.00		500,000.00		500,000.00
NGODHE SECONDARY SCHOOL	500,000.00		500,000.00	500,000.00	-
NYANDENGA SECONDARY SCHOOL	500,000.00		500,000.00	500,000.00	-
USAO SECONDARY SCHOOL	500,000.00		500,000.00	500,000.00	-
KAYANJA SECONDARY SCHOOL	400,000.00		400,000.00	400,000.00	-
UOZI SECONDARY SCHOOL	500,000.00		500,000.00	500,000.00	-
WASAMO GIRLS SECONDARY SCHOOL	300,000.00		300,000.00	300,000.00	-
WAKULA SECONDARY SCHOOL	800,000.00		800,000.00	800,000.00	-
WAWARE SECONDARY SCHOOL	600,000.00		600,000.00	600,000.00	-
LAMBWE SECONDARY SCHOOL	300,000.00		300,000.00	300,000.00	-
SENA SECONDARY SCHOOL	1,000,000.00		1,000,000.00	1,000,000.00	-
WAONDO SECONDARY SCHOOL	600,000.00	-	600,000.00	600,000.00	-
TOM MBOYA SECONDARY SCHOOL	1,100,000.00	-	1,100,000.00	1,100,000.00	-
FR.TIELEN SECONDARY SCHOOL	300,000.00	-	300,000.00	300,000.00	-
RUSINGA RING ROAD TO KASWANGA GIRLS SECONDARY ACCESS ROAD	4,000,000.00	-	4,000,000.00	4,000,000.00	-
		29,000,000.00	29,000,000.00	-	29,000,000.00
		-	-	-	-
		-	-	-	-
8.10 retention b/f		-	-		-
Sub-Total		-	6,000,000.00		

	6,000,000.00			**14,400,000.00**	(8,400,000.00)
9.0 Tertiary Institutions Projects		-	-		-
KIUMBA BEACH EDUCATIONAL	2,000,000.00			2,000,000.00	
MBITA MTC	5,000,000.00				
9.1 balances b/f					
Sub Total	**7,000,000.00**	-	**7,000,000.00**	**2,000,000.00**	**5,000,000.00**
10.0 Security Projects		-	-		-
SUB COUNTY HEADQUATER	5,000,000.00	-	5,000,000.00	-	5,000,000.00
REMBA ISLAND POLICE POST	300,000.00	-	300,000.00	300,000.00	-
RINGITI ISLAND POLICE POST	300,000.00	-	300,000.00	300,000.00	-
SENA DIVISION HEADQUATER	500,000.00	-	500,000.00	500,000.00	-
RUSINGA EAST CHIEFS OFFICE	1,100,000.00	-	1,100,000.00	-	1,100,000.00
NGODHE SUB LOCATION ASSISTANT CHIEFS OFFICE	300,000.00	-	300,000.00	-	300,000.00
MBITA DIVISION POLICE HQ/MBITA DIVISION DCI HQ/ MBITA POLICE STATION COMPLEX	3,000,000.00	-	3,000,000.00	-	3,000,000.00
MBITA SUB COUNTY HEADQUATER	5,000,000.00	-	5,000,000.00	-	5,000,000.00
LITARE BEACH	600,000.00				
NYACHEBE BEACH	600,000.00				
		-	-		-
11.0 Acquisition of assets		-	-		-
11.1 Motor Vehicles		-	-		-
11.2 Construction of CDF office		-	-	-	-
11.3 Purchase of furniture and equipment		-	-		-
11.4 Purchase of computers		-	-		-
Sub-Total	**16,700,000.00**	-	16,700,000.00	**1,100,000.00**	15,600,000.00

12.0 ROADS					
		-	-		-
13.0 Others		-	-		-
13.1 Strategic Plan		42,711,774.00	42,711,774.00		42,711,774.00
13.2 Innovation Hub		-	-		-
13.2 TIVET		-	-		-
Unapproved Budget		-	-		-
Sub-Total	31,530,917.51				
GRAND TOTALS	**31,530,917.51**	-	31,530,917.51	-	31,530,917.51
	109,040,875.52	**79,282,420.00**	**188,323,295.52**	**83,739,341.00**	**104,583,954.52**

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the Entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Ccompliance 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-Suba 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 2019, 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.

