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THE AUDITOR-GENERAL

ON

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

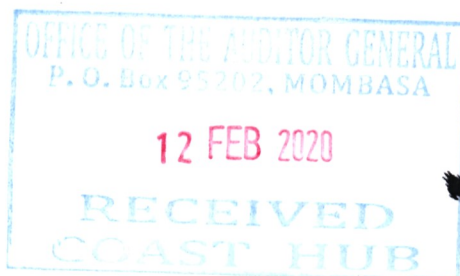
**FOR THE YEAR ENDED
30 JUNE, 2019**

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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	2
II. FORWARD BY THE CHAIRPERSON NGCDF COMMITTEE.....	5
III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES	12
IV. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 TH JUNE,2019.....	13
V. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 TH JUNE 2019.....	14
VI. STATEMENT OF CASHFLOW	15
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED	16
VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES	17
IX. SIGNIFICANT ACCOUNTING POLICIES	20
X. NOTES TO THE FINANCIAL STATEMENTS	24
XI. OTHER IMPORTANT DISCLOSURES.....	32
XII. PROGRESS ON FOLLOWUP OF AUDITOR RECOMMENDATIONS.....	40

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

1. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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

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

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituency Development Fund Committee (NGCDFC)

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Daniel Mwaluko
2.	Sub-County Accountant	Robert Kibet
3.	Chairman NGCDFC	Julita Baby Mbelle
4.	Member NGCDFC	Kirimi Morris

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -TAVETA Constituency. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Committee for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) NGCDF TAVETA Constituency Headquarters

P.O. Box. 243-80302
NG-CDF Building
TAVETA, KENYA

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

(f) NGCDF TAVETA Constituency Contacts

Telephone: (254)710-128510
E-mail: tavetangcdf@ngcdf.go.ke
Website: www.ngcdftaveta.go.ke

(g) NGCDF TAVETA Constituency Bankers

Equity Bank, Taveta Branch
Account No. 1420262668499
P.O.Box. 305-80302
Taveta, Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TAVETA CONSTITUENCY**

Reports and Financial Statements

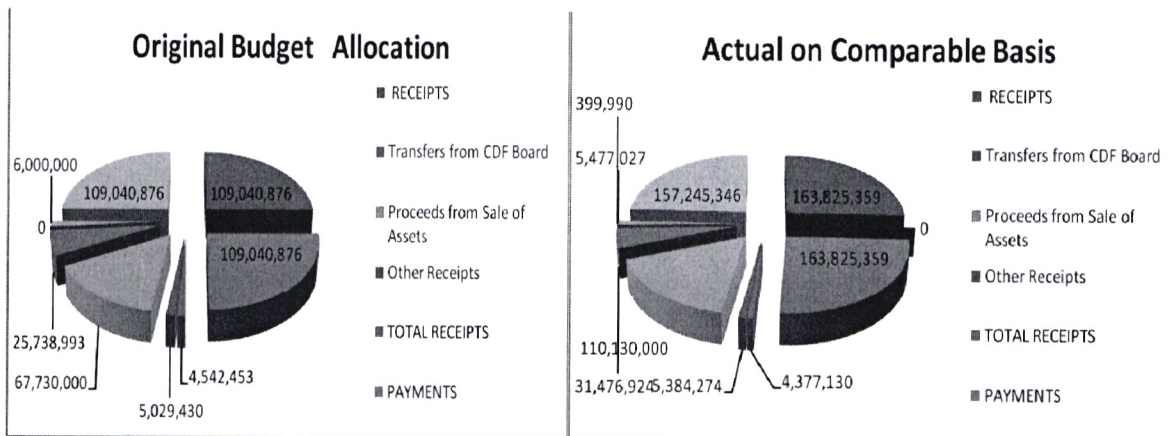
For the year ended June 30, 2019

FORWARD BY THE CHAIRPERSON NGCDF COMMITTEE

I would like to extend my gratitude to Taveta constituents for giving me the opportunity to serve in my capacity as the chairperson NG-CDFC. This is a gracious position which has also promoted gender equality me being a woman holding this position. Our agenda is enclaved in the slogan “*maendeleo kwa wote*”, as we purpose to deliver improved livelihoods through the primary, secondary schools and tertiary institutions. This financial year ending June 2019 has seen us complete the KMTTC construction and close to 160 students enrolled in the same institution. There has also been a good contribution towards bursary allocation, increasing the population of students retained in schools. Subsequently the youths talents have been improved through the two tournaments organised during the FY 2018/2019 and supply of sports kits. Finally the support we have had from the management of the NGCDF board has been tremendous.

