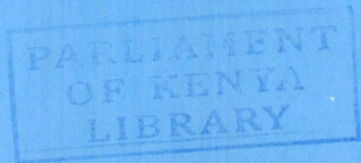


REPORT

THE NATIONAL ASSEMBLY
DATE: 08 FEB 2022
Tabled BY: LOM
CLERK-AT THE TABLE: Benson
DAY: Tuesday



THE AUDITOR-GENERAL

ON



**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND –
KITUI SOUTH CONSTITUENCY**

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



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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KITUI SOUTH CONSTITUENCY**
Reports and Financial Statements
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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 KITUI SOUTH 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 2018 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Dennis Matundura
2.	Sub-County Accountant	Justus Mutua
3.	Chairman NGCDFC	Florence Martin
4.	Member NGCDFC	Kenneth Kitonyo

(d) Fiduciary Oversight Arrangements

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

P.O. Box 155-90201
NG-CDF Building
Opposite Mutomo DCC Office
Mutomo Mutha Road
Mutomo, KENYA

(f)NGCDF KITUI SOUTH Constituency Contacts

Telephone: (254) 722811542
E-mail: cdkituisouth@ngcdf.go.ke
Website: www.ng-cdf.go.ke

(g)NGCDF KITUI SOUTH Constituency Bankers

1.National Bank of Kenya
Mutomo Branch
P.O Box 155-90201
Mutomo, Kenya

2.Equity Bank Ltd
Mutomo Branch
P.O Box 155-90201
Mutomo, 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

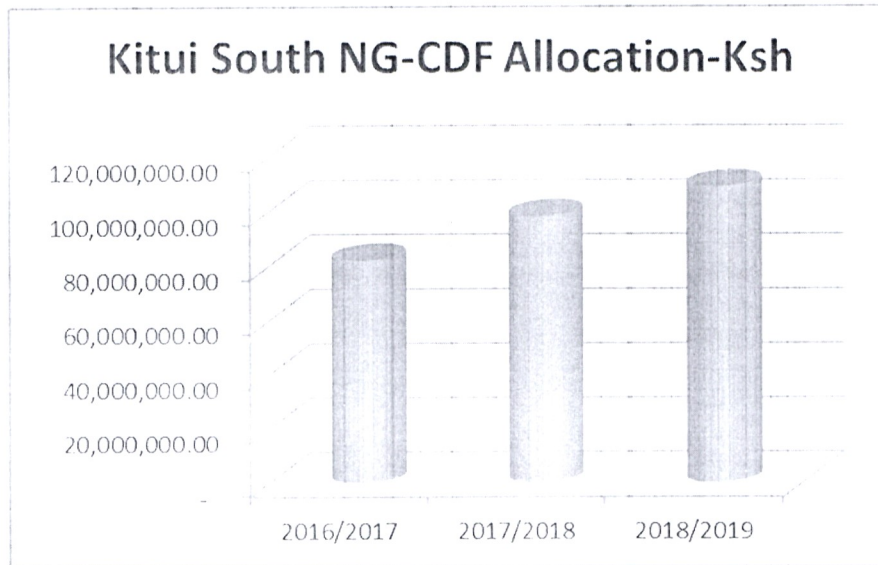
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KITUI SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Kitui South Constituency is one of the eight constituencies of Kitui County. The Constituency has two sub counties i.e Mutomo and Ikutha. There are six wards in the constituency namely Ikutha, Mutomo, Athi, Kanziko, Ikanga-Kyatune and Mutha. The Constituency’s population stands at 166,050 according to National Housing and population survey 2009. The constituency covers 6,133.70 square kilometres as of 2012.

