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REPORT

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OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
ROYSAMBU CONSTITUENCY**

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - ROYSAMBU
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)

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

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
ROYSAMBU CONSTITUENCY
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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 NG-CDF Roysambu Constituency day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

(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	Mary Wanyika
2.	Sub-County Accountant	Frisca Tabut
3.	Chairman NG-CDFC	David Mwangi
4.	Member NG-CDFC	Jamila Wangui

(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 Roysambu 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 Roysambu Constituency Headquarters

P.O. Box 65086-00618
Located along Garden Estate, Balazi Road
RUARAKA, NAIROBI

(f) NG-CDF Roysambu Constituency Contacts

Telephone: (254) 0722-436-368
E-mail: cdfroysambungcdf.go.ke
Website: www.roysambungcdf.go.ke

(g) NG-CDF Roysambu Constituency Bankers

Equity Bank Ltd
Githurai Branch
P.O Box 15801
NAIROBI, KENYA

ACCOUNT NAME: Roysambu NG-CDF

ACCOUNT NUMBER: 0710261637282

(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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
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FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

BRIEF SUMMARY ON ROYSAMBU NG-CDF

Roysambu Constituency is one of the seventeen (17) constituencies in Nairobi County. It was created prior to the 2013 general election, when Kasarani Constituency was split up to form three constituencies: Kasarani, Roysambu and Ruaraka.

It borders Mathare Constituency to the south and south east, Ruaraka and Kasarani constituencies to the east, Ruiru constituency to the north and north east, Kiambu constituency to the north west and Westlands constituency to the west.

It contains neighbourhoods such as Garden Estate, Thome, Balози, Zimmerman, Kahawa West and part of Githurai. Kenyatta University, United States International University, National Youth Service headquarters, General Service Unit headquarters, Kamiti Maximum Prison and Kahawa Barracks are also found here.

It has 5 wards namely Roysambu, Zimmerman, Githurai 44, Kahawa and Kahawa West with a population of 202,280 as per 2009 census and include among others the following:

Roysambu NG-CDF has been receiving funds since conception in 2013. In the financial year 2018/2019, the NG-CDF Board disbursed a total amount of Kshs.152, 446, 048 (One Hundred Fifty Two Million Four Hundred Forty Six Thousand Forty Eight Shillings). This comprised of the total allocation of the financial year 2018/19 and the balance for the previous financial year (2017/2018)

Figure 1.1

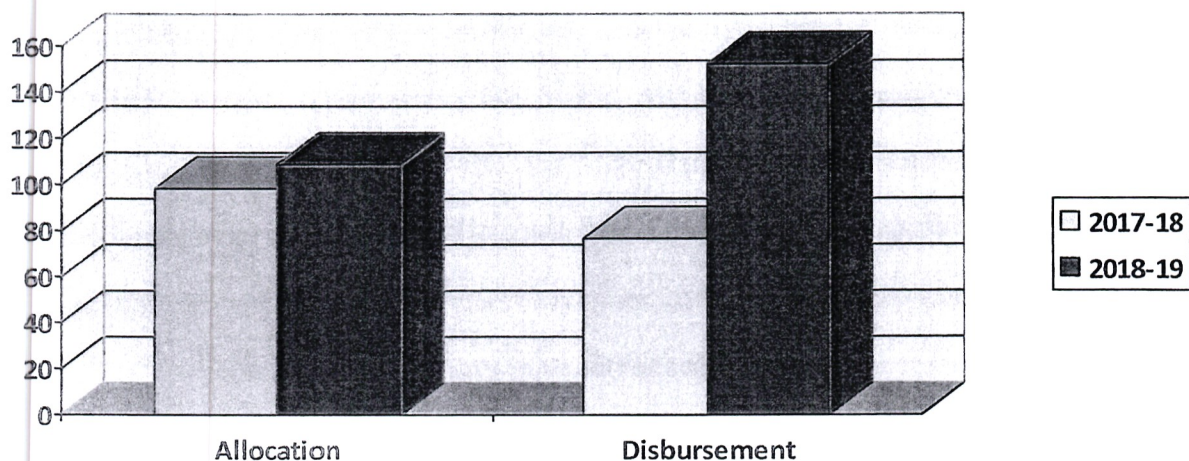
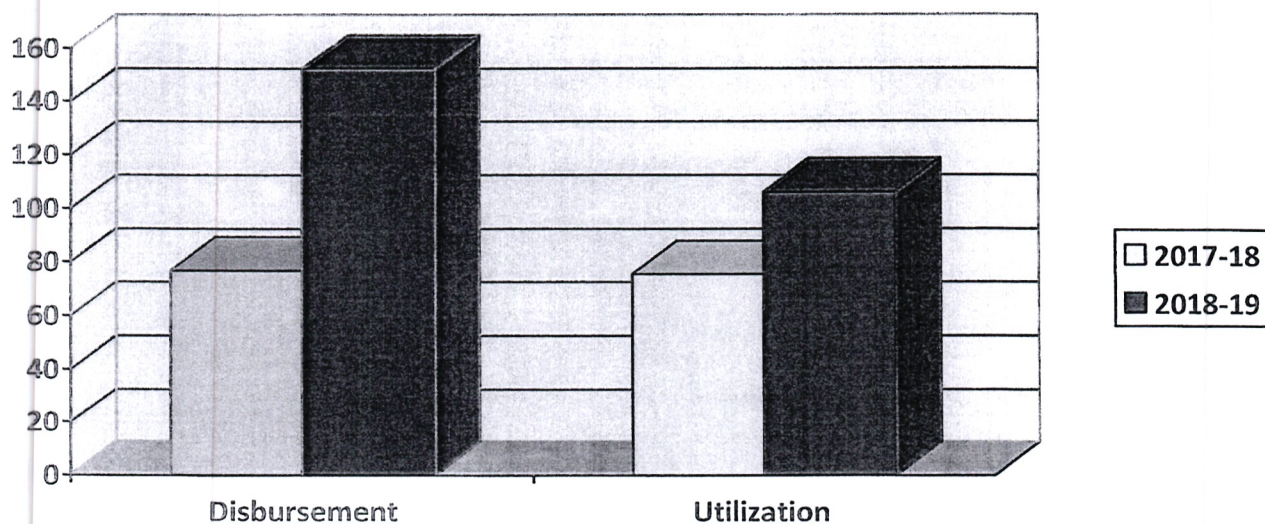