Taveta constituency is one of the four constituencies in Taita-Taveta county, coast Region. During the financial year 2018/2019 we received Kshs. 163,825,358.65 out of which Kshs. 56,470,640 were funds for the previous financial year. Our utilization of funds for the financial year stands at 95% of the total budget of Kshs.165,541,515.52 The NG-CDF Board should provide funds in time for 100% utilization to be achieved.

The project allocation percentage per sector is as indicated below:-



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

Achievements

There have been several success stories in this financial year ending June 2019. The success of the project is attributed to harmonious working relationship amongst the NGCDFC members, staff and technical support from the government officials as well. The following are some of the achievements realised ;

Construction of twin staff houses at lumi secondary school and kitobo secondary school to enable the boarding facility to start, Construction of chiefs offices at mahoo and eldoro to improve security and bring services closer to the citizens, efficient disbursement of funds to projects immediately funds are received for the NG-CDF Board, Phenomenal improvement of infrastructure in the Education sector, Improved standards of education, Construction of KMTC Campus is ongoing at a good pace being our flagship project, Completion of Chala and Jipe Divisional Headquarters to improve security and coordination of National Government activities to name but a few.



Lumi secondary school- construction of twin staff houses project

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



Complete construction of Eldoro Chiefs Office

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



Mahoo Chiefs Office



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



Kenya Medical Training College Taveta Campus



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



Construction of twin staff houses at kitobo secondary school

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



Construction of modern laboratory at Njoro Secondary School.

Challenges

Delay in disbursement of funds from the NG-CDF Board has affected timely implementation of projects and absorption of funds allocated during the financial year, in addition insufficient funds for monitoring and evaluation and capacity building of various operatives has impacted negatively on funds administration.

Way forward

In order to improve on timely completion of projects NG-CDF Board should disburse funds quarterly. Allocation for monitoring and evaluation vote should be increased for effective and efficient management of projects. Lastly, Projects should be funded in full to avoid delays in completion. County projects committee should be operationalized for consultation at county level to guard against any duplication of projects and enhance synergy between all development agents.

Sign-----



CHAIRPERSON NG-CDF COMMITTEE

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TAVETA 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 NGCDF-TAVETA Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-TAVETA Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-TAVETA Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

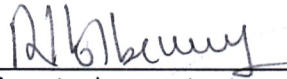
The Accounting Officer in charge of the NGCDF Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes 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.

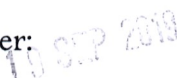
Approval of the financial statements

The NGCDF-TAVETA Constituency financial statements were approved and signed by the Accounting Officer on 19/09/2019 2019.



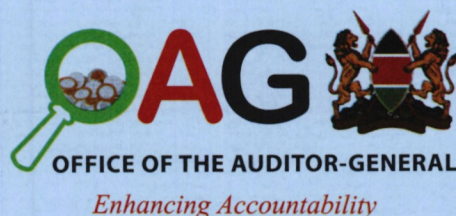
Fund Account Manager
Name: Daniel Mwaluko



Sub-County Accountant
Name: Robert Kibet
ICPAK Member Number: 

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 - TAVETA 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 - Taveta Constituency set out on pages 13 to 40, which comprise the statement of financial assets and liabilities as at 30 June, 2019, the statement of receipts and payments, statement of cash flows and summary statement of appropriation- recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, 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 - Taveta 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 National Government Constituencies Development Fund Act No.30 of 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unrecorded Receipts

The statement of receipts and payments for the year ended 30 June, 2019 reflects Kshs.30,000 in respect of other receipts. Records availed for audit review reflects that receipts for sale of tender amounted to Kshs.77,000, thus resulting to a variance of Kshs.47,000 and which the Management explained was erroneous banking in revenue account of the Ministry of Interior and Coordination. However, no evidence was availed to confirm the claim and the amount remained unrefunded to the Fund's bank account at the time of audit in the month of December, 2019.

Consequently, the accuracy and completeness of other receipts amounting to Kshs.30,000 for the year ended 30 June, 2019 could not be confirmed.

