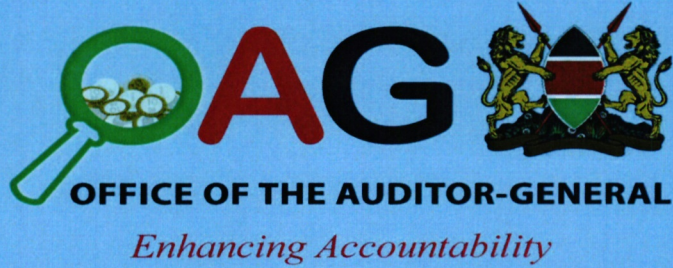


REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF	
THE NATIONAL ASSEMBLY	
THE AUDITOR-GENERAL	
DATE: 10 NOV 2021	DAY: Wed AM.
TABLED BY: ON	Majority Whip Hon. Wangari
CLERK-AT-THE-TABLE:	M. Mado.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MALAVA CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2019



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND MALAVA
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)

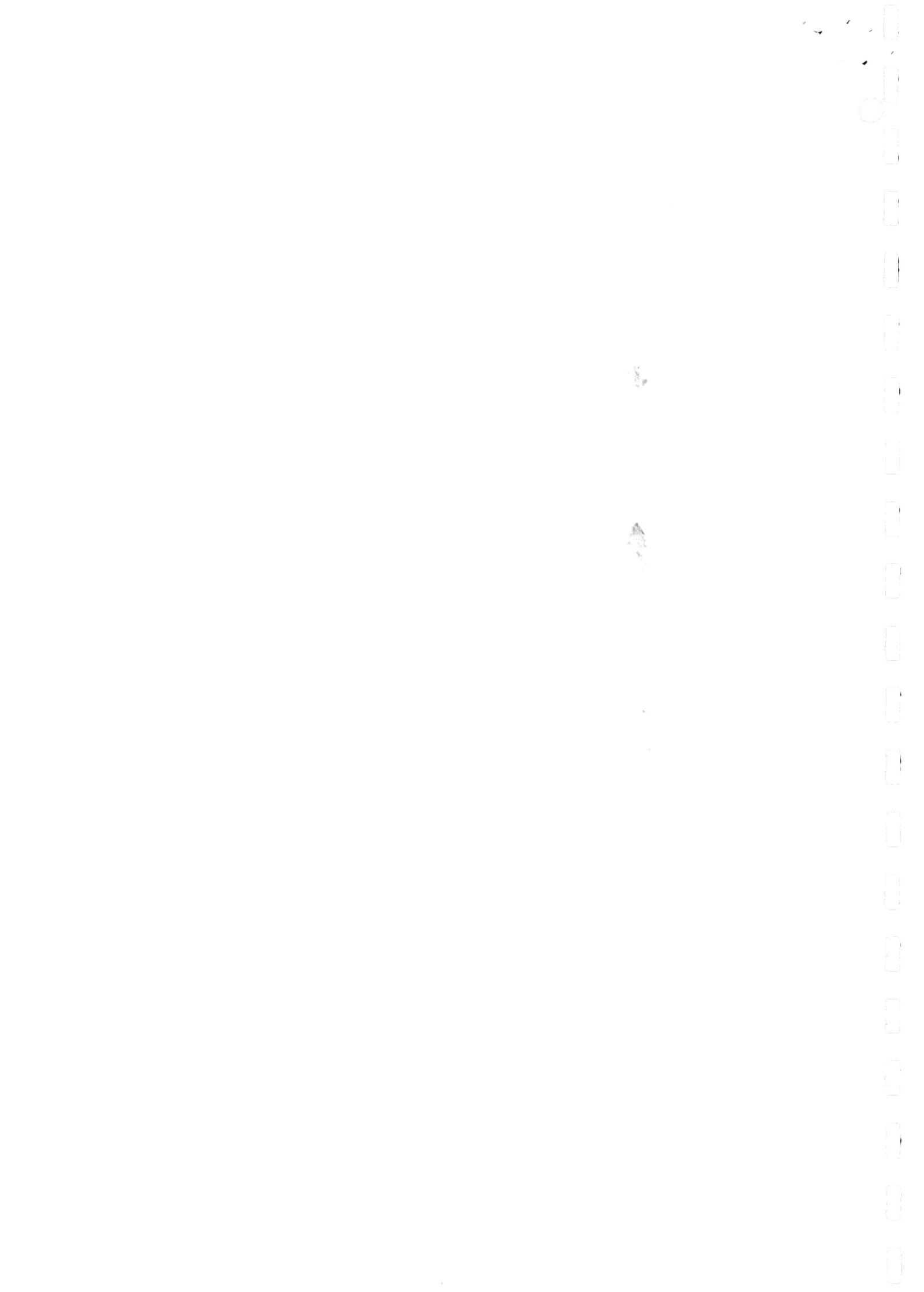
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

MALAVA CONSTITUENCY

Reports and Financial Statements

For the Year ended June 30, 2019

Table of Content	Page
KEY CONSTITUENCY INFORMATION AND MANAGEMENT	i
FORWARD BY THE CHAIRMAN NGCDF COMMITTEE	iv
STATEMENT OF ENTITYMANAGEMENT RESPONSIBILITIES	ix
REPORT OF THE AUDITOR GENERAL	x
STATEMENT OF RECEIPTS AND PAYMENTS	1
STATEMENT OF ASSETS AND LIABILITIES	2
STATEMENT OF CASHFLOW	3
SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED	4
SIGNIFICANT ACCOUNTING POLICIES	10
NOTES TO THE FINANCIAL STATEMENTS	14