Figure 1.2



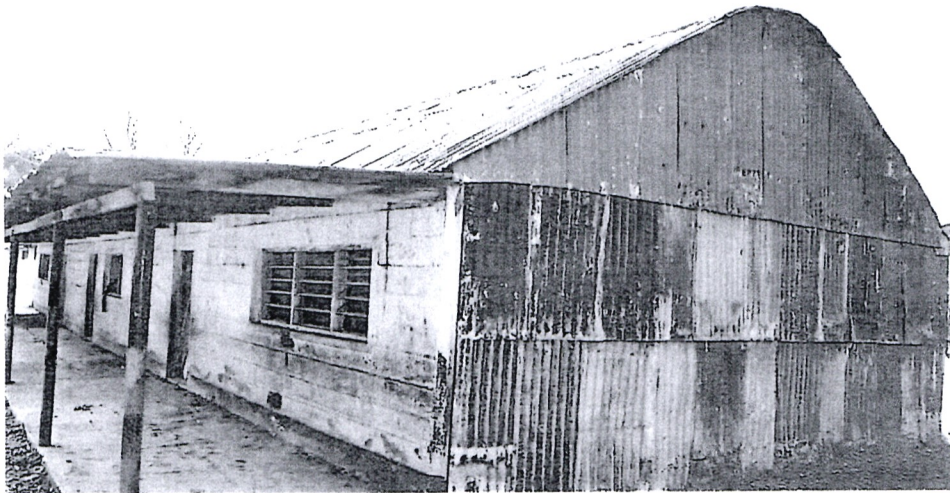
From figure 1.1, it explains the amount allocated in the two financial years F/Y 17/18 (Kshs. 98M) versus disbursement (76 M), which translates to 78% and F/Y 18/19, where the total allocation (Kshs.109M) was fully disbursement hence 100%. This was an improvement of 22% from the previous year. It also clearly shows that there was an increment in total allocation hence improve service delivery within the constituency.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
ROYSAMBU CONSTITUENCY
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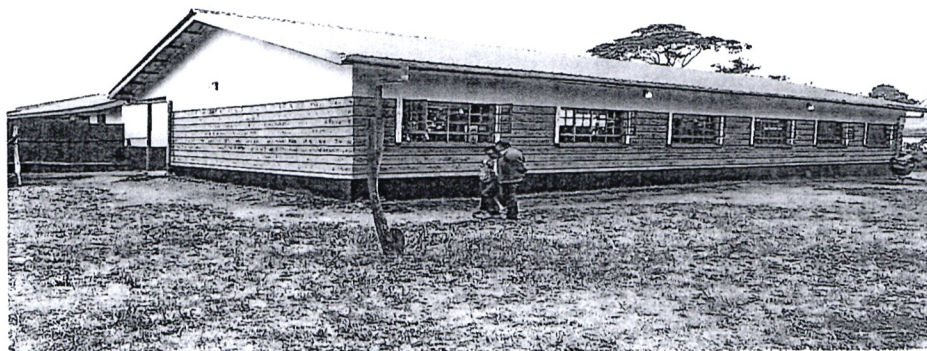
In figure 1.2, the comparison is between the disbursements against utilization. The absorption rate for the received funds decreased from 99% to 88%. respectively. This was attributed by the fact that the last disbursement for that particular year was done in the Month of June 2019. There was nothing much that would have been done given all the procedures have to be complied to. The constituency however reported an improvement since this was the first time since inception that all funds were received within the financial year.

KEY ACHIEVEMENTS

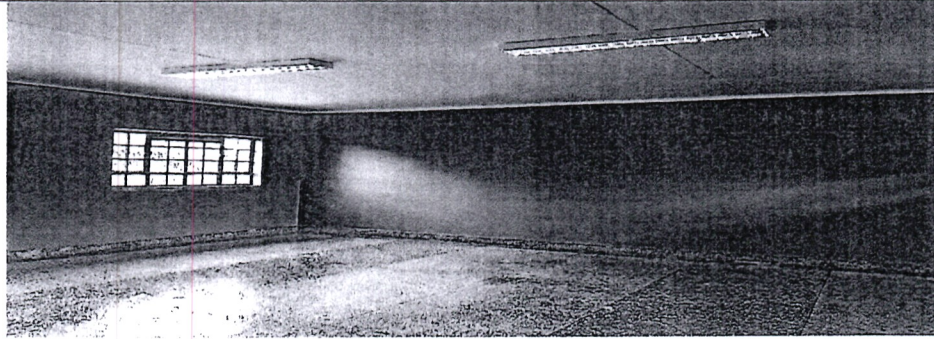
A. KAMITI PRIMARY SCHOOL: CONSTRUCTION OF 2NO. CLASSROOMS
Old structure