2. Understated and Unadjusted Bank Balance

The statement of assets and liabilities as at 30 June, 2019 reflects a bank balance of Kshs.8,296,170. The supporting bank reconciliation statement as at the same date availed for audit review reflects unpresented cheques amounting to Kshs.46,476,022 out of which cheques amounting to Kshs.139,688 had not been cleared as at 30 December, 2019 and were therefore stale. In addition, the bank reconciliation statement reflects bank charges amounting to Kshs.1,071 which had not been recorded in the cash book and expensed in the statement of receipts and payments for the year under review.

Consequently, the accuracy and completeness of the bank balance of Kshs.8,296,170 as at 30 June, 2019 could not be confirmed.

3. Unrecovered Imprest

As previously reported, Note 11 to the financial statements for the year ended 30 June, 2019 reflects outstanding imprest of Kshs.88,600 which was issued in the year 2017. However, available records indicated that the imprest was issued to an employee who has since been transferred to another Government department outside Taveta Sub-County. However, the management has prepared a report to write-off the amount due to non-recovery.

Consequently, the recoverability of outstanding imprest of Kshs.88,600 as at 30 June, 2019 could not be confirmed.

4.0 Other Grants and Transfers

4.1 Non-Emergency Projects

Note 7 to the financial statements for the year ended 30 June, 2019 reflects emergency projects amounting to Kshs.8,876,924. Included in this figure is an amount of Kshs.2,150,000 relating to five (5) projects .

However, these projects did not qualify as emergency in nature as defined in Section 8(3) of the National Government Constituencies Development Fund Act, 2015 that, "emergency shall be construed to mean an 'urgent, unforeseen need for expenditure for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of the constituents'.

Consequently, the validity and lawfulness of emergency projects expenditure of Kshs.2,150,000 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 - Taveta 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

Budgetary Control and Performance

The summary statement of appropriation recurrent and development combined reflects a final budget and actual on comparable basis of Kshs.165,541,516 and Kshs.163,855,359 ,resulting to an under funding of Kshs.1,686,157. Similarly, the Fund's expenditure amounted to Kshs.157,245,346 against an approved budget of Kshs.165,541,516 resulting to an under-expenditure of Kshs.8,296,170 of the budget The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the citizens of Taveta Constituency.

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 discussed in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1.0 Projects Implementation Status

The projects implementation status report as at 30 June, 2019 availed for audit review indicates that thirty-nine (38) projects with a total budget of Kshs.102,357,993 received Kshs.93,218,993. Further, analysis of the report revealed that twenty-five (25) projects which had a budget of Kshs.44,668,993 and disbursements of the same amount were completed while eleven (11) projects which had a budget of Kshs.56,530,000 and received Kshs.48,550,000 were ongoing and two (2) projects approved with a total budget of Kshs.1,159,000 had not been started as at 30 June, 2019.

The Management did to strengthen monitoring and evaluation of development projects as it provides crucial feedback on areas that require urgent and continuous improvement.

In the circumstances, service delivery to the residents of Taveta Constituency and the intended purpose of the projects may not be realized.

1.1 Projects Inspection Status

Audit inspection of seven (7) projects with total allocation of Kshs.72,988,130 in the month of December, 2019 reflected the following state of affairs. Two (2) classrooms were partially done, two (2) pit latrines were not constructed as per the bill of quantities, two (2) dormitories were not constructed as per specifications and construction of a chief's office was not completed but in use.

The above observations are indication of poor workmanship, which casts doubt on project supervision and value for money on the seven projects for the year ended 30 June, 2019.

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 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 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 Fund's financial reporting process, reviewing the effectiveness of how the Management 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 Fund's 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 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

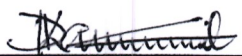
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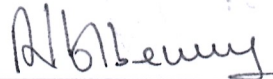
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TAVETA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 30TH JUNE, 2019

	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	163,825,359	43,405,172
Proceeds from Sale of Assets	2		
Other Receipts	3	30,000	
TOTAL RECEIPTS		163,855,359	43,405,172
PAYMENTS			
Compensation of employees	4	4,377,130	2,932,721
Use of goods and services	5	5,384,275	6,050,306
Transfers to Other Government Units	6	110,130,000	13,200,000
Other grants and transfers	7	36,953,951	20,500,000
Acquisition of Assets	8	399,990	-
Other Payments	9	-	-
TOTAL PAYMENTS		157,245,346	42,683,027
SURPLUS/(DEFICIT)		6,610,013	722,145