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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MALAVA 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 MALAVA 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	Collins Tasisio Obuya
2.	Sub-County Accountant	Lencer Akoth Odira
3.	Chairman NGCDFC	Festus Newton Mmasi
4.	Member NGCDFC	Sylvan Kaitori Lambala

(d) Fiduciary Oversight Arrangements

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

P.O. Box 281-50103
NGCDF House
Off Kakamega-Webuye Road next to Malava Market
Malava, KENYA

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

(f) NGCDF MALAVA Constituency Contacts

Telephone: (254) 721901620
E-mail: ngcdfmalava@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF MALAVA Constituency Bankers

Cooperative Bank of Kenya
Kakamega Branch
A/C No. 01141165163100

(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 CONSTITTUENCIES DEVELOPMENT FUND (NGCDF)
MALAVA CONSTITUENCY
Reports and Financial Statements
For the Year ended June 30, 2019**

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

The constituency currently has 147 Primary and 50 Secondary schools in the public sector. It is one of the third highly populated constituencies and above all, a purely rural constituency. Owing to this, there is heavy pressure on the available funds in terms of infrastructure development as well as education bursary needs. It is in fact the largest constituency in Kakamega County.

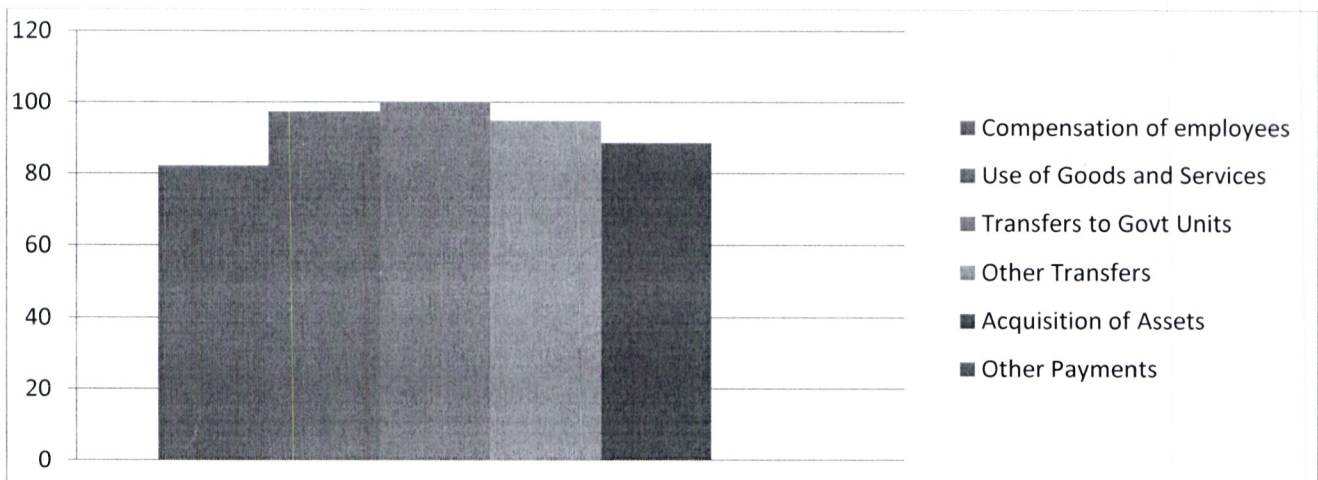
Financial report

The constituency received Ksh.107,890,876 out of Ksh.109,040,876 meant for Financial year 2018/2019. There was a balance brought forward of Ksh.3,489,947 and also received Ksh.54,784,483 being part of 2017/2018 Financial year giving us a total of Ksh.166,450,306 as available funds. The total payments for the financial year amounted to Ksh.164,057,658.

To ensure reduced risks of funds misappropriation by the project implementers, we have strictly adhered to the use of the Inspection and Acceptance certificate which is duly signed by the institution’s management and NG-CDF representative/ clerk of works. The cheques are only cleared after presentation of the bank payment schedule duly signed by the Fund Account Manager. Owing to some cases of non-adherence by PMCs to the set down guidelines, the NGCDF Committee approved the Fund Account Manager to be a mandatory Signatory on all PMC accounts which has greatly borne positive results.

