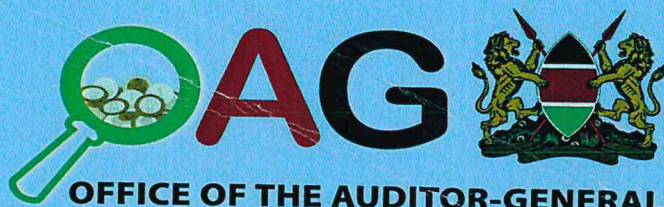


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

DATE: 08 FEB 2022

DAY:

Tuesday

**TABLED
BY:**

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OF

**CLERK-AT
THE-TABLE:**

Benson

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
MACHAKOS TOWN CONSTITUENCY**

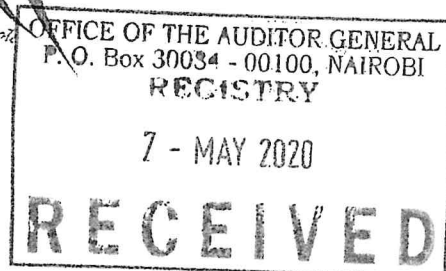
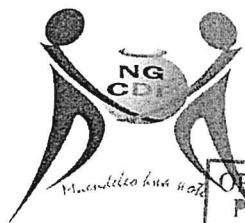
**FOR THE YEAR ENDED
30 JUNE, 2019**



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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2019**



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND MACHAKOS TOWN 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)**



TABLE OF CONTENTS

TABLE OF CONTENTS	ii
KEY CONSTITUENCY INFORMATION AND MANAGEMENT	iii
FORWARD BY THE CHAIRMAN NG-CDF COMMITTEE	vi
STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES	vii
STATEMENT OF RECEIPTS AND PAYMENTS	1
STATEMENT OF ASSETS AND LIABILITIES	2
STATEMENT OF CASHFLOW	3
SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED	4
BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES	6
SIGNIFICANT ACCOUNTING POLICIES	8
NOTES TO THE FINANCIAL STATEMENTS	11
1) TRANSFERS FROM OTHER GOVERNMENT ENTITIES	11
2) COMPENSATION OF EMPLOYEES	11
3) USE OF GOODS AND SERVICES	12
4) TRANSFER TO OTHER GOVERNMENT ENTITIES	12
5) OTHER GRANTS AND OTHER PAYMENTS	13
6) ACQUISITION OF ASSETS	13
7) OTHER PAYMENTS	13
8) BANK ACCOUNTS (CASH BOOK BALANCE)	13
9) BALANCES BROUGHT FORWARD	14
10) OTHER IMPORTANT DISCLOSURES	15
11) UNUTILIZED FUND (See Annex 1)	15
12) PMC ACCOUNT BALANCES (See Annex 2)	15
ANNEX 1 – UNUTILIZED FUNDS	16
ANNEX 2 –PMC BANK BALANCES AS AT 30 TH JUNE 2019	17
ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER	19

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

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 Machakos Town Constituency day-to-day management is under the following key organs:

- i. 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	Kenneth M. Amanyia
2.	Sub-County Accountant	Rose ireri
3.	Chairman NG-CDFC	Sylvester M. Mumo
4.	Member NG-CDFC	Jacinta K. Mulwa

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of NG-CDF –Machakos Town Constituency. The reports and recommendation of ARMC when adopted by the NG-CDF 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) NG-CDF Machakos Town Constituency Headquarters

P.O. Box 2521-90100
Elice Centre Building
Machakos Town,
KENYA.

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100

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

(f) NG-CDF Machakos Town Constituency Contacts

Telephone: (254) 0723592770
E-mail: cdfmachakostown@ngcdf.go.ke
Website: www.ngcdfmachakostown.go.ke

(g) NG-CDF Machakos Town Constituency Bankers

Equity Bank
P.O. Box 2453-90100
Machakos, Kenya.