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TAVETA Constituency financial statements were approved on 19/09/ 2019 and signed by:


 Fund Account Manager
 Name: Daniel Mwaluko


 Sub-County Accountant
 Name: Robert Kibet
 ICPAK Member Number:

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

**STATEMENT OF ASSETS AND LIABILITIES
AS AT 30TH JUNE 2019**

	Note	2018-2019	2017-2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	8,296,170	1,686,157
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		8,296,170	1,686,157
Current Receivables			
Outstanding Imprests	11	88,600	88,600
TOTAL FINANCIAL ASSETS		8,384,770	1,774,757
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES			
NET FINANCIAL ASSETS		8,384,770	1,774,757
REPRESENTED BY			
Fund balance b/fwd	13	1,774,757	1,052,612
Surplus/Defict for the year		6,610,013	722,145
Prior year adjustments	14	-	-
NET FINANCIAL POSITION		8,384,770	1,774,757

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TAVETA Constituency financial statements were approved on 19/09 2019 and signed by:

[Signature]
Fund Account Manager
Name: Daniel Mwaluko
TAVETA NG - CDF
P. O. Box 243 - 80302, TAVETA


[Signature]
Sub-County Accountant
Name: Robert Kibet
ICPAK Member Number:
19 SEP 2019
SUB-COUNTY ACCOUNTANT
TAVETA


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

**STATEMENT OF CASHFLOW
For the year ended June, 30th 2019**

CASH FLOWS FROM OPERATING ACTIVITIES		2018 – 2019	2017 - 2018
Receipts			
Transfers from NGCDF Board	1	163,825,359	43,405,172
Other Receipts	3	30,000	-
Total receipts		163,855,359	43,405,172
Payments			
Compensation of Employees	4	4,377,130	2,932,721
Use of goods and services	5	5,384,275	6,050,306
Transfers to Other Government Units	6	110,130,000	13,200,000
Other grants and transfers	7	36,953,951	20,500,000
Acquisition of Assets	8	399,990	-
Other Payments	9	-	-
Total payments		157,245,346	42,683,027
Total Receipts Less Total Payments		6,610,013	722,145
Adjusted for:			
Outstanding imprest	11	-	-
Retention Payable	12A	-	-
Gratuity Payable	12B	-	-
Prior year adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		6,610,013	722,145
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2		
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		6,610,013	722,145
Cash and cash equivalent at BEGINNING of the year	13	1,774,757	1,052,612
Cash and cash equivalent at END of the year	10A,11	8,384,770	1,774,757

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TAVETA Constituency financial statements were approved on 17/09/2019 and signed by:


FUND ACCOUNT MANAGER
 Fund Account Manager
 Name: Daniel Njau
 P.O. Box 243 – 80302, TAVETA


 Sub-County Accountant
 Name: Robert Kibet


 TAVETA SUB-COUNTY ACCOUNTANT
 19 SEP 2019
 P.O. Box 264-80302, TAVETA


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA 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	56,470,640	165,511,516	163,825,359	1,686,157	99%
Proceeds from Sale of Assets						
Other Receipts		30,000	30,000	30,000	0	100%
TOTAL	109,040,876	56,500,640	165,541,516	163,855,359	1,686,157	99%
PAYMENTS						
Compensation of Employees	4,542,453	1,266,628	5,809,081	4,377,130	1,431,951	75%
Use of goods and services	5,029,430	999,054	6,028,484	5,384,275	644,209	89%
Transfers to Other Government Units	67,730,000	42,400,000	110,130,000	110,130,000	0	100%
Other grants and transfers	31,738,993	11,404,958	43,143,951	36,953,951	6,190,000	85%
Acquisition of Assets	-	400,000	400,000	399,990	10	100%
Other Payments	-	-	-	-	-	0%
Unallocated amount		30,000	30,000	0	30,000	0%
TOTALS	109,040,876	56,500,640	165,541,516	157,245,346	8,296,170	95%

- (a) Adjustments were as a result of funds which was received after the end of the financial year from the NG-CDF Board of kshs: 54,784,483 and kshs: 1,686,157 was the opening balance.
- (b) Included in the payments side is unallocated amount of ksh:30,000 being A in A not yet approved by the NG-CDF Board.
- (c) Underutilization of compensation of employees was due to accrued outstanding staff gratuity of kshs:392,770
- (d) Underutilization of other grants and transfers includes kshs:6,000,000 for extension of NG- CDF Office whose tendering is ongoing.