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 Fund

Unutilized funds consist of bank balances in the constituency account and funds not yet disbursed by the Board to the constituency at the end of the financial year. These balances are available for use in the subsequent financial year to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(2) 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 2018 for the period 1st July 2018 to 30th June 2019 as required by Law. 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 2019.

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.

X. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019	2017-2018
		Kshs	Kshs
NGCDF Board			
AIE NO	B005261	42,497,126	
AIE NO	B030040	12,287,357	
AIE NO	B006277	15,000,000	
AIE NO	B007479	10,000,000	
AIE NO		10,000,000	
AIE NO	B047051	19,000,000	
AIE NO	A892617		5,500,000
AIE NO	A892618		19,948,275
	A896820		37,905,172
TOTAL		**108,784,483**	**63,353,447**

2. PROCEEDS FROM SALE OF ASSETS

	2018-2019	2017-2018
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Total	0	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 OTHER RECEIPTS			
Description			
		2018-2019	**2017 - 2018**
Interest Received		**Kshs**	**Kshs**
Rents		-	-
Sale of Tender Documents		-	-
Other Receipts Not Classified Elsewhere (specify)		-	-
TOTAL		-	-
		-	-

4 COMPENSATION OF EMPLOYEES			
Description			
		2018-2019	**2017 - 2018**
Basic wages of contractual employees		**Kshs**	**Kshs**
Basic wages of casual labour		2,048,690	1,650,241
Personal allowances paid as part of salary			
House allowance			
Transport allowance		-	0
Leave allowance		-	
Other personnel payments		-	0
Employer contribution to NSSF			
Gratuity-Paid		158,220	155,520
Gratuity-Accrued			
TOTAL			
		2,206,910	**1,805,761**

2200000	**5 USE OF GOODS AND SERVICES**		
	Description	**2018-2019**	**2017 - 2018**
		Kshs	**Kshs**
2210100	Utilities, supplies and services	-	185,000.00
2210101	Electricity	15,000.00	16,219.00
2210102	Water & sewerage charges		
2210104	Office rent		
2210200	Communication, supplies and services		10,960.00
2210300	Domestic travel and subsistence		17,000.00
2210500	Printing, advertising and information supplies & services	350,000.00	281,200.00
2210600	Rentals of produced assets		
2210700	Training expenses	942,000.00	1,028,000.00
2210800	Hospitality supplies and services		
2210802	Other commitee expenses	1,286,116.00	821,800.00
2210809	Commitee allowance	3,628,950.00	3,273,815.00
2210900	Insurance costs		
2211000	Specialised materials and services		
2211100	Office and general supplies and services		297,800.00
2211200	Fuel , oil & lubricants		
2211300	Other operating expenses		
2211301	Bank service commission and charges		3,658.00
2211313	Security operations		
2220100	Routine maintenance - vehicles and other transport equipment		
2220200	Routine maintenance- other assets		
2210700	Strategic Plan		3,495,000.00
	TOTAL	**6,222,066.00**	**9,430,452.00**

6 TRANSFER TO OTHER GOVERNMENT ENTITIES			
Description			
		2018-2019	**2017 - 2018**
		Kshs	**Kshs**
Transfers to Primary schools		15,200,000	7,900,000
Transfers to Secondary schools		14,400,000	3,300,000
Transfers to Tertiary institutions		2,000,000	10,000,000
TIVET			
TOTAL		**31,600,000**	**21,200,000**
7 OTHER GRANTS AND OTHER PAYMENTS			
Description			
		2018-2019	**2017 - 2018**
		Kshs	**Kshs**
Bursary -Secondary		22,983,000.00	7,625,600.00
Bursary -Tertiary		14,451,000.00	7,834,360.00
Bursary-Special schools		956,000.00	
Mocks & CAT			
Security		1,100,000.00	
Sports		1,300,000.00	
Environment			
Emergency Projects		2,920,365.00	2,000,000.00
TOTAL		**43,710,365.00**	**17,459,960.00**
8 ACQUISITION OF ASSETS			
Non Financial Assets			
		2018-2019	**2017 - 2018**
		Kshs	**Kshs**
Purchase of Buildings		-	-
Construction of Buildings		-	-
Refurbishment of Buildings		-	-
Purchase of Vehicles		-	-
Purchase of Bicycles &		-	-