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

FORWARD BY THE CHAIRMAN NG-CDF COMMITTEE

I have the pleasure to forward the financial statements of NG-CDF Machakos Town Constituency for the financial year 2018/2019 which represents a true record of the activities undertaken within the year.

The key achievement for NG-CDFC Machakos town constituency was being able to utilise pending balances from the previous financial year ending 30th June 2019 plus balances of the previous financial year ending 30th June 2018 within a short period of time. This was as a result of proper cooperation through teamwork within the NG-CDFC, the F.A.M, Treasury, Office staff and the beneficiaries.

However, there have been emerging issues affecting project implementation namely:

- 1.) Political issues.
- 2.) Economic issues.
- 3.) Legal issues.
- 4.) Social issues.
- 5.) Global challenges.
- 6.) Late disbursement of funds.
- 7.) Late approval of reallocations.
- 8.) Late approval of project proposals.
- 9.) Transfers of fund account managers.

Some of these challenges require situational decisions and co-operation with stakeholders as well as sound guidelines. The reduction in the rate of staff turnover and particularly of FAMs can go a long way in improving service delivery system. Timely disbursement of approved funds and reallocation is also paramount for better performance.

The NG-CDFC Machakos Town is happy with the fund and would like to thank the Board for its efforts.

Sign 

CHAIRMAN NG-CDF COMMITTEE

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 NG-CDF-Machakos Town 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
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NG-CDF- Machakos Town 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 NG-CDF Machakos Town Constituency financial statements give a true and fair view of the state of NG-CDF Machakos Town Constituency 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 NG-CDF- Machakos Town Constituency further confirms the completeness of the accounting records maintained for the NG-CDF Machakos town 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.

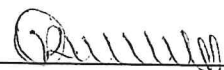
The Accounting Officer in charge of the NG-CDF- Machakos Town Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for 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- Machakos Town Constituency financial statements were approved and signed by the Accounting Officer on 04/05/2020.


Fund Account Manager

Name: Kenneth Martin Amanyra

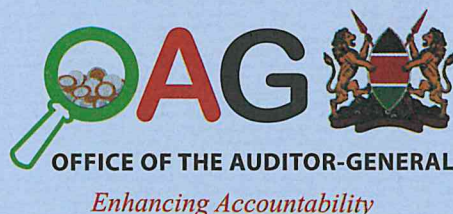

Sub-County Accountant

Name: Rose Ireri

ICPAK Member Number: 18138

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MACHAKOS TOWN 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 - Machakos Town Constituency set out on pages 1 to 20, which comprise the statement of assets and liabilities as at 30 June, 2019, and the 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Machakos Town Constituency as at 30 June, 2019, 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 the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Unsupported Bank Balances

The statement of assets and liabilities reflects bank balances of Kshs.6,920,782;(2018-Kshs.2,174,113) and as disclosed under Note 8 to the financial statements. However, the bank reconciliation statement in support of the balance reflected payments in the cash book but not in the bank statement (unpresented cheques) and payments in the bank but not in cash book of Kshs.18,877,456 and Kshs.111,480 respectively that were unsupported by way of detailed analysis.

In the circumstances, the accuracy and fair statement of the reported bank balances of Kshs.6,920,782 as at 30 June, 2019 could not be established.

2. Unsupported Office Rent

The statement of receipts and payments reflects expenditure on use of goods and services of Kshs.5,953,712;(2018-Kshs.5,971,563) and as disclosed under Note 3 to the financial statements. However, office rent amount of Kshs.324,232 is unsupported by way of duly registered lease agreement.

Consequently, the accuracy and validity of the reported office rent expense of Kshs.324,232 for the year ended 30 June, 2019 could not be confirmed.