Old Classrooms

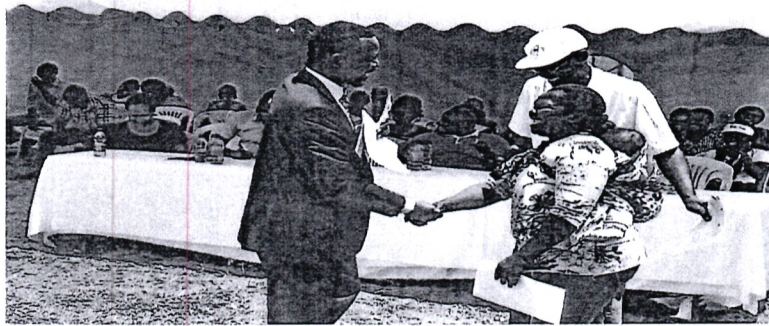


New Classrooms



INTERNAL FINISHES

B. BURSARY ISSUANCE AT THE WARD LEVEL FOR FINANCIAL YEAR 2018-1



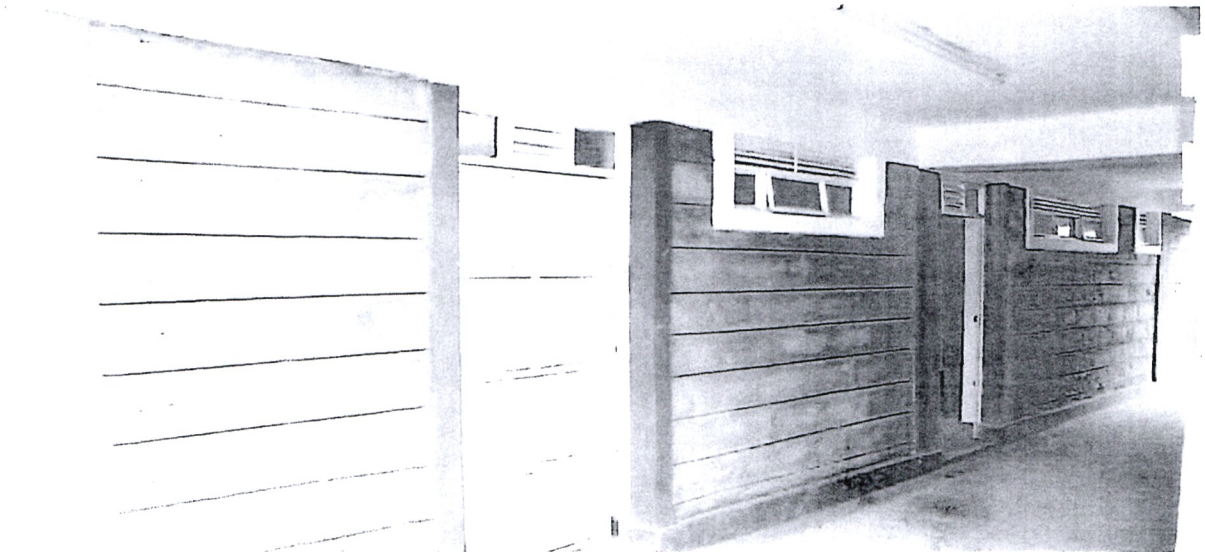
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
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Below is a fully sponsored student. She was being escorted to school by NG-CDF members at St. Cecilia Aluor Girls High School in Siaya County



C. GARDEN ESTATE SECONDARY SCHOOL MODERN ABLUTION BLOCK

FRONTVIEW



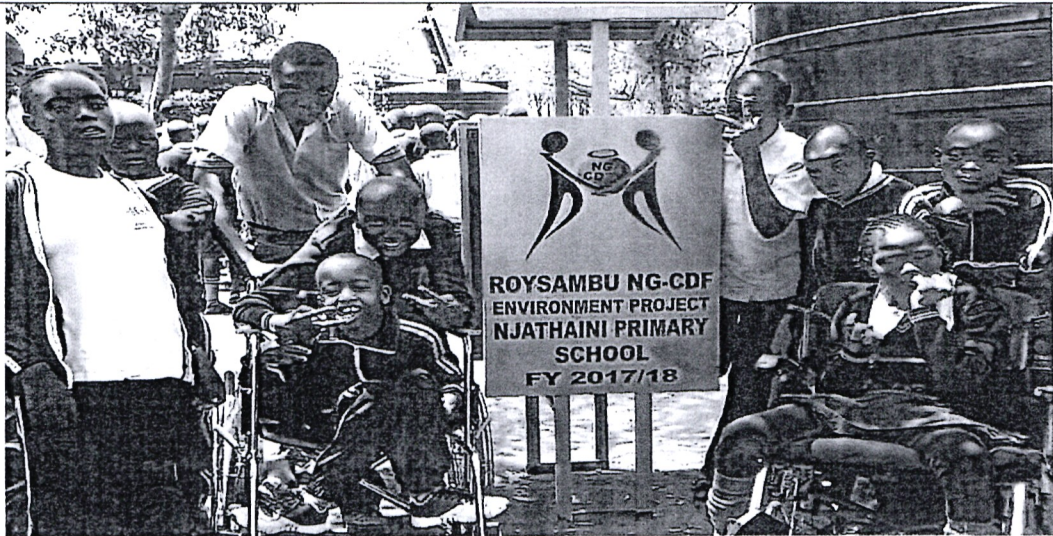
REARVIEW



INSTALLATION AND DISTRIBUTION OF DUSTBINS IN ALL THE 17 PUBLIC SCHOOLS



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
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KIWANJA SECONDARY SCHOOL

The school was initiated by NG-CDF Roysambu in the year 2016 with only 39 students who comprised of Form 1, 2 & 3 and a staff establishment of 3 teachers all employed by the community.