Motorcycles			
Overhaul of Vehicles		-	-
Purchase of office furniture and fittings		-	0
Purchase of computers ,printers and other IT equipments		-	0
Purchase of photocopier		-	-
Purchase of other office equipments		-	-
Purchase of soft ware		-	-
Acquisition of Land		-	-
TOTAL		-	-
9 Other Payments			
ICT HUB		-	-
specify		-	-
specify		-	-
TOTAL		-	-
10A: Bank Balances (cash book bank balance)			
Name of Bank, Account No. & currency	**Account Number**	**2018-2019**	**2017 - 2018**
		Kshs (30/6/2019)	**Kshs (30/6/2018)**
EQUITY BANK-MBITA BRANCH-SUBA NORTH NGCDF	*O760297600325*	**38,543,089**	**13,497,947**
10B: CASH IN HAND)			
		2018-2019	**2017 - 2018**
		Kshs (30/6/2019)	**Kshs (30/6/2018)**

Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
TOTAL		-	-
		[Provide cash count certificates for each]	
11: OUTSTANDING IMPRESTS			
Name of Officer		*Amount Taken*	*Amount Surrendered*
	Date imprest taken	*Kshs*	*Kshs*
			-
		-	-
		-	-
		-	-
		-	-
		-	-
12 Retention			
Supplier/Contractor	**PV No.**	**2018-2019**	**2017 - 2018**
		0	
			0
TOTAL		**0**	**0**
13 BALANCES BROUGHT FORWARD			
		2018-2019	**2017 - 2018**
		(1/7/2018	**(1/7/2017)**
		Kshs	**Kshs**
Bank accounts		**13,497,946.95**	**40,672**
Cash in hand			-
Imprest			-
TOTAL		**13,497,947**	**40,672**

14			
	PRIOR YEAR ADJUSTMENTS		
		2018-2019	**2017 - 2018**
Bank accounts		**Kshs**	**Kshs**
Cash in hand		-	-
Imprest		-	-
TOTAL		-	-
15			
	OTHER IMPORTANT DISCLOSURES		
15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)			
		2018-2019	**2017 - 2018**
Construction of buildings		**Kshs**	**Kshs**
Construction of civil works		-	-
Supply of goods		-	-
Supply of services		-	-
TOTAL		-	-
		-	-
15.2: PENDING STAFF PAYABLES (See Annex 2)			
		2018-2019	**2017 - 2018**
NGCDFC Staff		**Kshs**	**Kshs**
Others- Gratuity		1,581,093	-
			-

TOTAL			
		1,581,093	**-**
15.3: UNUTILIZED FUND (See Annex 3)			
		2018-2019	**2017 - 2018**
Compensation of Employees		**Kshs**	**Kshs**
Use of goods and services		3,475,785	1,182,695
Transfers to Other Government Units		61,200	1,078,438
Other grants and transfers		47,150,000	29,000,000
Acquisition of Assets		48,582,456	42,711,774
Other Payments		5,314,513	5,314,513
TOTAL		-	
		104,583,954	**79,282,420**

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	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					

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Outstanding Balance 2018	Comments
		a	b	c	d=a-c		
NGCDF Staff salary							
HARVEY T. MALOMBO	J	397,110.00		0.00	397,110.00	0	
FRANCLINE O. KENYA	J	317,688.00		0.00	317,688.00	0	
NICHOLAS O. OOKO	J	283,650.00		0.00	283,650.00	0	
MARGARET A. OWEJE	H	226,920.00		0.00	226,920.00	0	
MARTIN O. HENGA	H	151,497.00		0.00	151,497.00	0	
DAVEROL S. OGWENO	H	204,228.00		0.00	204,228.00	0	
Sub-Total		**1,581,093.00**		0.00	1,581,093.00	0	
NGCDFC Staff gratuity							
1							
2							
3							