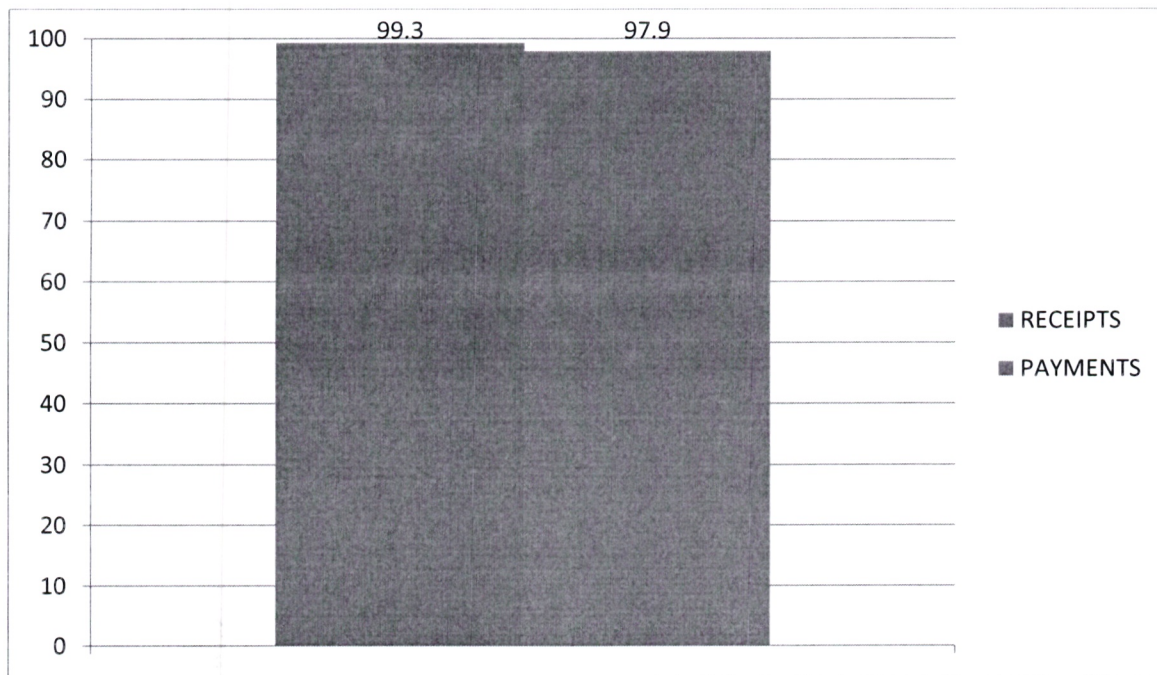
The committee was able to train the PMCs and contractors once more so as to ensure proper project implementation and accountability. All projects were implemented under full contract by use of already prequalified contractors by the Malava NG-CDFC or the National Government Sub County Procurement Units.

Graphical Representation of Expenditure in percentage



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

Graphical Representation of Receipts and Expenditure in percentage

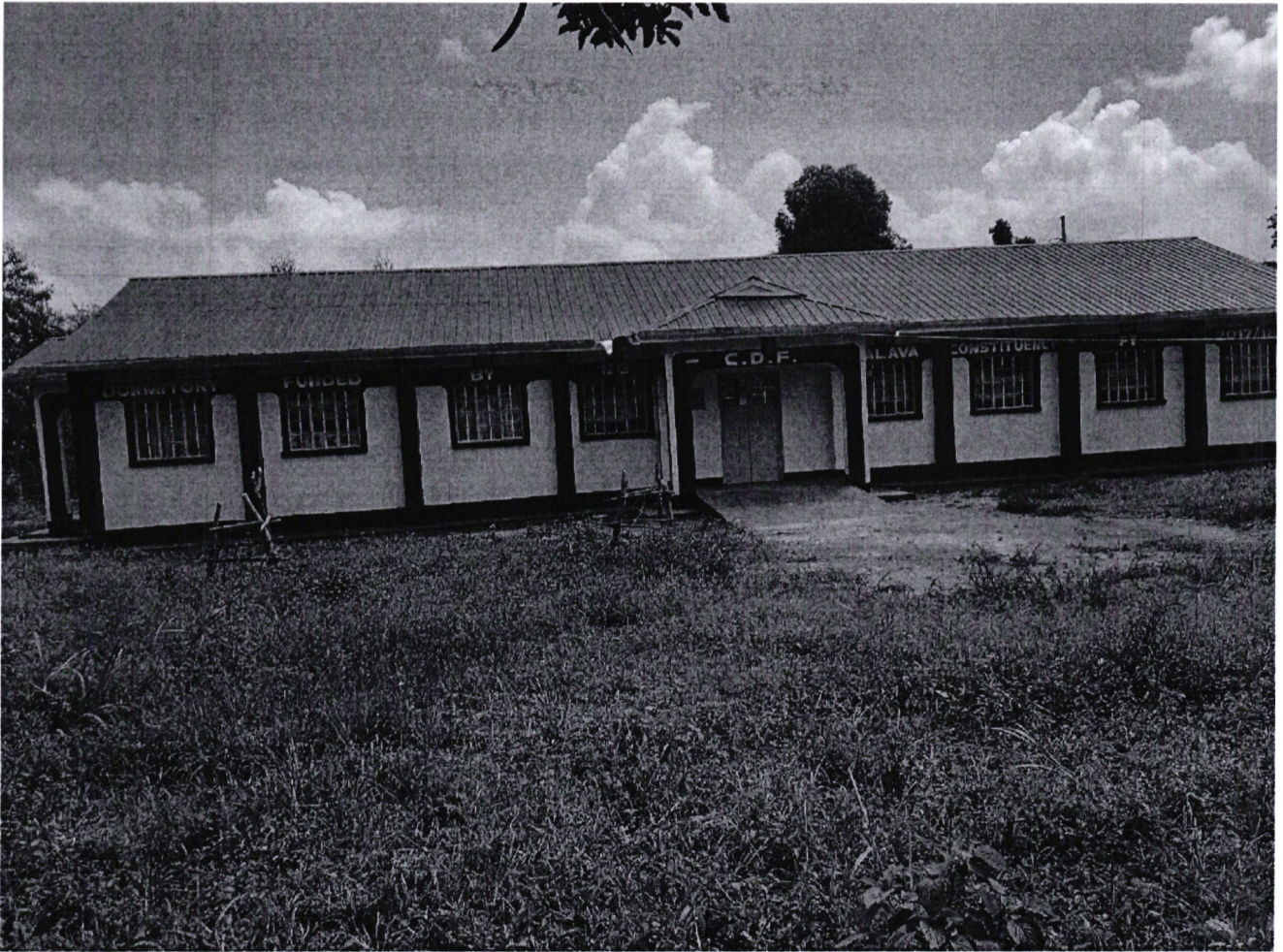


Best projects for the Financial Year 2018/2019



Malava Girls High School construction of Multipurpose Hall funded by Malava NGCDF Financial Year 2018/2019