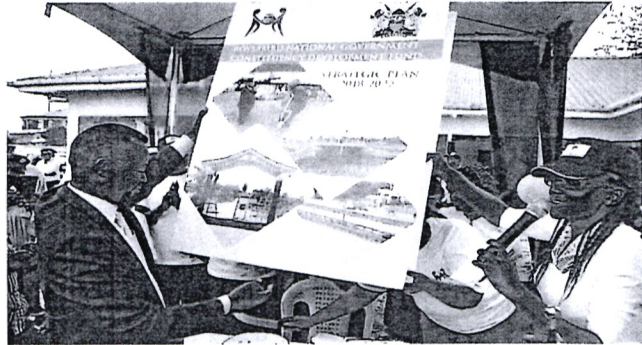
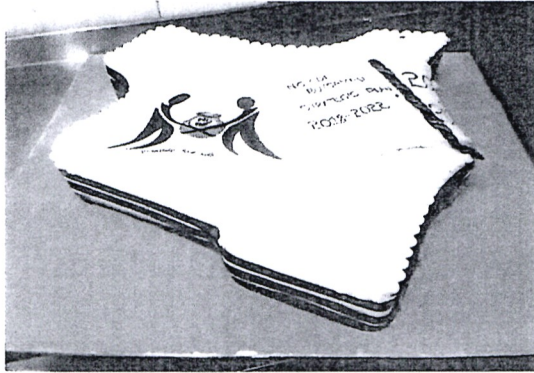
The current student population of 964 students where 80% of this population is drawn from the Kamae and Kongo Soweto slums in Kahawa West. The staff establishment has equally grown to from 3 to 13 NO. Teachers. Nine are employed by Teachers Service Commission while 4 are under Board of management.

The NG-CDF Roysambu has delivered 12NO classrooms so far, fenced the school compound and build toilets. Projects that are in progress include Modern twin Lab, a modern ablution block, construction of a borehole and additional 4NO. classrooms. The needy students too have received support through bursaries.



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
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ROYSAMBU NG-CDF STRATEGIC PLAN 2018-2022 Launched on 7th December 2018



IMPLEMENTATION CHALLENGES

- 1) Delays in regard to project implementation due to inadequate manpower from the technical departments.
- 2) Conflict of interest.
- 3) Political interest.
- 4) Inadequate space for expansion.
- 5) Low literacy rate among the stakeholders entrusted with project implementation.

WAY FORWARD.

- 1) Inclusion of the County Public Technical persons to share workload with the Public Works personnel
- 2) Continuous capacity building on the stakeholders expected to deliver on project implementation
- 3) Adherence of existing laws


**CHAIRMAN
ROYSAMBU NGCDFC**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
ROYSAMBU CONSTITUENCY**

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

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 Roysambu 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 NG-CDF Roysambu 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 in charge of the NG-CDF Roysambu 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 NG-CDF Roysambu 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

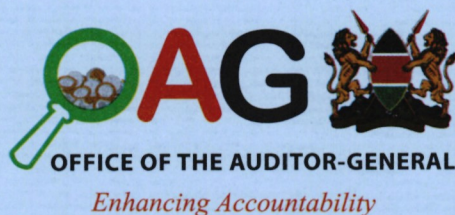
The NG-CDF Roysambu financial statements were approved and signed by the Accounting Officer on 30th August 2019.


Fund Account Manager
Name: Mary Wanyika
ROYSAMBU NG-CDF

**THE NATIONAL
SUB-COUNTY ACCOUNTANT**

Sub-County Accountant
Name: Prisca Tabut
ICPAK Member Number: 15993

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 - ROYSAMBU 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 - Roysambu Constituency set out on pages 16 to 41, 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 - Roysambu 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 the Statement of Assets and Liabilities

The statement of assets and liabilities reflects net financial position total of Kshs.52,938,512. However, prior adjustments amounting to Kshs.5,597,674 were not supported.

Consequently, the accuracy, completeness and validity of the net financial position total of Kshs.52,938,512 reflected in the statement of assets and liabilities as at 30 June, 2019 could not be confirmed.

2.0 Unsupported Expenditure

2.1 Bursaries

During the year under review, Management expenditure on bursaries totalled to Kshs.33,080,428. However, the Management did not provide; evidence of existence of

Ward Bursary Committees, Bursary Allocation Policy, and acknowledgement of receipt by learning institutions.

Consequently, the accuracy, completeness and validity of the bursary awards totalling to Kshs.33,080,428 for the year ended 30 June, 2019 could not be confirmed.

2.2 Sports Activities

Review of records revealed that Management disbursed an amount of Kshs.3,917,023 to the Project Management Committee (PMC) for use on sports activities. However, records to confirm that sport equipment procured were inspected and recorded in the stores ledgers before issuance, signed distribution lists were not provided.

Consequently, the accuracy, completeness and validity of the sports activities total of Kshs.3,917,023 for the year ended 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 – Roysambu 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.173,671,425 and Kshs.153,732,115 respectively, resulting to an under-funding of Kshs.19,939,310 or 11% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.173,671,425 and Kshs.106,398,295 respectively, resulting to an under expenditure of Kshs.67,273,130 or 39% 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. Non-Implementation of Projects

The statement of appropriation - recurrent and development combined reflects a budget allocation totalling to Kshs.76,826,735 on transfers to other Government Entities to fund approved projects. However, physical verification revealed that projects worth Kshs.33,029,877 had not been implemented as at the time of the audit. No explanation was given for failure to implement these projects.

In the circumstances, I am unable to confirm whether the public obtained value for money for the unimplemented projects.