Sub-Total							
Others (*specify*)							
1							
2							
3							
Sub-Total							
Grand Total							

ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
		1028165	0	
Compensation of employees		825497.97	0	
Use of goods & services			0	
Amounts due to other Government entities			0	
Primary Schools Projects		8500000	0	
Secondary Schools Projects		1750522	0	
Tertiary Institutions		0	0	
Security Projects		14473564.97	0	
			0	
Sub-Total		26577746.94	0	
Amounts due to other grants and other transfers		12024157.34	0	
			0	
			0	
			0	
Sub-Total		12024157.34	0	
			0	
Acquisition of assets			0	
			0	
Others (*specify*)			0	
			0	
			0	
			0	
Sub-Total			0	
Grand Total		0	0	

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	0	0	0	0
Buildings and structures	5,762,239	0	0	5,762,239
Transport equipment	4,057,402	0	0	4,057,402
Office equipment, furniture and fittings	1,209,171	0	0	1,209,171
ICT Equipment, Software and Other ICT Assets	1,126,634	0	0	1,126,634
Other Machinery and Equipment	20,880,000	0	0	20,880,000
Heritage and cultural assets	0	0	0	0
Intangible assets	0	0	0	0
Total	**33,035,446**			33,035,446

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
OLWEYA PRIMARY SCHOOL	KCB BANK	1163142824	2,230.00	2,560.00
GODE ARIYO PRIMARY SCHOOL	KCB BANK	1163146803	6,069.75	6,399.75
SUKRU ISLAND PRI SCHOOL	KCB BANK	1198584920	1,885.00	2,215.00
KISUI PRIMARY SCHOOL	KCB BANK	1198870788	3,000.00	170.00
CHAMAKOA PRIMARY SCHOOL	KCB BANK	1175824488	2,050.00	2,380.00
KIRAMBO PRIMARY SCHOOL	KCB BANK	1175819336	2,160.00	2,490.00
USARE PRIMARY SCHOOL	KCB BANK	1199219304	985.00	1,315.00
BEDIE PRIMARY SCHOOL	KCB BANK	1200074734	5,635.00	5,965.00
GOT KOPOLO PRIMARY SCHOOL	KCB BANK	1199511374	383,510.00	1,490.00
SULWE PRIMARY SCHOOL	KCB BANK	1169864651	486.23	816.23
RAPORA PRIMARY SCHOOL	KCB BANK	1198982535	65,015.00	65,015.00
GOT RATENG PRIMARY SCHOOL	KCB BANK	1198817585	1,140.00	1,470.00
NYAMAJI PRIMARY SCHOOL	KCB BANK	1200476999	54,384.00	1,690.00
WARINGA PRIMARY SCHOOL	KCB BANK	1201471729	12,710.00	13,040.00
UYORE PRIMARY SCHOOL	KCB BANK	1199289736	5,260.00	5,590.00
OCHIENG ODIERE PRIMARY SHOOL	KCB BANK	1199638757	2,175.00	489,505.00
SOKO ABALA PRIMARY SCHOOL	KCB BANK	1163142956	2,302.75	2,632.75
PAGA PRIMARY SCHOOL	KCB BANK	1169855997	8,897.00	9,227.00
OWICH PRIMARY SCHOOL	KCB BANK	1199013161	1,509.00	300,994.50
URIANDA PRIMARY SCHOOL	KCB BANK	1199575569	1,609.50	502,055.00
MISORI PRIMARY SCHOOL	KCB BANK	1200876148	400,432.00	762.00
SENA PRIMARY SCHOOL	KCB BANK	1200675606	760.40	1,090.40
MAUTA PRIMARY SCHOOL	KCB BANK	1199272752	2,645.20	47,975.20
KIWARI PRIMARY SCHOOL	KCB BANK	1200868935	162,037.50	299,105.00
RINYA PRIMARY SCHOOL	KCB BANK	1171953062	3,665.00	301,600.00
KAGUNGU PRIMARY SCHOOL	KCB BANK	1200968972	4,905.00	498,920.00