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



Shamoni Secondary School construction of Dormitory funded by Malava NGCDF Financial Year 2018/2019

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



Namagara Secondary School construction of Administration Block funded by Malava NGCDF
Financial Year 2018/2019

FESTUS NEWTON MMASI

CHAIRMAN NGCDF COMMITTEE

STATEMENT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

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

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

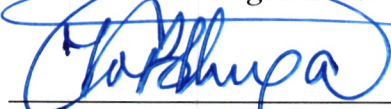
The Accounting Officer in charge of the NGCDF-MALAVA Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. 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-MALAVA 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 NGCDF-MALAVA Constituency 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-MALAVA Constituency further confirms the completeness of the accounting records maintained for the NGCDF-MALAVA Constituency, 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-MALAVA 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

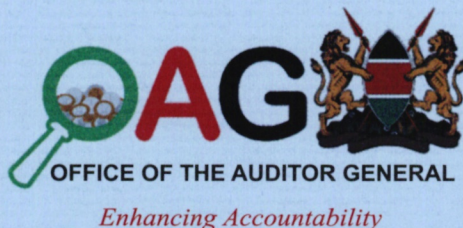
The NGCDF-MALAVA Constituency financial statements were approved and signed by the Accounting Officer on 22ND August 2019.


Fund Account Manager
Collins Obuya


Sub-County Accountant
Lencer Akoth Odira
ICPAK Member Number:13306

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 – MALAVA 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 – Malava Constituency set out on pages 1 to 22, which comprise the statement of financial assets as at 30 June, 2019, and the statements 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 effect 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 – Malava 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, 2015 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

Accuracy of the financial statements

The financial statements contained various inaccuracies as noted below;

- (i) The compensation of employees figure of Kshs.2,541,645 includes Kshs.566,525 unpaid accrual gratuity leading to overstatement of the expenses by the same.
- (ii) The statement of cash flows, reflects transfer to other governments units figure of Kshs.96,752,904 which is at variance with the statement of receipts figure of Kshs.96,652,904 by Kshs.100,000.

- (iii) The summary statement of appropriation- recurrent and development combined reflects transfer from National Government Constituencies Development Fund Board actual on comparable basis figure Kshs.166,165,306 which varies with the statement of receipts and payment actual figure of Kshs.162,675,359 by Kshs.3,489,947.
- (iv) Annex 3 to the financial statements on the Project Management Committee (PMC) reflects a comparative bank balance total figure of Ksh.329,754 which differ with the previous year's certified balance of Kshs.6,748,349 by unreconciled variance of Kshs.6,418,595.

In the circumstances, the validity and accuracy of the balances reflected in the financial statements for the year under review 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 Constituency Development Fund - Malava 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

The summary statement of appropriation- recurrent and development reflects final receipts budget and actual on comparable basis of Kshs.167,315,306 and Kshs.166,165,306 respectively resulting to an under-funding of Kshs.1,150,000 of the budget. Similarly, the Fund spent Kshs.163,772,658 against an approved budget of Kshs.167,315,306 resulting to an under-expenditure of Kshs.3,542,648 of the budget. The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the residents of Malava Constituency.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, except for the matters described 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. Irregular Procurement of Projects

An amount of Kshs.1,000,000 was disbursed to Lunyu Primary School vide P.V. No.258 and cheque No.9794 for construction of 2 classrooms. However, no bill of quantities was presented for audit. Also, it was noted from the documents availed that no tendering process was conducted for the project.

Further, it was noted from the payment vouchers that the tender was awarded to a local contractor, but later, a payment of Kshs.665,505 was made in cash to an individual person on behalf of the contractor. No information was made available to support the mode of payment and reasons for cash payment to a non-party to the contract. The Public Procurement and Disposal Act, 2015 Section 74 which states that 'The accounting officer shall ensure the preparation of an invitation to tender relating to tendering process were not adhered to as required.

Consequently, the regularity and value for money on the payment done could not be confirmed.

2. Projects Verification

Review of records for five (5) sampled disbursements of Kshs.2,500,000 and Kshs.1,850,000 for construction of three (3) police posts and two (2) chiefs offices respectively, for projects implemented during the year under review revealed anomalies in the project implementations.

In the circumstances, value for money and the intended use on the projects may not have been obtained.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my

report, 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

Lack of Information Technology Internal controls

The Fund did not have in place Information Technology (IT) strategic policy, strategic plan or an active IT steering committee either at the constituency level or at the board level to ensure data confidentiality. In addition, formally documented and approved process to manage upgrades, environmental controls such as fire suppression systems, fire extinguishers and air conditioning systems had not been put in place.

Consequently, the Fund's audit of IT strategic policy, strategic plan, an active steering committee and balance and disaster preparedness could not be confirmed.