2. Irregular Tender Awards

Examination of the bid documents revealed that bidders for various tenders were required to be registered with the National Construction Authority under various categories. However, the Management awarded tenders amounting to Kshs.30,390,165, to contractors who were not qualified contrary to Section 4(a) of Public Procurement and Dispose (Amendment) Regulation, 2013 which requires the committee to adhere to tender criteria as per tender documents.

Further, the Tender Evaluation Committee members carried out joint evaluations as opposed to independent evaluation by each member as required under Section 16(5) of the Public Procurement and Disposal (Amendment) Regulations, 2013 which states that, each member of the committee shall evaluate the tenders or proposals received by the procuring entity independently from the other members prior to sharing his or her analysis, questions and evaluation including his or her rating with the other members of the committee.

Consequently, the Management was in breach of the law.

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


05 October, 2021


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
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Reports and Financial Statements
For the year ended June 30, 2019

STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019 Kshs	2017 - 2018 Kshs
RECEIPTS			
Transfers from NG-CDF board	1	152,446,048	76,753,447
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	40,000	=
TOTAL RECEIPTS		152,486,048	76,753,447
PAYMENTS			
Compensation of employees	4	1,906,098	1,933,237
Use of goods and services	5	9,283,889	4,663,841
Transfers to Other Government Units	6	47,268,833	27,169,115
Other grants and transfers	7	44,439,475	41,741,188
Acquisition of Assets	8	-	-
Other Payments	9	3,500,000	=
TOTAL PAYMENTS		106,398,294	75,507,381
SURPLUS/(DEFICIT)		<u>46,087,754</u>	<u>1,246,066</u>

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


Fund Account Manager
Name: Mary Wanyika
ROYSAMBU NG-CDF


THE NATIONAL
SUB-COUNTY ACCOUNTANT
KASARANI
Sub-County Accountant
Name: Prisca Tabut
ICPAK Member Number: 15993

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

ROYSAMBU CONSTITUENCY


Reports and Financial Statements


For the year ended June 30, 2019

STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019 Kshs	2017-2018 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	52,938,512	1,253,084
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		52,938,512	1,253,084
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		52,938,512	1,253,084
FINANCIAL LIABILITIES			
TOTAL FINANCIAL LIABILITES		=	=
NET FINANCIAL ASSETS		52,938,512	1,053,084
REPRESENTED BY			
Fund balance b/fwd	13	1,253,084	7,018.00
Surplus/Deficit for the year		46,087,754	1,246,066
Prior year adjustments	14	5,597,674	-
NET FINANCIAL POSITION		52,938,512	1,253,084

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Roysambu financial statements were approved on 30th August, 2019 and signed by:


 Fund Account Manager
 Name: Mary Wanyika
 Fund Account Manager
 ROYSAMBU NG-CDF


 Sub-County Accountant
 Name: Prisca Tabut
 ICPAK Member Number: 15993


THE NATIONAL
 SUB-COUNTY ACCOUNTANTS
 KISUMU

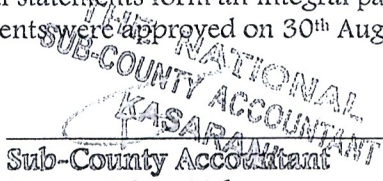
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
ROYSAMBU CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from NG-CDF Board	1	152,446,048	76,753,44
Other Receipts	3	40,000	-
Total receipts		152,486,048	76,753,447
Payments			
Compensation of Employees	4	1,906,098	1,933,237
Use of goods and services	5	9,283,889	4,663,84
Transfers to Other Government Units	6	47,268,833	27,169,115
Other grants and transfers	7	44,439,475	47,741,188
Other Payments	9	3,500,000	-
Total payments		106,398,294	75,507,381
Total Receipts Less Total Payments		46,087,754	-
Adjusted for:			
Prior year adjustments	14	5,597,674	-
Net Adjustments		-	
Net cash flow from operating activities		51,685,428	1,246,066
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		51,685,428	1,246,066
Cash and cash equivalent at BEGINNING of the year	13	1,253,084	7,018.00
Cash and cash equivalent at END of the year		<u>52,938,512</u>	<u>1,253,084</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Roysambu financial statements were approved on 30th August, 2019 and signed by:


Fund Account Manager
Name: Mary Wanyika
 Fund Account Manager
 ROYSAMBU NG-CDF


Sub-County Accountant
Name: Prisca Tabut
 ICPAK Member Number: 15993

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) ROYSAMBU 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 a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
RECEIPTS						
Transfers from NGCDF Board	109,040,876	64,630,549	173,671,425	153,692,115	19,979,310	89%
Proceeds from Sale of Assets	-	-				
Other Receipts (Sale of tender)- A-1-A				40,000	(40,000)	-
TOTAL RECEIPTS	109,040,876	64,630,549	173,671,425	153,732,115	19,939,310	89%
PAYMENTS						
Compensation of Employees	2,060,400	0	2,060,400	1,906,098	154,302	93%
Use of goods and services	7,753,280	1,630,176	9,383,456	9,283,889	99,567	99%
Transfers to Other Government Units	45,495,701	38,134,043	83,629,744	47,268,833	36,360,911	77%
Other grants and transfers	53,731,495	16,189,303	69,920,798	44,439,474	25,481,324	62%
Acquisition of Assets	-	-				
Other Payments	-	8,677,027	8,677,027	3,500,000	5,177,027	41%
Conditional Approval						
TOTALS	109,040,876	64,630,549	173,671,425	106,398,295	67,273,130	62%

(a) Appropriation in Aid of Kshs. 40,000 was derived from sale of tender.

b) The NG-CDF Roysambu resubmitted projects worth Kshs. 500,000 for F/Y 15/16, Kshs. 8,100,000 for F/Y 2016/17 and the additional funds for the F/Y 2017/2018 of Kshs. 11,379,310.34. The NG-CDF Board had not yet released by the close of the subject year.