RAMBA PRIMARY SCHOOL	KCB BANK	1200539117	690.00	1,020.00
WAKIANGATA PRIMARY SCHOOL	KCB BANK	1202827039	400,025.00	410,415.00
SOKLO PRIMARY SCHOOL	KCB BANK	1178866459	301,609.00	300,939.00
WAMWANGA PRIMARY SCHOOL	KCB BANK	1167801709	71,788.00	1,010.00
DR.WILLIAMS PRIMARY SCHOOL	KCB BANK	1167801938	2,092.85	2,422.85
WANYAMA PRIMARY SCHOOL	KCB BANK	1167802918	3,063.95	3,393.95
NYAMUGA SPECIAL PRIMARY SCHOOL	KCB BANK	1200344235	7,485.00	1,885.00
NYAMUGA PRIMARY SCHOOL	KCB BANK	1167802799	816,507.95	806,116.05
WAREGI PRIMARY SCHOOL	KCB BANK	1200161513	301,805.00	2,335.00
WASARIA PRIMARY SCHOOL	KCB BANK	1167803116	301,826.00	2,356.00
GOD AWENDO PRIMARY SCHOOL	KCB BANK	1179002350	1,370.00	81,700.00
BONDO TOWNSHIP PRIMARY SCHOOL	KCB BANK	1167802675	6,668.05	6,998.05
OBALWANDA SPECIAL PRI SCHOOL	KCB BANK	1201199492	12,920.00	185,920.00
ALERO PRIMARY SCHOOL	KCB BANK	1163145114	302,969.20	2,831.45
KIRINDO PRIMARY SCHOOL	KCB BANK	1175711691	2,460.50	1,880.00
NYAMANGA PRIMARY SCHOOL	KCB BANK	1175315788	2,050.00	2,380.00
NYASANJA PRIMARY SCHOOL	KCB BANK	1204212996	1,075.00	13,405.00
LAMBWE PRIMARY SCHOOL	KCB BANK	1169516173	9,351.15	265,727.50
WAIGA PRIMARY SCHOOL	KCB BANK	1163146250	2,670.00	3,000.00
OGANDO PRIMARY SCHOOL	KCB BANK	1163142417	1,670.00	21,000.00
WANDIJI PRIMARY SCHOOL	KCB BANK	1202513328	885.00	1,215.00
NGODHE PRIMARY SCHOOL	KCB BANK	1204461333	1,305.00	1,635.00
NYAKAYIEMBA PRIMARY SCHOOL	KCB BANK	1202330665	1,085.00	1,415.00
GOT NYASUMBI PRIMARY SCHOOL	KCB BANK	1169487807	4,232.50	1,900.00
TAKAWIRI PRIMARY SCHOOL	KCB BANK	1209521636	2,275.00	190,105.00
NYAHERA PRIMARY SCHOOOL	KCB BANK	1204659761	-	155.00
WAMAI PRIMARY SCHOOL	KCB BANK	1172470987	3,443.00	3,773.00
WASAMO PRIMARY SCHOOL	KCB BANK	1204206708	485.00	815.00
MASISI PRIMARY SCHOOL	KCB BANK	1206290552	-	27.00