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 such 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.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services and 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.

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.

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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's 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's 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 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

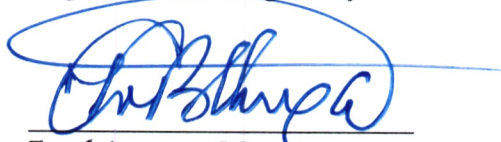
Nairobi

08 October, 2021

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

IV. STATEMENT OF RECEIPTS AND PAYMENTS			
	Note	2018 - 2019 Kshs	2017 - 2018 Kshs
RECEIPTS			
Transfers from NGCDF board	1	162,675,359	43,405,172
TOTAL RECEIPTS		162,675,359	43,405,172
PAYMENTS			
Compensation of employees	2	2,541,645	1,447,753
Use of goods and services	3	13,516,874	7,682,946
Transfers to Other Government Units	4	96,652,904	15,401,030
Other grants and transfers	5	47,970,000	27,446,372
Acquisition of Assets	6	157,760	-
Other Payments	7	<u>3,500,000</u>	-
TOTAL PAYMENTS		164,439,183	51,978,101
SURPLUS/(DEFICIT)		<u>(1,763,824)</u>	<u>(8,572,929)</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MALAVA Constituency financial statements were approved on 22ND August 2019 and signed by:



**Fund Account Manager
Collins Obuya**



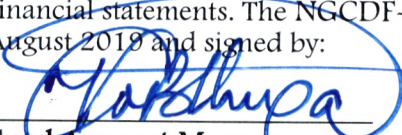
**Sub-County Accountant
Lencer Akoth Odira
ICPAK Member Number:13306**


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

V. 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)	8	2,392,648	3,489,947
Total Cash and Cash Equivalents		2,392,648	3,489,947
TOTAL FINANCIAL ASSETS		2,392,648	3,489,947
FINANCIAL LIABILITIES			
Accounts Payable Retention	9	100,000	-
Gratuity	10	566,525	-
TOTAL FINANCIAL LIABILITES		666,525	
NET FINANCIAL ASSETS		1,726,123	3,489,947
REPRESENTED BY			
Fund balance b/fwd	11	3,489,947	12,062,876
Surplus/Defict for the year		(1,763,824)	(8,572,929)
NET FINANCIAL POSITION		1,726,123	3,489,947

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MALAVA Constituency financial statements were approved on 22ND August 2019 and signed by:


Fund Account Manager
Collins Obuya

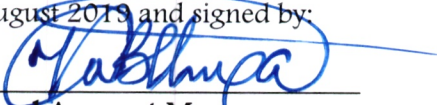

Sub-County Accountant
Lencer Akoth Odira
ICPAK Member Number:13306


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

VI. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from NGCDF Board	1	162,675,359	43,405,172
Total receipts		162,675,359	43,405,172
Payments			
Compensation of Employees	2	2,541,645	1,447,753
Use of goods and services	3	13,516,874	7,682,946
Transfers to Other Government Units	4	96,752,904	15,401,030
Other grants and transfers	5	47,970,000	27,446,372
Other Payments	7	3,500,000	-
Total payments		164,281,423	51,978,101
Total Receipts Less Total Payments		(1,606,064)	(8,572,929)
Adjusted for:			
Retention Payable	9	100,000	-
Gratuity Payable	10	566,525	-
Net Adjustments		666,525	-
Net cash flow from operating activities		(939,539)	(8,572,929)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	6	(157,760)	-
Net cash flows from Investing Activities		(157,760)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(1,097,299)	(8,572,929)
Cash and cash equivalent at BEGINNING of the year	11	3,489,947	12,062,876
Cash and cash equivalent at END of the year	12	<u>2,392,648</u>	<u>3,489,947</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MALAVA Constituency financial statements were approved on 22ND August 2019 and signed by:


Fund Account Manager
Collins Obuya


Sub-County Accountant
Lencer Akoth Odira
ICPAK Member Number: 13306

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


VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from NGCDF Board	109,040,876	58,274,430	167,315,306	166,165,306	1,150,000	99.3
	109,040,876	58,274,430	167,315,306	166,165,306	1,150,000	99.3
PAYMENTS						
Compensation of Employees	1,286,987	1,116,023	2,403,010	1,975,120	427,890	82.2
Use of goods and services	8,526,692	5,449,364	13,976,056	13,516,874	459,182	96.7
Transfers to Other Government Units	55,013,780	41,820,480	96,834,260	96,652,904	181,356	99.8
Other grants and transfers	44,213,417	6,210,692	50,424,109	47,970,000	2,454,109	95.2
Acquisition of Assets	-	177,871	177,871	157,760	20,111	88.7
Other Payments	-	3,500,000	3,500,000	3,500,000	-	100.0
TOTALS	109,040,876	58,274,430	167,315,306	163,772,658	3,542,648	97.9

- i. The budget underutilisation on compensation of employees was because some two staff had not been employed as earlier planned*
- ii. The budget underutilisation on acquisition of assets was as a result of discount received on purchase of office computers*

The NGCDF MALAVA Constituency financial statements were approved on 22ND August 2019 and signed by:


Fund Account Manager
Collins Obuya


Sub-County Accountant
Lencer Akoth Odira
ICPAK Member Number:13306

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	1,286,987	1,116,023	2,403,010	1,975,120	427,890
1.2 Committee allowances	1,102,186	130,502	1,232,688	1,212,000	20,688
1.3 Use of goods and services	4,153,280	2,250,549	6,403,829	6,357,409	46,420
2.0 Monitoring and evaluation					
2.1 Capacity building	500,000	-	500,000	500,000	-
2.2 Committee allowances	1,662,735	39,549	1,702,284	1,596,300	105,984
2.3 Use of goods and services	1,108,491	3,028,764	4,137,255	3,851,165	286,090
3.0 Emergency	5,738,994	3,572,211	9,311,205	7,860,000	1,451,205
4.0 Bursary and Social Security					
4.2 Secondary Schools	19,000,000	333,000	19,333,000	19,333,000	-
4.3 Tertiary Institutions	7,000,000	782,000	7,782,000	7,782,000	-
4.4 Universities	7,774,423	670,577	8,445,000	8,445,000	-
5.0 Sports	200,000	-	200,000	-	200,000
6.0 Environment	200,000	-	200,000	200,000	-
7.0 Primary Schools Projects (List all the Projects)	33,450,000	23,852,903	57,302,903	57,302,903	-
Makale primary		600,000	600,000	600,000	
Mahira primary		600,000	600,000	600,000	
Mache Primary Sch.		600,000	600,000	600,000	
Ingwe Primary		300,000	300,000	300,000	
Chevoso primary		600,000	600,000	600,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) MALAVA CONSTITUENCY

Reports and Financial Statements

For the Year ended June 30, 2019

	Original Budget	Adjustments	Final Budget	Actual on	Budget
	2018/2019		2018/2019	comparable basis	utilization
				30/06/2019	difference
Matsakha Primary School		300,000	300,000	300,000	
Namanja primary		600,000	600,000	600,000	
Machemo primary sch		500,000	500,000	500,000	
St. Martin Pri sch		600,000	600,000	600,000	
Hamutua Pri Sch		100,000	100,000	100,000	
Bwanga Primary School		1,000,000	1,000,000	1,000,000	
Mukhuyu Primary School		700,000	700,000	700,000	
Chiliva Primary School		1,000,000	1,000,000	1,000,000	
Burundu Primary School	800,000	1,000,000	1,800,000	1,800,000	
Emusali Primary School	600,000	600,000	1,200,000	1,200,000	
Friends Primary School Vashele	800,000	1,000,000	1,800,000	1,800,000	
Fubuye Primary School	3,150,000	1,100,000	4,250,000	4,250,000	
Indulusia Primary School	800,000	1,000,000	1,800,000	1,800,000	
Kokoyo Primary School	800,000	1,000,000	1,800,000	1,800,000	
Lukova Primary School	2,500,000	800,000	3,300,000	3,300,000	
Masungutsa Primary School	800,000	1,000,000	1,800,000	1,800,000	
Matioli Primary School	800,000	1,000,000	1,800,000	1,800,000	
Mukoko Primary School			1,800,000	1,800,000	
Muriola Primary School	800,000	1,000,000	1,800,000	1,800,000	
Mwikhupo Primary School	800,000	1,000,000	1,800,000	1,800,000	
Sambuli Primary School	800,000	1,000,000	1,800,000	1,800,000	
Shikokhwe Primary School	800,000	1,000,000	1,800,000	1,800,000	

	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
Shirulo Primary School	800,000	1,000,000	1,800,000	1,800,000	
Tande Primary School	800,000	1,000,000	1,800,000	1,800,000	
Teresia Primary School	800,000	1,000,000	1,800,000	1,800,000	
Bulupi Primary School	1,000,000		1,000,000	1,000,000	
Chegulo Primary School	1,000,000		1,000,000	1,000,000	
Chesero Primary School	1,000,000		1,000,000	1,000,000	
Chimoroni Primary School	1,000,000		1,000,000	1,000,000	
Kakoyi Primary School	1,000,000		1,000,000	1,000,000	
Kimang'eti Primary School	1,000,000		1,000,000	1,000,000	
Lunyu Primary School	1,000,000		1,000,000	1,000,000	
Lusumu Primary School	1,000,000		1,000,000	1,000,000	
Malava Primary School	1,000,000		1,000,000	1,000,000	
Malimali Primary School	1,000,000		1,000,000	1,000,000	
Matende Primary School	1,000,000		1,000,000	1,000,000	
Matete Primary School	1,000,000		1,000,000	1,000,000	
Mukangu Primary School	1,000,000		1,000,000	1,000,000	
Mukavakava Primary School	1,000,000		1,000,000	1,000,000	
Mukongolo Primary School	1,000,000		1,000,000	1,000,000	
Sheywe Primary School	1,000,000		1,000,000	1,000,000	
8.0 Secondary Schools Projects (List all the Projects)	21,563,780	17,820,480	39,384,260	39,350,000	34,260
Kimangeti Girls Secondary School		2,000,000	2,000,000	2,000,000	
Namagara Secondary School		5,000,000	5,000,000	5,000,000	
Muhonje Secondary School		634,260	634,260	600,000	34,260
Kuvasali Secondary School	1,000,000		1,000,000	1,000,000	
Malava Girls Secondary School	1,500,000	2,000,000	3,500,000	3,500,000	