The NGCDF Roysambu financial statements were approved on 30th August, 2019 and signed by:

Fund Account Manager
Name: Prisca Tabuti Asaram
Fund Account Manager
ROYSAMBU NG-CDF


Sub-Country Accountant
Name: Prisca Tabuti Asaram
ICPAK Member Number: 15993

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) ROYSAMBU CONSTITUENCY

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

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2018/2019 Kshs.	Adjustments Kshs.	Final Budget 2018/2019 Kshs.	Actual on comparable basis 30/06/2019 Kshs.	Budget utilization difference Kshs.
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,060,400	0	2,060,400	1,906,098	154,302
1.2 Committee allowances	1,368,000	0	1,368,000	1,368,000	0
1.3 Use of goods and services	3,114,053	1,328,186	4,442,239	4,355,239	87,000
Sub Total	6,542,453	1,328,186	7,870,639	7,629,337	241,302
2.0 Monitoring and evaluation					
2.1 Capacity building	1,000,000	0	1,000,000	1,000,000	0
2.2 Committee allowances	624,000	0	624,000	624,000	0
2.3 Use of goods and services	1,647,226	301,990	1,949,216	1,936,650	12,566
Sub Total	3,271,226	301,990	3,573,216	3,560,650	12,566
3.0 Emergency	5,738,993	3,108,743	8,847,736	0	8,847,736
Sub-total	5,738,993	3,108,743	8,847,736	0	8,847,736
4.0 Bursary and Social Security					
4.1 Secondary Schools	18,000,000	1,027,976	19,027,976	20,756,800	(1,728,824)
4.2 Universities	15,775,000	0	15,775,000	12,323,628	3,451,372
4.3 Social Security	1,000,000	0	1,000,000	1,000,000	0
Sub Total	34,775,000	1,027,976	35,802,976	33,080,428	2,722,548
5.0 Sports					
5.1	2,180,818	1,963,792	4,144,610	3,917,023	227,587
Sub Total	2,180,818	1,963,792	4,144,610	3,917,023	227,587
6.0 Environment					
6.1	2,180,818	1,963,792	4,144,610	3,917,023	227,587
Sub Total	2,180,818	1,963,792	4,144,610	3,917,023	227,587
7.0 Primary Schools Projects					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) ROYSAMBU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
7.1 Garden Estate Primary School	5,000,000		5,000,000	-	5,000,000
7.2 Kamiti Primary School	3,389,304		3,389,304	3,389,304	0
7.3 Kiwanja Primary School	1,460,276	231,034	1,691,310	-	1,691,310
7.4 Njatha -ini Primary School	1,460,276		1,460,276		1,460,276
7.5 Mahiga Primary School	1,460,276		1,460,276		1,460,276
7.6 Kahawa Primary School	1,460,275		1,460,276		1,460,276
7.7 Githurai Primary School	7,403,295		7,403,295	7,403,295	0
7.8 Kenyatta University		2,554,377	2,554,377	2,554,377	0
Sub Total	21,633,703	2,785,411	24,419,114	13,346,976	11,072,138
8.0 Secondary Schools Projects					
8.1 Garden Estate Secondary School	8,500,000	2,000,000	10,500,000	7,000,000	3,500,000
8.2 Kahawa Garrison Secondary School	5,359,660		5,359,660	-	5,359,660
8.3 Githurai Secondary School	7,329,115		7,329,115	-	7,329,115
8.4 Kiwanja Secondary School	2,673,225	30,348,632	33,021,857	23,921,857	9,100,000
8.5 Kamiti Secondary School		2,000,000	2,000,000	2,000,000	0
8.6 Roysambu Secondary School		1,000,000	1,000,000	1,000,000	0
Sub Total	23,862,000	35,348,632	59,210,632	33,921,857	25,288,775
9.0 Security Projects					
9.1 Githurai Chiefs \$ AP Houses Camp	6,855,867	7,600,000	14,455,867	2,000,000	12,455,867
9.2 Githurai Chiefs \$ AP Houses Camp	1,000,000		1,000,000	1,000,000	0
9.3 Thome Police Post		525,000	525,000	525,000	0
Sub Total	7,855,867	8,125,000	15,980,867	3,525,000	12,455,867
11.0 Acquisition of assets					
11.1 Purchase of furniture and equipment	1,000,000		1,000,000	-	1,000,000
Sub Total	1,000,000		1,000,000	-	1,000,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) ROYSAMBU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
12.0 Others					
12.1 Strategic Plan		3,500,000	3,500,000	3,500,000	0
12.2 Innovation Hub		4,677,027	4,677,027	-	4,677,027
12.3 Kamuthi –Githurai Bridge		500,000	500,000	-	500,000
Sub Total		8,677,027	8,677,027	3,500,000	5,177,027
Appropriation In Aid		40,000			
GRAND TOTAL	109,040,876	64,670,549	173,711,425	106,398,294	67,273,130

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the Entity's budgets which are programme based.