Constituency Allocation over period

The constituency’s allocation over the last three financial years has steadily increased as per below bar chart:

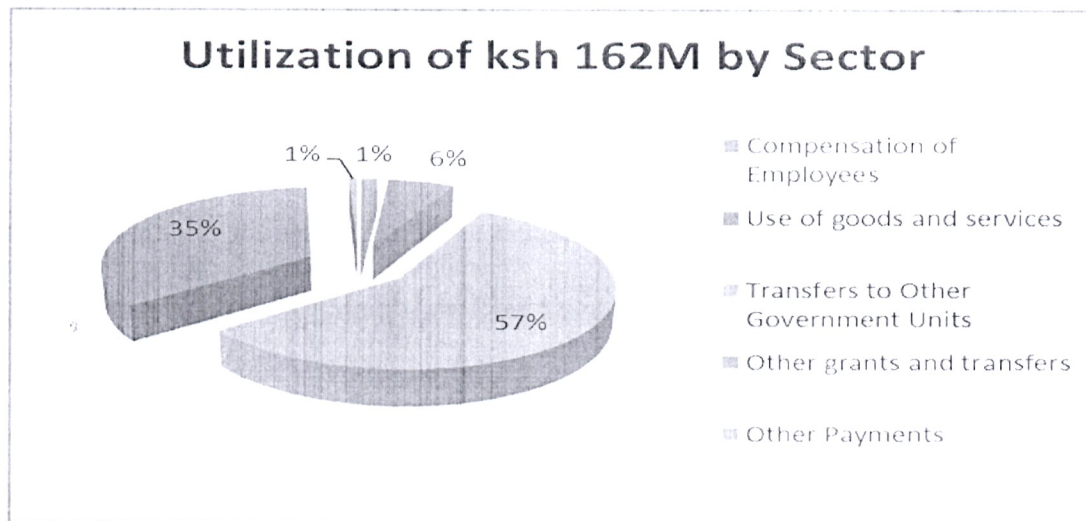


The budget for the current financial year stood at ksh 109,040,875.50. As depicted from the appropriation Statement, the budget was adjusted upwards to include funds that were received in the previous year but utilised in the current year, funds budgeted for in previous year but received in the current year and ksh 107,000 raised as appropriation in aid (AIA). This pushed the final budget to ksh 256,269,379. On a comparable basis, the constituency had ksh 201,121,503 out of the final budget as shown below:

Original Budget	Adjustments	Final Budget	Total Funds Available	Funds not received
109,040,875.52	147,121,503.25	256,162,378.77	201,121,503.25	55,040,875.52

Funds Utilization by Sector

Of ksh 201,121,503.25 the Constituency was able to absorb ksh 162,092,504 as per the following sectors:



Primary, Secondary and Tertiary institutions which are the main components in transfer to Government units received the highest amount at 57% while the least was at 1% being compensation of employees.

Key Projects undertaken during the year

The Constituency during the year implemented many projects but there are three major ones implemented at tertiary level as follows:

1. SEKU Mutumo Campus

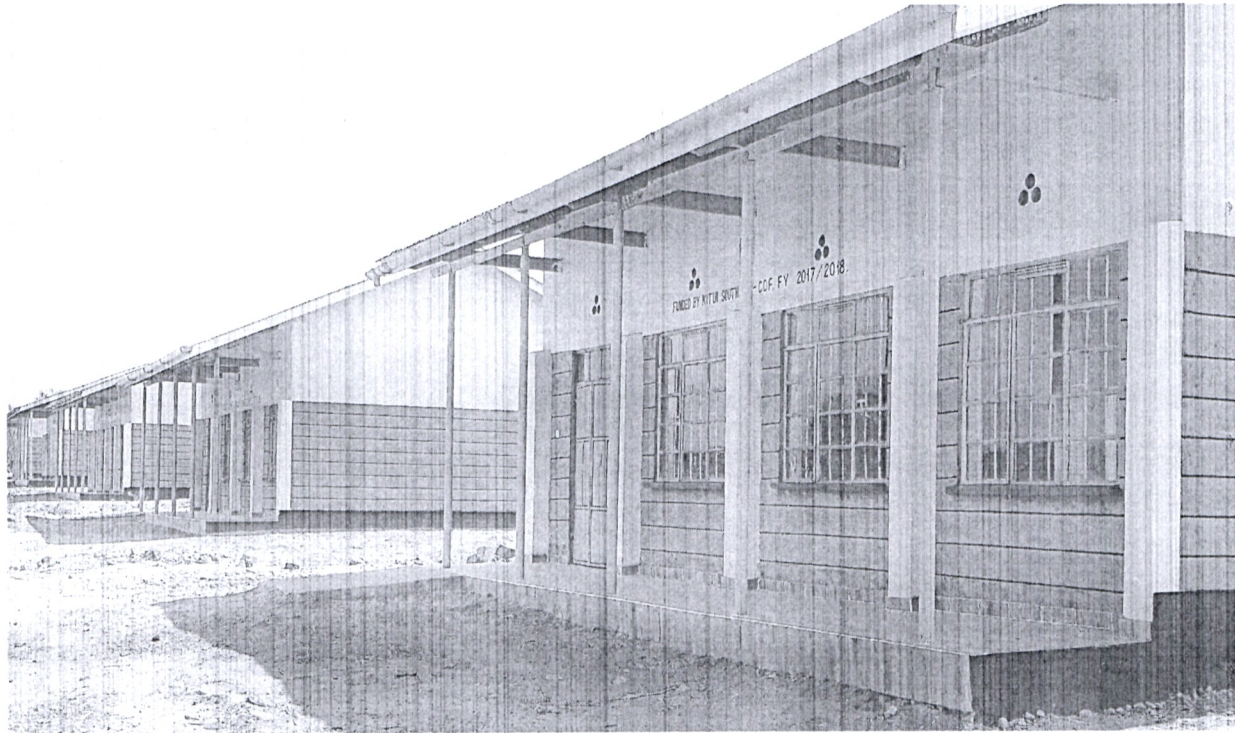
This will be the only University in the Constituency. The University is geared towards opening up the area as far as learning is concerned. There is an existing MOU between SEKU main campus and Kitui South NG-CDF Management in regards to Mutumo Campus under construction.

The allocation and activities implemented include:

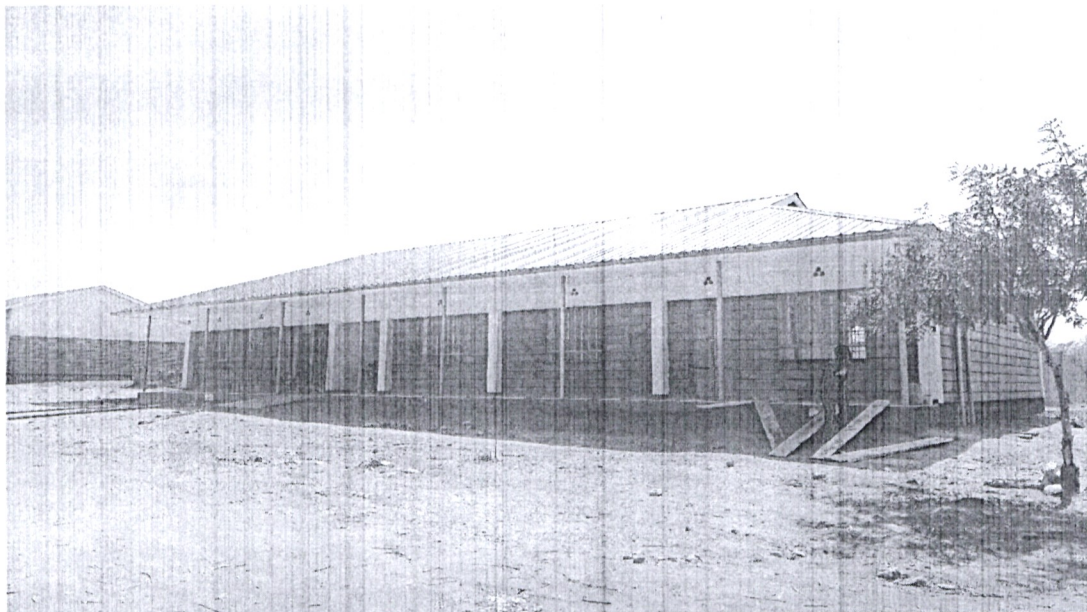
Activity	FY implemented	Amount allocated
20 acres land purchase	2014-2015	1,300,000
Fencing & gate	2017-2018	4,000,000
Administration block	2018-2019	5,000,000
5 Lecture Halls	2018-2019	7,500,000
Pit latrine	2018-2019	500,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KITUI SOUTH CONSTITUENCY
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Some photos of SEKU Mutomo Campus include the following:



5 Lecture Halls at SEKU Mutomo Campus

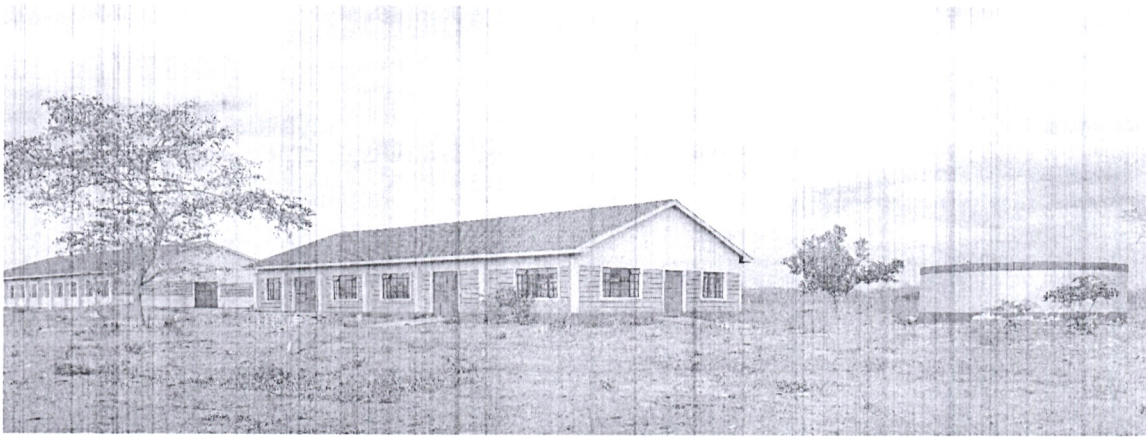


SEKU Mutomo campus Admin block

2. KMTC Mutomo Campus

This is the only KMTC in the Constituency. This project is in line with the Big Four Agenda fronted by His Excellency, the President of the Republic of Kenya. A substantial work has been done by Kitui South NG-CDF and the Kitui South NG-CDF leadership is following up with the KMTC to ensure in-take for students is done soon. During the current year the NG-CDF funded three activities, that is, construction of power house, electrical installations and bush clearing.

Some of the photos include the following:



Hostel, Dining Hall and Water tank at KMTC Mutomo Campus



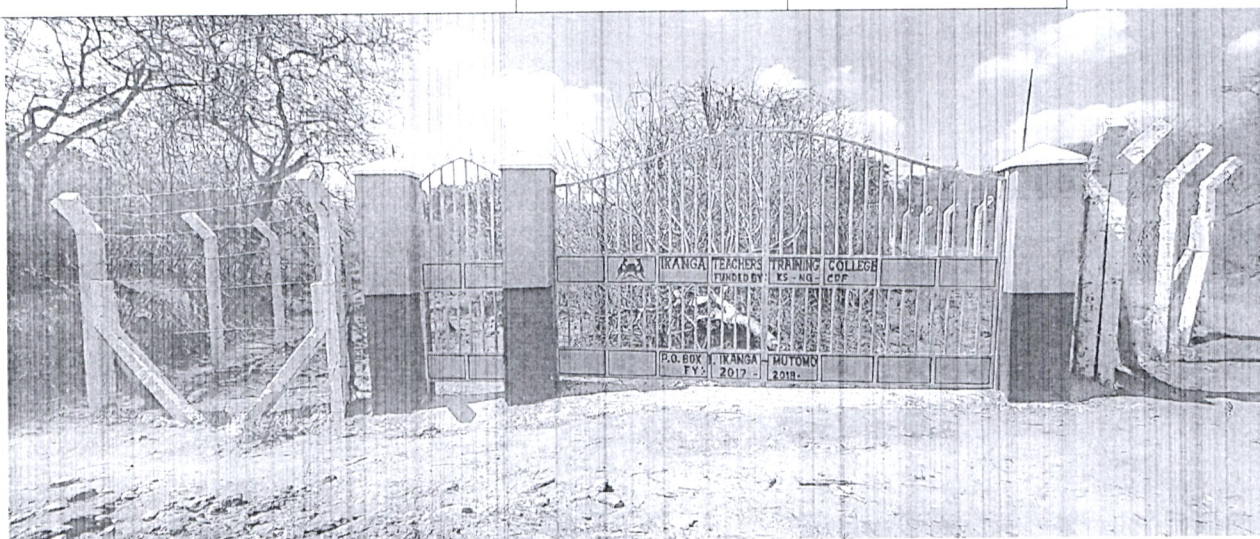
Lecture Halls at KMTC Mutomo Campus

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KITUI SOUTH CONSTITUENCY
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3. Proposed Ikanga Teachers Training College

This college was initiated by Kitui South NG-NG-CDF since there is no teacher’s training college in the Constituency. The Teachers Training College is located in Ikanga-Kyatune ward and specifically in Ikanga Town. The funding so far is as follows:

Activity	FY implemented	Amount allocated
Fencing & gate	2017-2018	4,000,000
2 Lecture Halls	2017-2018	3,000,000



Fencing and steel gate at Ikanga Teachers Training College



2No. lecture hall construction on-going at Ikanga Teachers Training College

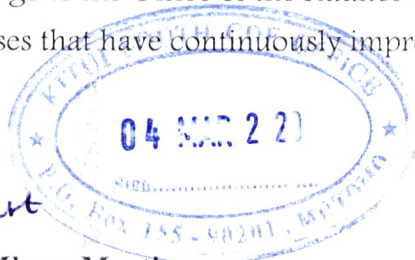
The NG-CDF has also proposed additional funds to cater for two hostels, administration block, two lecture halls and two 4-door pit latrines to be implemented in FY 2018-2019.

Emerging issues and challenges

During the year under review, the Kitui South NG-CDF Management effected VAT and income withholding taxes since the Fund Account Manager was appointed a KRA agent. The management, at every level, has capacity built the Project Management Committees (PMCs) and provided sufficient information to Contractors and suppliers concerning the tax issues.

One of the major challenge is that the Constituency is vast and some of the roads are impassable especially when it rains. This makes monitoring of projects a difficulty exercise in some of the areas. The NG-CDF management is seeking partnership with other government entities responsible for establishment of access roads so that they help make all places accessible.

Finally, Kitui South management expresses gratitude towards the NG-CDF Board for their efficiency in handling issues in regards to projects approval and disbursement of fund. The other special thanks also go to the Office of the Auditor General for their every year input, especially advisory, in our processes that have continuously improved our service delivery to the constituents.



F. Martin

Florence Mbesa Martin

CHAIRMAN NG-CDF COMMITTEE

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KITUI SOUTH 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-KITUI SOUTH 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.

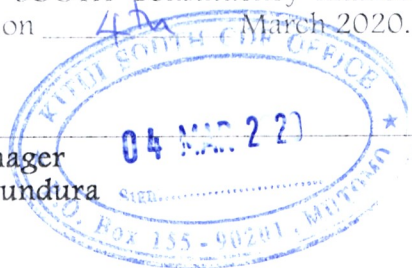
The Accounting Officer in charge of the NGCDF-KITUI SOUTH Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-KITUI SOUTH 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-KITUI SOUTH 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-KITUI SOUTH Constituency financial statements were approved and signed by the Accounting Officer on 4th March 2020.