3. Irregular Bursary Disbursements

The statement of receipts and payments reflects other grants and transfers of Kshs.58,939,000; (2018-Kshs.20,966,700) and as disclosed under Note 5 to the financial statements. Included in the bursary amount is Kshs.2,286,000 paid to Mumbuni Engineering and Driving School classified under tertiary institutions and secondary schools disbursements of Kshs.1,200,000 and Kshs.1,086,000 respectively. However, there is no evidence of the driving school having been registered with the National Transport and Safety Authority (NTSA). It was not clear how the beneficiaries were identified and their respective admission numbers. The classification of part payment to the driving school as secondary schools' bursary is misleading.

Consequently, the accuracy and validity of the bursary expenditure amount of Kshs.2,286,000 for the year ended 30 June, 2019 could not be confirmed.

4. Misstatements in Comparative Balances

Comparison between the comparative balances for 2017/18 included and the audited financial statement for the previous year revealed some variances as follows:

4.1 Statement of Receipts and Payments

The statement of receipts and payments reflects a figure of Kshs.1,434,944 as the surplus for 2017/2018 which differed from a balance of Kshs.1,494,772 reported in the year ended 30 June 2018. The resultant variance of kshs.59,828 arose from re-statement of amount for use of goods and services.

4.2 Statement of Cash Flows

The statement of cash flows reflects Kshs.2,174,113 as cash and cash equivalents balance as at 30 June 2018 which agrees with the audited financial statements for the previous year. However, comparative amounts for; cash flows from operating activities, balance at the beginning of the year and net increase in cash and cash equivalents were at variance with the audited financial statements for 2017/18 financial year.

4.3 Annex 4 – Summary of Fixed Asset Register

The financial statements reflect under Annex 4 a figure of Kshs.17,404,762 as the comparative balance for summary of fixed asset register which differs from the Kshs.11,304,192 in the audited financial statements for the previous year.

In the circumstances, it has not been able to confirm the accuracy and fair statement of 2017/18 comparative balances.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Machakos Town 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

Budget Control and Performance

The summary statement of appropriation: recurrent and development combined reflects receipts budget and actual on comparable basis of Kshs.171,599,472 and Kshs.110,958,596 respectively resulting in underfunding of Kshs.60,640,876 or 40% of the budget.

The underfunding affected the planned activities and projects which may have impacted negatively on service delivery for the constituents of Machakos Town.

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. Irregular Procurement Method - Construction of NGCDF Office Block

The statement for receipts and payments reflects acquisition of assets amount of Kshs.7,038,701;(2018-Kshs.6,100,570) and as disclosed under Note 6 to the financial statements. The amount is in relation to partial payment for the contract for construction of the Fund's office block at a contract price of Kshs.16,755,160. However, review of the documents provided in support of the procurement process revealed that the restricted tendering method was applied instead of open tender

as stipulated under Section 91 of the Public Procurement and Assets Disposal Act, 2015. No satisfactory explanation has been rendered for the choice of the method.

To that extent, the Fund is in breach of the law.

2. Projects Implementation

The statement for receipts and payments reflects transfer to other government entities of Kshs.27,100,000;(2018-Kshs.31,440,787) and as disclosed under Note 4 to the financial statements. The statement also reflects other grants and transfers of Kshs.58,939,000; (2018-Kshs.20,966,700) and as disclosed under Note 5 to the financial statements. Included in these amounts are payments towards project implementation totaling Kshs.34,280,000.

Examination of the project status report as at 30 June, 2019, project files and physical verification for the sampled projects during the month of February 2020 revealed the following unsatisfactory issues: -

2.1 Delayed Implementation of Projects

The funding allocation to projects amounted to Kshs.58,823,897 for implementation of forty-three (43) projects in the year. However, only ten (10) projects with funding allocation of Kshs.7,900,000 were completed during the year while six (6) projects with a combined allocation of Kshs.16,700,000 were on-going. The remainder twenty-seven (27) projects with funding allocation of Kshs.34,223,897 or 58% of the project funding had not commenced. No satisfactory explanation has been rendered for the delays nor measures being put in place to remedy the continued delays.