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 NG-CDF Roysambu Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
ROYSAMBU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

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 NG-CDF Act, 2015.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
ROYSAMBU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

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 un-utilized 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.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

ROYSAMBU 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			
AIE NO: 07/2017/2018/234	1		5,500,000
AIE NO: 07/2016/2017/217	2		32,848,275
AIE NO: 07/2015/2016/710	3		37,905,172
AIE NO: -07/2015/2016/710	4		500,000
AIE NO: 07/2017/2018/835	1	43,405,173	
AIE NO: 2018/2019/073	2	10,000,000	
AIE NO: 2018/2019/1137	3	13,000,000	
AIE NO: 2018/2019/971	4	11,000,000	
AIE NO: 2018/2019/500	5	12,000,000	
AIE NO: 2018/2019/811	6	8,000,000	
AIE NO: 2018/2019/1409	7	55,040,875	
		152,446,048	76,753,447

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	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
ROYSAMBU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2018-2019 Kshs	2017-2018 Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	40,000	-
Other Receipts Not Classified Elsewhere	-	-
Total	40,000	-

4. COMPENSATION OF EMPLOYEES

	2018-2019 Kshs	2017-2018 Kshs
Basic wages of contractual employees	1,906,098	1,933,237
Basic wages of casual labor	-	-
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity - paid	-	-
- accrued	-	-
Other personnel payments	-	-
Total	1,906,098	1,933,237

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
ROYSAMBU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	Kshs	Kshs
Committee Expenses	3,508,000	1,446,000
Utilities, supplies and services	1,559,134	1,363,265
Communication, supplies and services	200,000	103,100
Domestic travel and subsistence	120,000	-
Printing, advertising and information supplies & services	420,000	57,700
Rentals of produced assets	0	-
Training expenses	1,400,000	306,900
Hospitality supplies and services	200,000	-
Insurance costs	0	-
Specialized materials and services	0	-
Office and general supplies and services	700,000	425,956
Other operating expenses	1,100,755	857,820
Routine maintenance – vehicles and other transport equipment	0	-
Routine maintenance – other assets	76,000	-
Total	9,283,889	4,663,841

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
ROYSAMBU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017-2018
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	13,346,976	13,169,115
Transfers to secondary schools (see attached list)	33,921,857	14,000,000
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	-	-
TOTAL	47,268,833	27,169,115

7. OTHER GRANTS AND OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools (see attached list)	20,491,800	12,995,000
Bursary – tertiary institutions (see attached list)	12,348,628	9,927,000
Bursary – special schools (see attached list)	240,000	190,000
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	3,525,000	16,600,000
Sports projects (see attached list)	3,917,023	0
Environment projects (see attached list)	3,917,023	0
Emergency projects (see attached list)	0	2,029,188
Total	44,439,474	41,741,188

8. ACQUISITION OF ASSETS

<u>Non-Financial Assets</u>	2018-2019	2017-2018
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	-

9. OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Strategic plan	3,500,000	-
ICT Hub	-	-
	3,500,000	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
ROYSAMBU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
Equity Bank, 0710261637282	<u>52,938,512</u>	1,253,084
Total	<u>52,938,512</u>	1,253,084
10B: CASH IN HAND		
Location 1	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
-	-	-	-	-

Total

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

12A. RETENTION

	2018 - 2019 Kshs	2017-2018 Kshs
Supplier 1	-	-
Total	-	-

[Provide short appropriate explanations as necessary]

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019 Kshs	2017-2018 Kshs
Isaac Mwangi	189,663	54,541
Esther Ndegwa	174,981	49,647
Eva Wamuyu	138,186	40,347
Biancah Mwaniki	98,000	0
Samuel Mwangi	49,600	12,400
TOTAL	650,430	156,935
GRAND TOTAL	807,365 (2017/18 & 2018/19)	

[There is no gratuity that has been paid. It will be paid at the end of the second phase of the contract period ending on January 2020.]

13. BALANCES BROUGHT FORWARD

	2018-2019 Kshs	2017-2018 Kshs
Bank accounts	1,253,084	7,018
Cash in hand	-	-
Imprest	-	-

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Total	1,253,084	7,018
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14. PRIOR YEAR ADJUSTMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	5,597,674	-
Cash in hand	-	-
Imprest	-	-
Total	5,597,674	-

15. OTHER IMPORTANT DISCLOSURES

15.1. PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019 Kshs	2017-2018 Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-

15.2. PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
NGCDFC Staff Gratuity	650,430	156,935
Others (<i>specify</i>)	-	-

15.3. UNUTILIZED FUND (See Annex 3)

	Kshs	Kshs
Compensation of employees	0	479,649
Use of goods and services	1,630,176	4,036,429
Amounts due to other Government entities (see attached list)	38,134,043	33,579,666
Amounts due to other grants and other transfers (see attached list)	16,189,303	18,867,362
Acquisition of assets	-	-
Others (<i>ICT HUBS</i>)	8,677,027	8,677,027
A-in-A	40,000	-
	64,670,549	65,640,133

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	62,198,089	37,933,205
	62,197,999	44,674,324

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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					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance June 2018	Outstanding Balance by June 2019	2017/18-2018/19	Comments
		a	b	c	d=a-c	e		
Senior Management								
1.								
Sub-Total								
Middle Management								
2.								
Sub-Total								
Unionisable Employees								
3.								
Sub-Total								
Others (NG-CDFC STAFF)								
4. Isaac Kamau	N/A	257,223	31 st Jan, 2020	0	257,223	189,663	189,663	The gratuity will be paid at the end of the contract period that is Jan 2020.
5. Esther Ndegwa	N/A	237,648	31 st Jan, 2020	0	237,648	174,981	174,981	
6. Eva Wamuyu	N/A	204,788	31 st Jan, 2020	0	204,788	138,186	138,186	
7. Samuel Mwangi	N/A	153,800	31 st Jan, 2020	0	153,800	98,000	98,000	
8. Biancah Mwaniki	N/A	114,700	31 st Jan, 2020	0	114,700	49,600	49,600	
Sub-Total		968,160			968,160		650,490	
Grand Total								