The NGCDF TAVETA Constituency financial statements were approved on 19/09 2019 and signed by:


FUND ACCOUNT MANAGER CDF
 Name: Daniel Mwaluko
 P.O. Box 243 – 80302, TAVETA


 Sub-County Accountant
 Name: Robert Kibet
 ICPAK Member Number:



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA 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	Adjustments	Final Budget	Actual on	Budget utilization difference
	2018/2019		2018/2019	comparable basis	
	Kshs	Kshs	Kshs	30/06/2019	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	4,542,453	1,266,628	5,809,081	4,377,130	1,431,951
1.2 Committee allowances	1,000,000	-	1,000,000	1,000,000	0
1.3 Use of goods and services	1,000,000	999,054	1,999,054	1,354,844	644,209
1.4 Acquisition of assets	-	-	-	-	-
2.0 Monitoring and evaluation					
2.1 Capacity building	1,000,000	-	1,000,000	1,000,000	0
2.2 Committee allowances	1,529,430	-	1,529,430	1,529,430	0
2.3 Use of goods and services	500,000	-	500,000	500,000	0
3.0 Emergency	5,738,993	3,137,931	8,876,924	8,876,924	
3.1 Primary Schools			6,537,931.03	6,537,931.03	0
3.2 Secondary schools			1,850,000	1,850,000	0
3.3 Tertiary institutions			-	-	-
3.4 Security projects			488,993	488,993	0
4.0 Bursary and Social Security					
4.1 Primary Schools					
4.2 Secondary Schools	8,000,000	1,000,000	9,000,000	9,000,000	0
4.3 Tertiary Institutions / Universities	4,000,000	500,000	4,500,000	4,310,000	190,000
4.4 Social Security					
5.0 Sports					
5.1	1,000,000	-	1,000,000	1,000,000	0
5.2					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA 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
5.3					
176.0 Environment					
6.1	2,000,000	500,000	2,500,000	2,500,000	0
6.2					
6.3					
7.0 Primary Schools Projects	14,230,000	4,800,000			
7.1 Msheghesheni Primary	1,000,000	-	1,000,000	1,000,000	0
7.2 Lumi Primary	1,100,000	-	1,100,000	1,100,000	0
7.3 Ulawani Primary	1,000,000	-	1,000,000	1,000,000	0
7.4 Machungwani Primary	1,000,000	-	1,000,000	1,000,000	0
7.5 Chala Primary	3,540,000	-	3,540,000	3,540,000	0
7.6 Grigan Primary	1,000,000	1,000,000	2,000,000	2,000,000	0
7.7 Lotima Primary	3,590,000	1,000,000	4,590,000	4,590,000	0
7.8 Khadija Muna Primary	2,000,000	-	2,000,000	2,000,000	0
7.9 Taveta Primary	-	1,800,000	1,800,000	1,800,000	0
8.0 machungwani primary school		1,000,000	1,000,000	1,000,000	0
8.0 Secondary Schools Projects	25,500,000	9,600,000			
8.1 Lumi secondary	3,200,000	-	3,200,000	3,200,000	0
8.2 Kitobo Secondary	3,250,000	1,100,000	4,350,000	4,350,000	0
8.3 Mahandakini secondary	2,200,000	-	2,200,000	2,200,000	0
8.4 Njoro Secondary	2,000,000	3,000,000	5,000,000	5,000,000	0
8.5 Sowene Secondary	3,000,000	2,000,000	5,000,000	5,000,000	0
8.6 Kiwalwa Secondary	1,350,000	2,000,000	3,350,000	3,350,000	0
8.7 Mahoo Girls Secondary	6,500,000	1,500,000	8,000,000	8,000,000	0
8.8 Malukiloriti Secondary	2,000,000	-	2,000,000	2,000,000	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA 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
8.9 Njukini Secondary	2,000,000	-	2,000,000	2,000,000	0
9.0 Tertiary institutions Projects	28,000,000	28,000,000			
9.1 KMTC Taveta	28,000,000	28,000,000	56,000,000	56,000,000	0
9.2					
9.3					
9.4					
10.0 Security Projects	5,000,000				
10.1 Mahoo Chiefs Office	2,600,000	800,000	3,400,000	3,400,000	0
10.2 Eldoro Chiefs Office	2,400,000	800,000	3,200,000	3,200,000	0