In view of the foregoing, it has not been possible to confirm if and when value for money will be realized from the projects not started with funding allocation of Kshs.34,223,897.

2.2 Stalled Projects

2.2.1 Kamuthanga Dispensary

The project was approved in the financial year 2012/13 and entailed purchase of one-acre parcel of land at Kshs.1,000,000 and construction of a maternity wing estimated to cost Kshs.500,000 then. However, the project is incomplete and has stalled at about 80% completion level. Although management has explained the reason for stalling as the transfer of health function to County Governments from the National Government. However, documentary evidence in support for the land purchase and project hand over to the County Government were not made available for audit review.

2.2.2 Kyanguli Secondary School

The project was approved in the 2016/17 financial year with scope of library construction. However, the library building construction was at about 33%

completion with a total of Kshs.1,000,000 having been disbursed despite significant time having lapsed indicative of the project having stalled. No satisfactory explanation has been rendered for delays to complete the project.

2.2.3 Mua Farm Secondary School

The project was approved in 2013/14 financial year for the construction of administration block at an estimated cost of Kshs.3,500,000. As at 30 June, 2019, an amount of Kshs.2,000,000 had been paid out; 2013/14 - Kshs.500,000 and 2015/16 Kshs.1,500,000. However, physical verification carried out in February 2020 revealed that the project had stalled. No satisfactory explanation has been rendered for failure to complete the project.

In the circumstances, it has not been possible to confirm whether public resources were effectively used.

3. Unsupported Project Management Committee Bank Balances

Note 12 to the financial statements and detailed analysis at Annex 2, discloses PMC bank balances totalling Kshs.2,070,249 as at 30 June, 2019. However, the bank balances were not supported by way of certificates of bank balance confirmation and bank statements. Further, Annex 2 reflects PMC bank balance, Ikokani secondary school account, of Kshs.813,605;(2018-Kshs.1,018,325) with Kshs.1,400,000 having been transferred to the project account towards construction of two (2) classrooms on 07 May, 2018. There was however no evidence to show how the funds had been utilized.

In view of the foregoing, the completeness and accuracy of the PMC bank balances as at 30 June, 2019 could not be confirmed.

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 services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to liquidate 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 noncompliance. 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.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

29 December, 2021

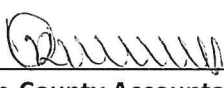
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018-2019	2017 - 2018
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	108,784,483	68,753,447
TOTAL RECEIPTS		108,784,483	68,753,447
PAYMENTS			
Compensation of employees	2	1,123,089	2,090,252
Use of goods and services	3	5,953,712	5,971,563
Transfers to Other Government Units	4	27,100,000	31,440,787
Other grants and transfers	5	58,939,000	20,966,700
Acquisition of Assets	6	7,038,701	6,100,570
Other Payments	7	3,883,312	748,631
TOTAL PAYMENTS		104,037,814	67,318,503
SURPLUS/DEFICIT		4,746,669	1,434,944

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-Machakos Town Constituency financial statements were approved on 04/05/2020 and signed by:


Fund Account Manager
Name: Kenneth Martin Amanya


Sub-County Accountant
Name: Rose Ireri
ICPAK Member Number: 18138

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

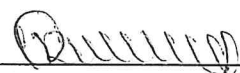
STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019	2017 - 2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	8	6,920,782	2,174,113
Total Cash and Cash Equivalents		6,920,782	2,174,113
FINANCIAL LIABILITIES			
Retention		-	-
TOTAL FINANCIAL LIABILITIES		-	-
NET FINANCIAL ASSETS		6,920,782	2,174,113
REPRESENTED BY			
Fund balance b/f 1st July 2018	9	2,174,113	739,169
Surplus/deficit for the year		4,746,669	1,434,944
NET FINANCIAL POSITION		6,920,782	2,174,113

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-Machakos Town Constituency financial statements were approved on

04/05/2020 and signed by:


Fund Account Manager
Name: Kenneth Martin Amany


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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**