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees	Employee Salaries	0	479,649	
Use of goods & services	Purchase of fuel, repairs \$ maintenance, printing, stationery, telephone, travel and subsistence	1,630,176	4,036,429	
Sub Total		1,630,176	4,516,078	
Amounts due to other Government entities				
Garden Estate Sec Sch	Construction of an Ablution Block	2,000,000	2,000,000	
Kamiti Secondary School	Construction of modern Kitchen and Completion of Dining Hall	2,000,000	2,000,000	
Kiwanja Secondary School	Construction of 4NO.Classrooms (Phase III)	8,500,000	8,500,000	
Kiwanja Secondary School	Construction of an abluion block	6,100,000	4,100,000	
Kiwanja Secondary School	Construction of 4NO. classrooms (Phase IV)	5,000,000	5,000,000	
Kiwanja Secondary School	Construction of Modern Twin Laboratory	7,000,000	7,000,000	
Kiwanja Secondary School	Drilling of a borehole	3,748,632	3,748,632	
Kiwanja Primary School	Additional funds for construction of an abluion block	231,034	231,034	
Roysambu Secondary School	Additional funds for the construction of 4NO. classrooms (Ground floor)	1,000,000	1,000,000	
Kenyatta University Primary School	Construction of an Ablution Block	2,554,377	-	
Sub-Total		38,134,043	33,579,666	

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Amounts due to other grants and other transfers					
Githurai Chiefs Camp	Additional funds for construction of Chiefs/AP houses Camp	7,600,000	7,600,000	7,600,000	
Thome Police Post	Construction of 3-Single AP houses units	525,000			
Bursary to Tertiary Institutions	Bursary award to needy and bright students	1,027,976		4,800,000	
Constituency Sports	Constituency Tournament	1,963,792		1,963,792	
Environment Activities	Installation of dustbins in 17NO. Public Primary and Secondary Schools	1,963,792		1,963,792	
Emergency	Unforeseen occurrences	3,108,744		2,539,778	
Sub-Total		16,189,303		18,867,962	
Acquisition of assets					
Others					
<i>ICT Hub</i>					
Strategic Plan	Construction of 4NO. Internet Sites	4,677,027		4,677,027	
Kamuthi- Githurai Bridge		3,500,000		3,500,000	
Sub-Total		500,000		500,000	
Grand Total		8,677,027		8,677,027	
		64,630,549		65,640,193	

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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	-	-	-	
Buildings and structures	-	-	-	
Transport equipment	-	-	-	
Office equipment, furniture and fittings	2,697,560	-	-	2,697,560
ICT Equipment, Software and Other ICT Assets	-	-	-	
Other Machinery and Equipment	-	-	-	
Heritage and cultural assets	-	-	-	
Intangible assets	-	-	-	
Total	2,697,560	-	-	2,697,560

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Garden Estate Sec Sch	Cooperative Bank of Kenya	01134575250401	7,837,275	3,738,910
Roysambu Const. Envi. PMC	Equity Bank	0710265125462	2,224,794	16,525
Mahiga Pry School	Equity Bank	0710169615263	3,898	4,064
Kamiti Sec School	Equity Bank	0710169615286	7,008,612	5,008,777
Githurai Chiefs Camp PMC	Equity Bank	0710164999549	7,796,050	4,796,395
Githurai Pry School PMC	Equity Bank	0710170691229	8,956,630	7,639,302
Roysambu Const. Sports PMC	Equity Bank	0710265125134	2,157,088	2,877
Njathaini Pry School	Cooperative Bank of Kenya	01134284238500	2,912	2,912
Roysambu Sec Sch PMC	Cooperative Bank of Kenya	01134284428400	6,367,665	10,408,765
Zimmerman Sec Sch PMC	Equity Bank	0710263683343	16,911,085	1,557,333
Muthaiga Pry Sch PMC	Equity Bank	0710169615309	148,022	148,022
Kahawa Pry Sch	Equity Bank	0710169615207	9,620	9,620
Kenyatta University Primary School PMC	National Bank of Kenya	01022205462900	2,007,581	2,999,875
Thome AP Police Post PMC	Cooperative Bank of Kenya	01134575510900	627,775	294,775
Kiwanja Primary School PMC	Family Bank	044000007040	38,812	38,812
Zimmerman Chiefs/ AP Camp	Cooperative Bank of Kenya	044000007831	0	7,997,800
Roysambu Strategic Plan \$Website PMC	Equity Bank	0710265125322	100,180	9,560
Total			62,197,999	44,674,324

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

Reports and Financial Statements

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
001/17-18	Cash and cash equivalents of Kshs. 1,253,084 yet bank reconciliation indicates unrepresented cheques of Kshs. 8,858,381 which includes stale cheques of Kshs. 1,686,846. This could not therefore confirm the cash equivalents of Kshs. 1,253,084	The unrepresented cheques could not be cancelled neither reversed since their maturity had not lapsed. The stale cheques amounting to Kshs. 1,686,846 were cancelled and reversed in the cashbook on the month of July 2018. This was taken care of in the subsequent financial year.	Mary Wanyika-Fund Account Manager	Not Resolved	December, 2019
002/17-18	Roysambu NGCDF received Kshs. 128,765,638 against actual budget of Kshs. 75,507,381 resulting to under expenditure of Kshs. 53,258,257.	Roysambu NG-CDF had received Kshs.76,753,447.10 out of which Kshs. 75,507,380.86 was utilized. This presents a total of 98.37% utilization budget. The Kshs. 53,258,257 explains the budget which was received after the close of the year under review.	Mary Wanyika-Fund Account Manager	Not Resolved	December, 2019