10.3					
11.0 Acquisition of assets					
11.1 Motor Vehicles					
11.2 Construction of CDF office					
11.3 Purchase of furniture and equipment					
11.4 Purchase of computers		400,000	400,000	399,990	10
12.0 Others					
12.1 Strategic Plan			800,000	800,000	0
12.2 Innovation Hub		4,667,027	4,667,027	4,667,027	0
12.3 TIVET					
12.4 NG-CDF Office Extension	6,000,000	-	6,000,000	-	6,000,000
12.5 Unallocated amount		30,000	30,000	0	30,000
TOTAL	109,040,876	56,500,640	165,541,516	157,245,346	8,296,170

The difference in total adjustments is due to unallocated amount for sale of tenders of kshs:30,000.

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

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-TAVETA 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 recognizes all receipts from the various sources when the event occurs and the related cash has actually been received by the Entity.

Tax Receipts

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

Transfers from the Exchequer

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA 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 recognizes all payments when the event occurs and the related cash has actually been paid out by the Entity.

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

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 Equity Bank Limited –Taveta Branch, at the end of the financial year June 2019.

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA 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 unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2019.

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA 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 A 892517	1		5,500,000
AIE NO A 892853	2		37,905,172
AIE NO A 005181	1	22,784,483	
AIE NO A 005393	2	4,000,000	
AIE NO B 030041	3	28,000,000	
AIE NO B 030122	4	10,000,000	
AIE NO B 005482	5	12,000,000	
AIE NO B 007484	6	8,000,000	
AIE NO. B 042845	7	13,000,000	
	8		
AIE NO B 042625		11,000,000	
AIE NO B 047583	9	55,040,876	
TOTAL		163,825,359	43,405,172

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 (NGCDF) –
TAVETA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2018-2019	2017-2018
	Kshs	Kshs
Interest Received		
Rents		
Receipts from Sale of tender documents(A IN A)	30,000	
Other Receipts Not Classified Elsewhere		
Total	30,000	

4. COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	2,188,000	2,025,001
Basic wages of casual labour	478,020	175,000
Personal allowances paid as part of salary	-	-
House allowance	292,000	300,000
Transport allowance	140,000	156,000
Leave allowance	-	30,000
Gratuity	1,047,490	-
Other personnel payments	141,980	156,000
Employer Contribution to NSSF	89,640	90,720
Total	4,377,130	2,932,721

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA 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
Other Committee Expense	233,600	356,000
Committee Allowance	2,425,000	2,931,000
Utilities, supplies and services	99,854	73,271
Communication, supplies and services	98,535	32,799
Domestic travel and subsistence	1,042,900	614,800
Printing, advertising and information supplies & services	143,760	115,000
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	314,900	178,980
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	445,205	311,400
Other operating expenses	-	1,293,821
Routine maintenance – vehicles and other transport equipment	210,700	93,385
Routine maintenance – other assets	274,860	49,850
Fuel, Oil and Lubricants	94,960	-
Total	5,384,274	6,050,306

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA 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)	19,030,000	6,300,000
Transfers to secondary schools (see attached list)	35,100,000	6,900,000
Transfers to tertiary institutions (see attached list)	56,000,000	-
Transfers to health institutions (see attached list)		
TOTAL	110,130,000	13,200,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools (see attached list)	8,786,000	5,321,000
Bursary – tertiary institutions (see attached list)	3,714,000	2,679,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	6,600,000	9,500,000
Sports projects (see attached list)	1,000,000	1,000,000
Environment projects (see attached list)	2,500,000	-
Emergency projects (see attached list)	8,876,924	2,000,000
Strategic plan	800,000	
ICT Hub	4,677,027	
Total	36,953,951	20,500,000

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets	2018-2019	2017-2018
	Kshs	Kshs
Purchase of ICT Equipment, Software and Other ICT Assets	399,990	-
Total	399,990	-

9. OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA 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
<i>Equity Bank Limited, Account No. 1420262668499</i>	8,296,170	1,686,157
Total	8,296,170	1,686,157

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Francis Kimotho</i>	2009/2005/ 2007	88,600	-	88,600
<i>Total</i>				88,600

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

12A. RETENTION

	2018 - 2019	2017-2018
	<i>Kshs</i>	<i>Kshs</i>
Supplier 1		
Supplier 2		
Supplier 3		
<i>Total</i>		

[Provide short appropriate explanations as necessary]

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019	2017-2018
	<i>Kshs</i>	<i>Kshs</i>

[Provide short appropriate explanations as necessary]

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

13. BALANCES BROUGHT FORWARD

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	1,686,157	964,012
Cash in hand	-	-
Imprest	88,600	88,600
Total	1,774,757	1,052,612

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	88,600	88,600
Total	88,600	88,600

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1 : PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019	2017-2018
	Kshs	Kshs
Construction of buildings		205,580
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
		205,580

15.2 : PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
	2018/2019	2017/2018
NG-CDFC STAFF GRATUITY	392,770	
TOTAL	392,770	

15.3 : UNUTILIZED FUND (See Annex 3)

	Kshs	Kshs
	2018/2019	2017/2018
Compensation of employees	1,431,951	1,266,628
Use of goods and services	644,209	999,054
Amounts due to other Government entities (see attached list)	0	42,400,000
Amounts due to other grants and other transfers (see attached list)	6,190,000	11,404,958
Acquisition of assets	10	400,000
Others (<i>specify</i>)	-	-
Unallocated amount	30,000	-
TOTAL	8,296,170	56,470,640

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

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)	13,683,110	9,934,506
	13,683,110	9,934,506

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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount A	Date Contracted B	Amount Paid To-Date c	Outstanding Balance 2019 d=a-c	Comments
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

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

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
		A	b	c	d=a-c	
NG-CDF STAFF GRATUITY						
1. PETER KIMALI NYAMAI	GOK (H)	119,040				
2. ASHURA FATUMA KABWANGE	GOK(G)	93,000				
3. RAPHAEL KIHARA	GOK(K)	78,120				
4. STANLEY MAGHANGA	GOK(H)	75,330				
5. JOHN OLOO	GOK(H)	27,280				
Sub-Total		392,770				
Middle Management						
6.						
7.						
8.						
Sub-Total						
Unionisable Employees						
9.						
10.						
11.						
Sub-Total						
Others (specify)						
12.						
13.						
14.						
Sub-Total						
Grand Total						

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

ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees		1,431,951	1,266,628	
Use of goods & services		644,209	999,054	
Sub-Total		2,076,160	2,265,682	
Amounts due to other Government entities				
KMTC – Taveta			28,000,000	
Grigan primary			1,000,000	
Njoro Secondary School			3,000,000	
Sowewne Secondary School			2,000,000	
Kiwalwa Secondary school			2,000,000	
Taveta primary school			1,800,000	
Lotima primary school			1,000,000	
Mahoo Girls Secondary school			1,500,000	
Kirobo Secondary School			1,100,000	
Machungwani Primary school			1,000,000	
Sub-Total			42,400,000	
Amounts due to other grants and other Transfers				
Mazingira project			500,000	
Constituency innovation hubs			4,667,027	
Eldoro chiefs office project			800,000	
Mahoo chiefs office			800,000	
Emergency			3,137,931	
Bursary secondary			1,000,000	
Bursary tertiary			500,000	
BURSARY SECONDARY SCHOOL		0		
BURSARY TERTIARY INSTITUTIONS		190,000		
EXTENSION OF NG-CDF OFFICES		6,000,000		
Sub-Total		6,190,000	11,404,958	
Acquisition of assets		10	400,000	
Others (specify)				
Unallocated Funds		30,000		
Sub-Total			400,000	
Grand Total		8,296,170	56,470,640	

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

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	6,000,000			6,000,000
Transport equipment	3,300,000			3,300,000
Office equipment, furniture and fittings	473,336			473,336
ICT Equipment, Software and Other ICT Assets	461,080	399,990		861,070
Other Machinery and Equipment	12,020,600			12,020,600
Heritage and cultural assets				
Intangible assets				
Total	22,255,016	399,990		22,655,006