Reports and Financial Statements


For the year ended June 30, 2019

STATEMENT OF CASHFLOW

CASHFLOW FROM OPERATING ACTIVITIES	Note	2018-2019	2017 - 2018
Receipts			
Transfers from NGCDF Board	1	108,784,483	68,753,447
Total receipts		108,784,483	68,753,447
Payments			
Compensation of Employees	2	1,123,089	2,090,252
Use of goods and services	3	5,953,712	5,971,563
Transfers to Other Government Units	4	27,100,000	31,440,787
Other grants and transfers	5	58,939,000	20,966,700
Other Payments	7	3,883,312	748,631
Total payments		96,999,113	61,217,933
Total Receipts Less Total Payments		11,785,370	7,535,514
Adjusted for:			
Retention Payable		-	
Net cash flow from operating activities		11,785,370	7,535,514
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	6	7,038,701	6,100,570
Net cash flows from Investing Activities		(7,038,701)	(6,100,570)
NET INCREASE IN CASH AND CASH EQUIVALENT		4,746,670	1,434,944
Cash and cash equivalent at BEGINNING of the year		2,174,113	739,169
Cash and cash equivalent at END of the year		6,920,783	2,174,113

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-Machakos Town Constituency financial statements were approved on 04/05/2020 and signed by:


Fund Account Manager
Name: Kenneth Martin Amanyia


Sub-County Accountant
Name: Rose Ireri
ICPAK Member Number: 18138

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

**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	62,558,596	171,599,472	110,958,596	60,640,876	64.66%
TOTAL	109,040,876	62,558,596	171,599,472	110,958,596	60,640,876	
PAYMENTS						
Compensation of Employees	3,041,025	1,944,622	4,985,647	1,123,089	3,862,558	22.53%
Use of goods and services	2,423,428	3,531,000	5,954,428	5,953,712	716	99.99%
Transfers to Other Government Units	55,323,897	24,400,000	79,723,897	27,100,000	52,623,897	33.99%
Other grants and transfers	43,903,300	15,039,311	58,942,611	58,939,000	3,611	99.99%
Acquisition of Assets	-	7,500,000	7,500,000	7,038,701	461,299	93.85%
Other payments	4,349,226	3,633,092	7,982,318	3,883,312	4,099,006	48.65%
Community water tanks	-	569,880	569,880	-	569,880	0.00%
Sports	-	1,263,664	1,263,664	-	1,263,664	0.00%
Constituency Innovation Hubs Project	-	4,677,027	4,677,027	-	4,677,027	0.00%
TOTAL	109,040,876	62,558,596	171,599,472	104,037,814	67,561,658	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

There was no AIA for the financial year 2018-2019

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

1. Receipts 66.66%

Amounts of Ksh 5,600,000 for F/Y 2017/2018 and Ksh 55,040,876 for F/Y 2018/2019 were yet to be disbursed from the NG-CDF Board as at 30/06/2019.

2. Compensation of Employees 22.53%

Utilisation is at 22.53% as a result of pending 3 years staff gratuity to be paid in September 2019. Monthly salaries were being paid from balances of F/Y 2017/2018 allocation.

3. Transfer to other government units 33.99%

Utilization is at 33.99% as a result of pending disbursements from the NG-CDF Board totalling to Ksh 60,640,875

4. Community water tanks, Sports and Constituency Innovation Hubs Project 0%

Utilization is at 0% since these projects had been allocated funds in the previous financial years but were yet to be implemented as at 30/06/2019

5. Other payments 48.65%

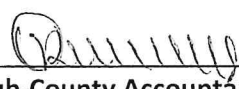
Utilisation is at 48.65% since training had not been done as at 30/06/2019

(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 amounts of actual comparable basis in the summary statement of appropriation are the same as the amounts in the statement of Receipts and Payments.