KAMAYOGE PRIMARY SCHOOL	KCB BANK	1167801792	1,210.00	1,540.00
AGIRO PRIMARY SCHOOL	KCB BANK	1167802306	1,615.00	1,945.00
OGUTU MBARE PRIMARY SCHOOL	KCB BANK	1206498285	300,252.00	199,435.00
KAKRIGU MFANGANO PRIMARY SCHOOL	KCB BANK	1205435573	803,535.00	4,065.00
WAKONDO PRIMARY SCHOOL	KCB BANK	1206311916	185.00	199,435.00
KAKIIMBA PRIMARY SCHOOL	KCB BANK	1205694617	-	485.00
GULWE PRIMARY SCHOOL	KCB BANK	1207871583	460.00	299,635.00
UOZI PRIMARY SCHOOL	KCB BANK	1172215669	1,310.00	1,640.00
KITENYI PRIMARY SCHOOL	KCB BANK	1172262136	401,270.00	201,600.00
MAWANGA PRIMARY SCHOOL	KCB BANK	1208128590	200,885.00	499,435.00
MAUTA PRIMARY SCHOOL	KCB BANK	1199272752	2,645.20	47,975.20
LIANDA PRIMARY SCHOOL	KCB BANK	1208667408	1,688.00	300,100.00
KAMATO PRIMARY SCHOOL	KCB BANK	1209920549	65.00	300,100.00
TEMO PRIMARY SCHOOL	KCB BANK	1167802594	6,012.00	151,600.00
PONGE PRIMARY SCHOOL	KCB BANK	1202682510	1,770.05	2,085.00
KITARE PRIMARY SCHOOL	KCB BANK	1178872513	204,586.50	302,016.50
SUKRU ISLAND PRI SCHOOL	KCB BANK	1198584920	1,885.00	2,215.00
URIANDA PRIMARY SCHOOL	KCB BANK	1199575569	1,609.50	502,055.00
OCHIENG ODIERE PRIMARY SHOOL	KCB BANK	1199638757	2,175.00	489,505.00
NGODHE ISLAND PRIMARY SCHOOL	KCB BANK	1204461333	1,305.00	1,635.00
NYANDENGA MIXED SECONDARY SCHOOL	KCB BANK	1163144940	505,373.25	5,903.25
ST WILLIAM OSODO SEC SCHOOL	KCB BANK	1178799042	2,317.05	2,317.05
KAYANJA MIXED SEC SCHOOL	KCB BANK	1150085320	3,950.00	4,480.00
NYAMASARE GIRLS SECONDARY	KCB BANK	1178923339	1,108,645.70	936,265.95
HON MILLIE ODHIAMBO ARINGO GIRLS	KCB BANK	1199716340	1,184.50	1,514.50
AMB. PAMELA MBOYA GIRLS H SCH	KCB BANK	1168133424	3,171.05	3,501.05
WAKULA MIXED SECONDARY SCH-PMC	KCB BANK	1163146544	1,670.00	2,000.00
WASAMO GIRLS SEC SCH	KCB BANK	1163144517	2,932,358.30	2,304,106.05
OGONGO SECONDARY SCHOOL	KCB BANK	1149786094	8,712.65	69,206.65

KAMASENGRE MIXED SECONDARY SCH	KCB BANK	1199394513	171,215.00	995.00
KASWANGA GIRLS SEC SCHOOL	KCB BANK	1167803280	1,005,210.40	6,040.40
NGODHE SECONDARY SCHOOL	KCB BANK	1180243870	502,877.90	146,153.30
ST. STEPHEN KIRINDO SEC SCHOOL	KCB BANK	1175970050	501,804.65	2,430.00
ST. MICHAEL NYASUMBI SEC SCHOOL	KCB BANK	1163144738	2,610.00	2,940.00
RAPORA SECONDARY SCHOOL	KCB BANK	1179115759	20,045.00	439,375.00
ST PHILIPS NDHURU MIXED SEC SC	KCB BANK	1206580119	985.00	399,535.00
WANDIJI SECONDARY SCHOOL	KCB BANK	1205999469	1,910.00	2,240.00
SENA SECONDARY SCHOOL	KCB BANK	1205283528	-	615.00
MAUTA SECONDARY SCHOOL	KCB BANK	1204960909	1,885.00	380,215.00
UOZI PRIMARY SCHOOL-PMC	KCB BANK	1172215669	1,310.00	1,640.00
KAKIIMBA SECONDARY SCHOOL	KCB BANK	1167371887	2,659.20	1,119,037.15
TOM MBOYA SECONDARY SCHOOL	KCB BANK	1168115388	5,474.45	1,010,899.45
RUSINGA GIRLS SECONDARY SCHOOL	KCB BANK	1204254982	82,015.00	4,935.00
WAWARE SECONDARY SCHOOL	KCB BANK	1200644573	4,450.00	230.00
KAMATO SECONDARY SCHOOL	KCB BANK	1169515916	134,081.75	924,050.00
HARRISON ODHIAMBO UTAJO DAY MI	KCB BANK	1167803361	-	200.00
KASWANGA PRIMARY SCHOOL	KCB BANK	1169062164	2,050.00	2,380.00
RUSINGA GIRLS SECONDARY SCHOOL	KCB BANK	1204254982	82,015.00	4,935.00
TOM MBOYA SECONDARY SCHOOL	KCB BANK	1168115388	5,474.45	1,010,899.45
YOKIA DISPENSARY	KCB BANK	1208421174	-	2,304,106.05
NDHURU DISPENSARY	KCB BANK	1169516068	2,101.55	199,635.00
KIPASI HEALTH CENTER-PMC	KCB BANK	1169515843	-	85,431.55
ANGIYA DISPENSARY	KCB BANK	1169891055	4,953.65	7,600.00
OBALWANDA DISPENSARY	KCB BANK	1178744620	-	502,659.35
MIORRE DISPENSARY	KCB BANK	1179033418	2,105.00	540.00
WAONDO HEALTH CENTRE	KCB BANK	1163143480	2,175.00	2,105.00
WAWARE NORTH HEALTH CETRE	KCB BANK	1163141712	522.75	302,175.00
RAPORA DISPENSARY	KCB BANK	1169515533	1,564.00	277,102.85