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

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

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Grigan primary school project	EQUITY	1420277747318	1,101,029	-
St. Norbert –Tangini primary school	EQUITY	1420268539350	-	6,450
Kitobo secondary school project	EQUITY	1420277269247	1,640	11,840
Kiwalwa secondary school project	EQUITY	1420277579900	-	-
KMTC-Taveta project	EQUITY	1420263406530	9,476,112.70	-
Lesesia Primary school project	EQUITY	1420264138328	-	395
Lotima primary school project	EQUITY	1420266636831	992,120	-
Lumi primary school project	EQUITY	1420264863594	-	69,340
Lumi secondary school project	EQUITY	1420263829981	-	1,012,269
Machungwani primary school project	EQUITY	1420266785509	51,622	1,495
Mahoo Girls secondary school project	EQUITY	1420277750176	2,190	-
Majengo primary school project	EQUITY	1420263469023	-	1
Malukiloriti primary school project	EQUITY	1420268412541	-	26,155
Njoro secondary school project	EQUITY	1420264568698	236,214	-
Sowene secondary school project	EQUITY	1420277597975	81,599	-
Taveta primary school project	EQUITY	1420277621406	2,870	-
Bishop Njenga secondary school project	EQUITY	1420268218298	1,084	-
Chala Mixed day & boarding primary school	EQUITY	1420277308530	-	1,000,000
Chala Divisional H/Qs	EQUITY	1420272224611	-	582,607
Chumvini Police Station project	EQUITY	1420272856832	-	1,201,033
Timbila high school	EQUITY	1420178878677	270	-
Timbila Primary school	EQUITY	1420178861151	120	-
Jipe Divisional headquarters	EQUITY	1420272268008	31,134.50	1,071,910
Jipe primary school project	EQUITY	1420266493700	1,815	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TAVETA CONSTITUENCY**

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

Taveta Sport Project	EQUITY	1420172063458	1,020	560
Eldoro chiefs office project	EQUITY	1420277603487	161,516	-
Mahoo chiefs office project	EQUITY	1420277637072	171,375	-
kiwalwa primary school project	EQUITY	1420277579904	465	-
Mahandakini primary school project	EQUITY	1420277738662	921.03	-
Mahandakini secondary school project	EQUITY	1420271104238	-	311,629
Msheghesheni primary school project	EQUITY	1420271322534	-	1,500,890
Mata secondary school project	EQUITY	1420263810182	-	59,123
Nakruto primary school project	EQUITY	1420264135686	-	71
Njoro Mata pre-school project	EQUITY	1420178675965	580	-
Ngutini seconadry school projecct	EQUITY	1420276831006	-	2,249,780
Njukini primary school project	EQUITY	1420264700238	-	10,020
orkung'u primary school project	EQUITY	1420277628403	1,367.50	-
Riata primary school project	EQUITY	1420178770328	101,135	-
St. Joseph Kivukoni primary school project	EQUITY	1420269142518	-	7,040
St. Patrick -Kimala primary school project	EQUITY	1420264142323	-	500,880
Salaita primary school project	EQUITY	1420272874761	103,215	585
Ulawani primary school project	EQUITY	1420263464943	-	309,318
Ziwani primary school project	EQUITY	1420264780275		1,115
TOTAL			13,631,977	9,934,506

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TAVETA CONSTITUENCY**

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

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)
ADL/5 5/17/ 17/18 (4)	Clearance of bank charges and stall cheques	Un cleared bank charges and reversal of stale cheques	Daniel mwaluko/ Robert kibet	Cleared	30/06/2019
	Outstanding imprest	Overdue outstanding imprest issued in 2007	Daniel Mwaluko	pending	31/12/2019
	Log Book for GKB 466S	Follow up on going	Daniel Mwaluko	Pending	31/12/2019
	Low absorption of funds	Under expenditure by 57% of allocated funds	Daniel Mwaluko	Resolved	30/06/2019
	Failure to deduct VAT and Income tax	Implemented after training by KRA	Daniel Mwaluko	Resolved	30/06/2019
	Project Defects	Incomplete and Minor defects in sampled projects	Daniel Mwaluko/ Raphael Kihara	Resolved	30/06/2019