The NG-CDF-Machakos Town Constituency financial statements were approved on 04/05/2020 and signed by


Fund Account Manager
Name: Kenneth Martin Amanyia


Sub-County Accountant
Name: Rose Ireri
ICPAK Member Number: 18138

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

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	30-06-19	
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	3,041,025	1,944,622	4,985,647	1,123,089	3,862,558
1.2 Committee allowances	1,248,000	1,211,031	2,459,031	1,586,612	872,419
1.3 Use of goods and services	2,253,427		2,253,427	2,248,512	4,915
2.0 Monitoring and evaluation					
2.1 Capacity building	1,901,226	1,700,000	3,601,226	666,700	2,934,526
2.2 Committee allowances	1,200,000	622,061	1,822,061	1,630,000	192,061
2.3 Use of goods and services	170,000	131,000	301,000	281,000	20,000
3.0 Emergency	5,738,993	568,966	6,307,959	3,180,000	3,127,959
4.0 Bursary and Social Security					
4.1 Secondary Schools	18,164,306		18,164,306	18,164,306	0
4.2 Tertiary Institutions	18,000,000	10,970,345	28,970,345	33,144,694	-4,174,349
5.0 Environmental Projects	0	500,000	500,000	450,000	50,000
6.0 Primary Schools Projects	14,400,000	18,800,000	33,200,000	16,900,000	16,300,000
7.0 Secondary Schools Projects	30,923,898	5,600,000	36,523,898	10,200,000	26,323,898
8.0 Tertiary institutions Projects	10,000,000		10,000,000	0	10,000,000
9.0 Security Projects	2,000,000	3,000,000	5,000,000	4,000,000	1,000,000
10.0 Acquisition of assets					
10.1 Construction of CDF office	0	7,500,000	7,500,000	7,038,701	461,299
11.0 Others					
11.1 Sports	0		1,263,664	0	1,263,664

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

		1,263,664			
11.2 Constituency Innovation Hubs Project	0	4,677,027	4,677,027	0	4,677,027
11.3 Strategic Plan	0	3,500,000	3,500,000	3,424,200	75,800
11.4 Community water tanks	0	569,880	569,880	0	569,880



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-Machakos Town 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.

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.

Reports and Financial Statements

For the year ended June 30, 2019

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. 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 Equity bank Machakos branch at the end of the financial year.

6. 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.

7. 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.

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100
100

8. 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.

9. 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.

10. Comparative Figures

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

11. 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.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS

1) TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017-2018
	Kshs	Kshs
NGCDF Board		
A.I.E No - A855911		5,500,000
A.I.E No - A892596		25,348,275
A.I.E No - A892780		37,905,172
A.I.E No - B005172	43,405,173	
A.I.E No - B005282	11,379,310	
A.I.E No - B030195	10,000,000	
A.I.E No - B030487	13,000,000	
A.I.E No - B006434	6,000,000	
A.I.E No - A724465	11,000,000	
A.I.E No - B042932	14,000,000	
Total	108,784,483	68,753,447

2) COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	976,599	763,224
House allowance	146,490	212,806
Gratuity	-	1,049,553
Other personnel payments	-	64,669
Total	1,123,089	2,090,252

6

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3) USE OF GOODS AND SERVICES

	2018-2019	2017 - 2018
	Kshs	Kshs
Utilities, supplies and services	1,216,205	618,987
Electricity	59,520	
Water & sewerage charges	7,800	
Office rent	324,232	
Communication, supplies and services		3,451
Printing, advertising and information supplies & services	69,330	52,124
Training expenses		1,399,600
Other committee expenses		3,304,800
Office and general supplies and services	9,450	160,700
Fuel, oil & lubricants	554,776	
Other operating expenses	12,300	
Bank service commission and charges	166,899	
Routine maintenance - vehicles and other transport equipment	109,000	372,073
Strategic Plan	3,424,200	
TOTAL	5,953,712	5,911,735

4) TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017-2018
	Kshs	Kshs
Transfers to primary schools (see attached list)	16,900,000	10,040,787
Transfers to secondary schools (see attached list)	10,200,000	21,400,000
Total	27,100,000	31,440,787

10

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

5) OTHER GRANTS AND OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools (see attached list)	13,740,900	13,075,500
Bursary – tertiary institutions (see attached list)	37,568,100	1,491,200
Security projects (see attached list)	4,000,000	3,400,000
Emergency projects (see attached list)	3,180,000	2,820,000
Other payments		180,000
Environment	450,000	
Total	58,939,000	20,966,700

6) ACQUISITION OF ASSETS

Non-Financial Assets

	2018-2019	2017-2018
	Kshs	Kshs
Construction of Buildings	7,038,701	6,100,570
Total	7,038,701	6,100,570

7) OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Committee expenses (Admin, M&E)	3,216,612	-
M&E (Capacity Building/ Training)	666,700	748,631
Total	3,883,312	748,631

8) BANK ACCOUNTS (CASH BOOK BALANCE)

	2018-2019	2017-2018
	Kshs	Kshs
Cash book balance	6,920,782	2,174,113
Total	6,920,782	2,174,113

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9) BALANCES BROUGHT FORWARD

	2018-2019	2017-2018
	Kshs	Kshs
Cash book	2,174,113	739,169
Total	2,174,113	739,169

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MACHAKOS TOWN CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10) OTHER IMPORTANT DISCLOSURES

10.1 Pending Accounts Payable	2018-2019 Ksh	2017-2018 Ksh
Retention	254,818	1,418,510

N/B: This is retention monies for the construction of the perimeter wall that was withheld but hasn't been receipted back to the cashbook thus cannot be part of third-party monies.

11) UNUTILIZED FUND (See Annex 1)

	2018-2019
Compensation of Employees	1,944,622
Use of goods and services	3,531,000
Transfers to Other Government Units	24,400,000
Other grants and transfers	15,039,311
Acquisition of Assets	7,500,000
Other payments	3,633,092
Community water tanks	569,880
Sports	1,263,664
Constituency Innovation Hubs Project	4,677,027
TOTAL	62,558,596

12) PMC ACCOUNT BALANCES (See Annex 2)

	2018-2019 Kshs	2017-2018 Kshs
PMC account Balances (see attached list)	2,070,249.03	4,997,621
	2,070,249.03	4,997,621

NATIONAL GOVERNMENT ENTITY - (NG-CDF MACHAKOS TOWN)
Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

ANNEX 1 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees		-		
Use of goods & services		3,531,000		
Amounts due to other Government entities		58,458,630		
Sub-Total		61,989,630		
Others				
Emergency		568,966		
Sub-Total		568,966		
Grand Total		62,558,596		