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

	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2018/2019		2018/2019	30/06/2019	
Shamoni Secondary School	2,750,000	1,500,000	4,250,000	4,250,000	
Shandiche Secondary School	1,000,000		1,000,000	1,000,000	
St. Marygoretti Kalenda Secondary School	800,000	1,000,000	1,800,000	1,800,000	
St. Monica Namatala Secondary School	800,000	1,000,000	1,800,000	1,800,000	
Tombo Secondary School	800,000		800,000	800,000	
Tumbeni Secondary School	913,780	2,686,220	3,600,000	3,600,000	
Chimoroni Secondary School	1,000,000	2,000,000	3,000,000	3,000,000	
Isanjiro Girls Secondary School	1,000,000		1,000,000	1,000,000	
Malava Boys Secondary School	1,000,000		1,000,000	1,000,000	
Manda Secondary School	1,000,000		1,000,000	1,000,000	
Matete Secondary School	1,000,000		1,000,000	1,000,000	
Matioli Secondary School	1,000,000		1,000,000	1,000,000	
Mugai Secondary School	1,000,000		1,000,000	1,000,000	
Mutsuma Secondary School	1,000,000		1,000,000	1,000,000	
Namushiya Secondary School	1,000,000		1,000,000	1,000,000	
Sawawa Secondary School	1,000,000		1,000,000	1,000,000	
Shihome Girls Secondary School	1,000,000		1,000,000	1,000,000	

	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
Silungai Boys Secondary School	1,000,000		1,000,000	1,000,000	
10.0 Security Projects					
10.1 Kuvasali Police Post	1,500,000	1,000,000	2,500,000	2,500,000	-
10.2 Burundu Chiefs Office	900,000	-	900,000	900,000	-
10.3 Chemuche Chiefs Office	950,000	-	950,000	950,000	-
10.4 Shivanga Chiefs Office	950,000	-	950,000	-	950,000
11.0 Acquisition of assets					
11.4 Purchase of computers	-	177,871	177,871	157,760	20,111
12.0 Others					
12.1 Strategic Plan	-	3,500,000	3,500,000	3,500,000	-

IX. 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-MALAVA Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2018, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. In-kind contributions

In-kind contributions are donations that are made to the Entity in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Entity includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

6. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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

X. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019	2017-2018
		Kshs	Kshs
NGCDF Board			
AIE NO	A855915		5,500,000
AIE NO	A892840		37,905,172
AIE NO	B005009	43,405,173	
AIE NO	B005065	11,379,310	
AIE NO	B030272	10,000,000	
AIE NO	B030491	12,000,000	
AIE NO	B006438	8,000,000	
AIE NO	B047028	24,000,000	
AIE NO	B047568	53,890,876	
TOTAL		162,675,359	43,405,172

2. COMPENSATION OF EMPLOYEES

		2018-2019	2017-2018
		Kshs	Kshs
Basic wages of contractual employees		1,716,552	1,052,184
Basic wages of casual labour		27,000	90,700
Personal allowances paid as part of salary			
Leave allowance		23,500	-
Gratuity – paid		-	51,333
- accrued	566,525	566,525	
Other personnel payments		208,068	253,536
Total		2,541,645	1,447,753

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	Kshs	Kshs
Committee Expenses	3,251,220	2,194,920
Utilities, supplies and services	567,400	275,190
Communication, supplies and services	302,820	304,760
Domestic travel and subsistence	2,902,300	1,934,280
Printing, advertising and information supplies & services	10,400	26,399
Training expenses	0	526,900
Hospitality supplies and services	437,970	180,348
Office and general supplies and services	3,751,646	1,498,733
Fuel, Oil and Lubricants	447,295	0
Other operating expenses	1,631,940	16,913
Routine maintenance – vehicles and other transport equipment	66,818	289,094
Routine maintenance – other assets	147,065	435,409
Total	13,516,874	7,682,946

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017-2018
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	57,302,903	12,821,030
Transfers to secondary schools (see attached list)	39,350,001	2,580,000
TOTAL	96,652,904	15,401,030

5. OTHER GRANTS AND OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools (see attached list)	17,788,000	11,289,400
Bursary – tertiary institutions (see attached list)	14,476,000	14,043,500
Bursary – special schools (see attached list)	3,296,000	576,000
Security projects (see attached list)	4,350,000	237,472
Environment projects (see attached list)	200,000	-
Emergency projects (see attached list)	7,860,000	1,300,000
Total	47,970,000	27,446,372

6. ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2018-2019	2017-2018
	Kshs	Kshs
Purchase of ICT Equipment, Software and Other ICT Assets	157,760	-
Total	157,760	-

7. OTHER PAYMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
<i>Name of Bank, Account No. 01141165163100</i>	2,392,648	3,489,947
Total	2,392,648	3,489,947

9. RETENTION

	2018 - 2019	2017-2018
	Kshs	Kshs
Wakwetu Two Thousand Ltd	68,184	-
Wakwetu Two Thousand Ltd	31,816	-
Total	100,000	-

10. STAFF GRATUITY OUTSTANDING

	2018 - 2019	2017-2018
	Kshs	Kshs
Jane Chisika Mutili	84,320	-
Ian Lavusa Madaga	84,320	-
Thomas Masai Werashipala	63,240	-
David Jomo Lumbasi	63,240	-
Shadrack Lusala Mukwe	60,605	-
Nathan Lumuli Lumbasi	52,700	-
Isabella Ingatina Amisi	52,700	-
James Simon Sioma	52,700	-
Manase Burudi Shatuma	52,700	-
Total	566,525	-

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. BALANCES BROUGHT FORWARD

	2018-2019 Kshs	2017-2018 Kshs
Bank accounts	3,489,947	12,062,876
Total	3,489,947	12,062,876