OGANDO DISPENSARY	KCB BANK	1163145327	56,181.40	100,700.00
KOYANI DISPENSARY	KCB BANK	1169855164	2,552.95	478,370.35
SENA HEATH CENTRE	KCB BANK	1175230383	152,805.25	100,785.00
CHAMAKOA DISPENSARY	KCB BANK	1209917920	3,435.00	152,805.25
RINGITI AP POST	KCB BANK	1206064161	1,655.00	85,435.00
MBITA SUB COUNTY AP HQTS	KCB BANK	1200197089	1,370.00	3,195.00
KIPASI CHIEFS CAMP ACCCESS RD	KCB BANK	1202718337	-	1,370.00
ASS COUNTY COMM - LAMBWE WEST CHIEF'S OFFICE PMC	KCB BANK	1166564312	1,730.00	85.00
REMBA BMU	KCB BANK	1206902752	45,959.50	2,430.00
OSODO PRIMARY SCHOOL	KCB BANK	1202892108	-	94,735.00
OBALWANDA PRIMARY SCHOOL - PMC	KCB BANK	1202396127	699,205.00	20,415.00
KAMASENGRE PRIMARY SCHOOL	KCB BANK	1206927607	1,685.00	199,535.00
KISAKA PRIMARY SCHOOL	KCB BANK	1169515762	1,850.00	121,875.00
WASAMO PRIMARY SCHOOL	KCB BANK	1204206708	485.00	201,380.00
OWICH PRIMARY SCHOOL	KCB BANK	1199013161	1,509.00	815.00
MBITA CONST. SPORTS & CULTURAL	KCB BANK	1177388383	5,877.40	300,994.50
LAMBWE PRIMARY SCHOOL	KCB BANK	1169516173	9,351.15	9,768.95
NYAMUGA SPECIAL PRIMARY SCHOOL	KCB BANK	1200344235	7,485.00	265,727.50
OBALWANDA SPECIAL PRIMARY CSHOOL	KCB BANK	1201199492	12,920.00	1,885.00
WAWARE MIXED SEC SCHOOL	KCB BANK	1167803205	605,436.55	185,920.00
UOZI SECONDARY SCHOOL	KCB BANK	1172628998	506,301.40	3,914.90
NYAMAJI PRIMARY SCHOOL	KCB BANK	1200476999	54,384.00	3,446.50
KIPASI AP POST	KCB BANK	1200196228	1,055.00	1,690.00
SENATOR OTIENO KAJWANG HIGH SCHOOL-GERA	KCB BANK	1179096886	1,807.10	1,055.00
NGODHE SECONDARY SCHOOL	KCB BANK	1180243870	502,877.90	334,113.00
RUSINGA RING ROAD TO KASWANGA GIRLS ACCESS ROAD	KCB BANK	1256468835	1,070.00	146,153.30
LWANDA GERA MAIN RD TO NYASUMBI PRIMARY ACCESS RD	KCB BANK	1261868668	217,545.00	
REMBA POLICE POST	KCB BANK	1256468789	300,000.00	-
RINGITI ISLAND POLICE POST	KCB BANK	1257791974	-	-

SENA DIVISIONAL HEADQUARTER -PMC	KCB BANK	1256468703	500,000.00	-
MBITA MEDICAL TRAINING COLLEGE -PMC	KCB BANK	1205821139	8,966,959.00	-
MBITA SPORTS AND CULTURAL MANGEMENT	KCB BANK	1177388383	9,587.40	9,587.40
TOTAL			**25,417,685.98**	**23,691,330.08**

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.