NATIONAL GOVERNMENT ENTITY - (NG-CDF MACHAKOS TOWN)
Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

ANNEX 2 –PMC BANK BALANCES AS AT 30TH JUNE 2019

NO.	PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
1.	Assistant county Commissioners office – Vota Division.	Family Bank	073000039672	-	NIL
2.	Machakos County Commissioners office	Sidian Bank	01018150014530	677.50	NIL
3.	Ngelani secondary school	Equity Bank	0600264173665	835.00	NIL
4.	Mua Farm secondary school	Cooperative Bank	1139033226504	3,664.55	NIL
5.	Miwongoni secondary school	KCB Bank	1118722620	904.00	25,697.50
6.	Makyau secondary school	Cooperative Bank	1139550771801	1,825.00	NIL
7.	Ikokani secondary school	Cooperative Bank	01139748446800	813,605.00	1,018,325.00
8.	Katheka-kai secondary school	Cooperative Bank	01139277683300	5,450.00	NIL
9.	Katelembo Boys Centre of Excellence secondary school	Family Bank	073000015500	4,918.60	NIL
10	Makakoi secondary school	KCB Bank	1171361289	87,230.00	NIL
11	Kyambuko secondary school	Equity Bank	0600270189312	170.00	NIL
12	Kyeni secondary school	KCB Bank	1136177191	1,041.00	NIL
13	Mikuini secondary school	Cooperative Bank	01139033455201	5,390.00	NIL
14	Kwa-Kavoo secondary school	Family Bank	073000030741	1,406.00	NIL
15	Kyandili Secondary school	Sidian Bank	1008030000480	(3,578.77)	NIL
16	Miwani Secondary School	Equity Bank	600295287870	100.00	NIL
17	Kalama Secondary school	KCB Bank	1199499056	5,258.50	NIL
18	Mulaani Secondary School	Equity Bank	0600263431465	1,497.50	NIL
19	Kiatuni Secondary School	Cooperative Bank	01139550688100	5,234.50	NIL
20	Kitonyini Secondary School	KCB Bank	1254972544	949,810.00	NIL
21	Baraka S.A Kavyuni Secondary School	Equity Bank	0600298977255	51.90	NIL
22	Kikumbo Secondary School	Cooperative Bank	01139033113802	3,512.50	NIL
23	Kyasila Secondary school	Family Bank	073000018805	98.00	NIL

NATIONAL GOVERNMENT ENTITY - (NG-CDF MACHAKOS TOWN)

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs'000)

NO.	PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
24	Iiyuni Secondary school	Equity Bank	0600264736832	2,040.00	NIL
25	Kinoi Secondary school	Equity Bank	0600293791282	274.55	NIL
26	Nzaini Primary School	Equity Bank	0600263658838	355.00	NIL
27	Kyeni Primary School	Equity Bank	0600264452882	115.00	NIL
28	Mikuyu Primary School	Cooperative Bank	01139072686202	1,022.50	NIL
29	Ngunyumu primary school	Sidian Bank	01018150014430	77.50	NIL
30	Yakamete Primary School	Cooperative Bank	01100071251000	NIL	NIL
31	Metuma Primary School	Sidian Bank	01018030001586	8,865.52	NIL
32	Kamuthanga primary school	KCB Bank	1109106114	70,631.70	NIL
33	Ngelani Primary School	Family Bank	073000012890	760.75	NIL
34	Mutituni Primary School	National Bank	01520217186300	50.00	NIL
35	St. Francis Kavovi Primary School	Sidian Bank	01018030001486	(511.64)	NIL
36	Kwa katheke Primary School	Family Bank	73000015810	NIL	NIL
37	Mikuyu primary school borehole	Cooperative Bank	01139072686202	1,022.50	NIL
38	Ivumbuni Primary School	Family Bank	073000019265	1,682.00	NIL
39	Kyanguli Primary School	Equity Bank	0600263435420	2,700.00	NIL
40	Township Muslim Primary School	Sidian Bank	01018150014610	NIL	NIL
41	Machakos school for the deaf Primary School	Cooperative Bank	01139749601900	NIL	NIL
42	Mwanyani Primary School	Cooperative Bank	01139749051700	1,220.00	NIL
43	Kaseveni primary school	Cooperative Bank	01139277861501	90,842.87	NIL
	Total			2,070,249.03	

NATIONAL GOVERNMENT ENTITY - (NG-CDF MACHAKOS TOWN)
Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

ANNEX 3 – 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				
Buildings and structures	13,529,163	7,038,701		20,567,864
Transport equipment	2,746,279			2,746,279
Office equipment, furniture and fittings	30,500			30,500
ICT Equipment, Software and Other ICT Assets	999,820			999,820
Other Machinery and Equipment	99,000			99,000
Heritage and cultural assets				
Intangible assets				
Total	17,404,762			24,443,463

NATIONAL GOVERNMENT ENTITY - (NG-CDF MACHAKOS TOWN)**Reports and Financial Statements****For the year ended June 30, 2019 (Kshs'000)****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.

Referen ce 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)	Time ame: (Put date when you expe the issue to be resol d)