12. OTHER IMPORTANT DISCLOSURES

12.1: UNUTILIZED FUND (See Annex 1)

	Kshs	Kshs
Compensation of employees	427,890	1,116,023
Use of goods and services	459,182	3,710,107
Amounts due to other Government entities (see attached list)	181,356	41,673,384
Amounts due to other grants and other transfers (see attached list)	2,454,109	6,357,788
Acquisition of assets	20,111	3,977,871
Others (<i>Information Hub</i>)	-	1,439,257
	3,542,648	58,274,430

12.2: PMC account balances (See Annex 3)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	20,601,304	6,748,349
	20,601,304	6,748,349

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)
ANNEX 1 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees		427,890	1,116,023	
Use of goods & services		459,182	3,710,107	
Amounts due to other Government entities		181,356	41,673,384	
Amounts due to other grants and other transfers		2,454,109	6,357,788	
Sub-Total		3,522,537	52,857,302	
Acquisition of assets		20,111	3,977,871	
Others				
Information Hub		-	1,439,257	
Grand Total		3,542,648	58,274,430	

ANNEX 2 – 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	400,000	-	-	400,000
Buildings and structures	19,244,660	-	-	19,244,660
Transport equipment	10,627,703	-	-	10,627,703
Office equipment, furniture and fittings	407,840	-	-	407,840
ICT Equipment, Software and Other ICT Assets	1,672,048	157,760	-	1,829,808
Other Machinery and Equipment	518,838	-	-	518,838
Total	32,871,089	157,760	-	33,028,849

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

ANNEX 3 –PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Tande Primary School	Cooperative	01139610482600	161,320	-
Mokoko Primary school	Cooperative	01139632431400	701,292	-
Muriola Primaary School	Cooperative	01139632796400	309,981	292,336
Mwikhupo Primary School	Cooperative	01139632389100	636,709	-
Matioli K Primary School	Cooperative	01139167483600	492,081	-
Kokoyo Primary School	Cooperative	01139804719600	157,329	-
Masungutsa Primary School	Cooperative	01139804719900	81,553	-
	Cooperative	01139167461600	100,604	-
Teresia Primary School				
Chimoroni Primary School	Cooperative	01139166903700	1,001,550	-
Kakoyi Primary School	Cooperative	01139098409101	1,003,040	-
Chesero Primary School	Cooperative	01139632381700	1,005,247	-
Mukangu Primary School	Cooperative	01141165784700	6,118	-
Matende Primary School	Cooperative	01139098493403	1,470	-
Malimali Primary School	Cooperative	01139098493000	1,000	-
Lusumu Primary School	Cooperative	01139631203400	1,923	-
Matete Primary School	Cooperative	01139435276700	1,260	-
Fubuye Primary School	Cooperative	01139098489904	1,968,688	-
Shikokhwe Primary School	Cooperative	01139165472402	188,958	-
Sambuli Primary School	Cooperative	01139098487401	582,556	-
Emusali Primary School	Cooperative	01141545858600	81,108	2,562
Kimangeti Primary school	Cooperative	01139098488501	1,001,280	-
Chegulo Primary School	Cooperative	01139411334600	17,610	-
Mukavakava Primary School	Cooperative	01139098488101	1,500	-
Mukongolo Primary School	Cooperative	01139098423001	1,600	-
Bulupi Primary School	Cooperative	01139098494701	1,000	-
Malava Primary School	Cooperative	01139098492502	2,985	-

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

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Bukhakunga Secondary School	Cooperative	01139098255202	3,000	-
Tombo Secondary School	Cooperative	01139165050100	282,674	22,376
Malava Girls Secondary School	Cooperative	01139098138302	345,582	2,670
St. Monica Namatala Girls	Cooperative	01139631104304	723,840	-
St. Marygorett Kalenda Sec	Cooperative	01139167171000	520,436	-
Tumbeni Secondary School	Cooperative	01139631019703	948,552	-
Isanjiro Girls Secondary School	Cooperative	01139545084600	3,251	-
Chimoroni Secondary School	Cooperative	01139098227403	1,001,970	9,810
Silungai Boys Secondary School	Cooperative	01139098261801	1,012,825	-
Manda Secondary School	Cooperative	01141804798500	2,000,000	-
Namushiya Secondary School	Cooperative	01139098232402	1,050	-
Matioli Secondary School	Cooperative	01141631086500	1,001,737	-
Mutsuma Secondary School	Cooperative	01139098350503	1,005,227	-
Sawawa Secondary School	Cooperative	01139631376400	1,002,379	-
Malava Boys Secondary School	Cooperative	01139098141202	1,837	-
Mugai Secondary School	Cooperative	01139098254702	1,001,100	-
Kuvasali Secondary School	Cooperative	01139098227002	2,566	-
Shamoni Secondary School	Cooperative	01139098143202	2,726	-
Kuvasali Police Post	Cooperative	01141804538400	230,790	-
Total			20,601,304	329,754

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MALAVA 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.

Referen ce No. on the externa l audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Budget performance thus low absorption of expenditure	The low absorption was because funds were received a week to closure of financial year	Collins Obuya Fund Account Manager	Resolved	N/A
2.0	Status of projects under implementation	This was due to delay in disbursement of funds from the NGCDF Board	Collins Obuya Fund Account Manager	Resolved	N/A