<table>
<tr><th>Reference No. on the external audit Report</th><th>Issue / Observations from Auditor</th><th>Management comments</th><th>Focal Point person to resolve the issue (Name and designation)</th><th>Status: (Resolved / Not Resolved)</th><th>Timeframe: (Put a date when you expect the issue to be resolved)</th></tr>
<tr><td>1</td><td>) Delayed funding from NG CDF Board
The statement of receipts and payments show receipts from the NG CDF Board balance of Kshs. 63,353,447 received in three tranches as follows:
<table><tr><th>AIE No.</th><th>Amount (Kshs.)</th></tr><tr><td>A892617</td><td>5,500,000</td></tr><tr><td>A892618</td><td>19,948,275</td></tr><tr><td>A896820</td><td>37,905,172</td></tr><tr><td>Total</td><td>63,353,447</td></tr></table>However, approved code list reflected that Kshs. 85,902,297.70 was approved for 2017/2018 leading to underfunding by Kshs. 22,548,850.70. The difference has not been disclosed under amount due from NG CDF Board (receivables).</td><td>Management to do a follow up</td><td>Enock Nyasende FAM</td><td>Not Resolved</td><td>31st December 2019</td></tr>
<tr><td>2</td><td>Payment over and above budgetary allocation

Audit examination of the financial statement, note 4-line item code 2110201 being Basic Wages of Contractual Employees revealed Kshs. 1,805,760 was actually spent on compensation of employees. The budget for compensation of employees as per the code list provided was Kshs. 1,588,455 and was disclosed as ongoing. Hence the budget was exceeded by Kshs. 217,305. There was no evidence that re-allocations of Kshs. 217,305 was regularly done. It was not clear from what item the funds were transferred, since the</td><td>Management to do a follow up</td><td>Enock Nyasende FAM</td><td>Not Resolved</td><td>31st December 2019</td></tr>
</table>

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)*
	proposal involved funding specific projects identified through public participation by the citizens of Suba North Constituency.				
3	**Misstatement of balances** During the year under review payment voucher no. 83 of Kshs. 344,000 being amount spent on bursary verification in Kasgunga Lambwe and Gembe from 19 to 21 May 2018 was not captured under use of goods and services resulting in understatement of use of goods and services by the same Further, Kshs. 3,495,000 paid to Capacity Building Consulting Group for strategic plan included a retention fee of Kshs. 349,500. However, by the time of audit the said retention fees had not been paid to the consultant. It was also not disclosed in the financial statements.	Management to do a follow up	Enock Nyasende FAM	Not Resolved	31st December 2019
8	A comparison between budget and actual figures revealed material variances. The NG CDF Suba North was underfunded by Kshs. 22,548,850 and had net under expenditure of Kshs. 36,006,125.70.Budget performance analysis in the statement of appropriation recurrent and development revealed that the budget was underfunded by Kshs. 65,784,474 and net under expenditure of Kshs. 79,282,420.Further, a comparison of budget balances from statement of appropriation recurrent and development and approved budget revealed a difference in transfers from NG CDF Board by Kshs. 43,276,295.30 and payments by Kshs. 62,001,014.91.	Management to do a follow up	Enock Nyasende FAM	Not Resolved	31st December 2019
5	**Underfunding of Secondary Schools projects** The Suba North NG CDF budgeted to spent Kshs. 10,400,000 on transfers to secondary schools but only Kshs. 3,300,000 was disbursed to secondary school leading to underfunding of Kshs. 7,100,000	Management to do a follow up	Enock Nyasende FAM	Not Resolved	31st December 2019

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)*