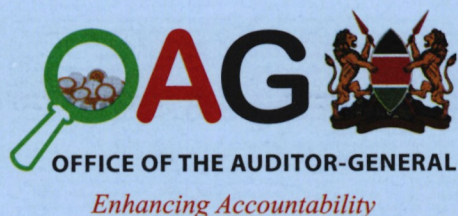

Fund Account Manager
Name: Dennis Matundura




Sub-County Accountant
Name: Justus Mutua
ICPAK Member Number: 12228

REPUBLIC OF KENYA

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



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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund - Kitui South Constituency set out on pages 11 to 51, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kitui South 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 the Public Finance Management Act, 2012.

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

Key Audit Matters

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

Other Matter

1. Budget Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual receipts on comparable basis of Kshs.256,269,379 and Kshs.201,228,503 resulting into an underfunding of Kshs.55,040,876 or 21% of the budget. Similarly, the Fund expended Kshs.161,645,714 against an approved budget of Kshs.256,269,379 resulting into an under-expenditure of Kshs.94,623,665 or 37% of the budget.

The underfunding and failure to implement all the planned activities and projects may have impacted negatively on service delivery for the constituents of Kitui South.

2. Unresolved Prior Year Audit Matters

As disclosed under the progress on follow up of auditor recommendations section of the financial statements, some of the prior year audit issues remained unresolved as at 30 June, 2019. Management has not provided satisfactory reasons for the delay in resolving the issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Projects Implementation

1.1 Delayed Implementation of Projects

As at the time of audit in February, 2020, ten (10) projects budgeted for implementation in the 2018/2019 financial year and with a funding allocation of Kshs.10,400,000 were still ongoing while implementation of another ten (10) projects with a funding allocation of Kshs.14,200,000 had not commenced.

1.2 Poor Workmanship and Unoccupied Ndakani Chief's Office

The Fund incurred Kshs.200,000 for completion of the Ndakani Chief's Office, with the scope entailing electrical installation, fixing of doors and windows and painting of three (3) rooms. This was in addition to the previous allocation of Kshs.300,000 towards walling and roofing of the Office. However, audit inspection of the Project in February, 2020, revealed that the Office had not been put into use due to poor workmanship in the painting works despite having been substantially completed.

1.3 Unused Project Kanziko Secondary School

The Fund paid out Kshs.1,500,000 towards the construction of the dining hall at Kanziko Secondary School. However, audit inspection carried out in February, 2020 revealed that the facility had not been put to the intended use due to lack of sitting benches and kitchen jikos. Evidence of the measures put in place to put the facility to use was not provided.

1.4 Incomplete Project at Ikutha Sub-County DCC Office

The Fund spent Kshs.2,500,000 for the construction of an office block at Ikutha Sub-County DCC Office. However, audit inspection of the project in February, 2020 revealed that the plumbing works had not been done because it was omitted in the bill of quantities. Evidence of how the matter would be resolved was not provided.

1.5 Abandoned Innovation Hubs Project

The Fund entered into a contract with Telkom Kenya in May, 2019 for the development of Constituency Innovation Hubs at a contract price of Kshs.4,677,027. The scope of the contract entailed installations at four (4) sites. However, as at 30 June, 2019, installation had been done at only one (1) site and Kshs.1,169,257 had been paid. As at the time of the audit, the project was reported to have been abandoned due to security challenges, oversighting and space unavailability. It was further noted that the remaining funds had been reallocated to other projects.

In view of the foregoing, it has not been possible to confirm effective use of public resources and whether value for money would be realized from the abandoned projects.

2. Idle Bank Balances

The statement of assets and liabilities reflects bank balances of Kshs.39,582,78 (2018-Kshs.91,462,468) which as disclosed under Note 9 to the financial statements, included a balance is Kshs.6,693,227 held in a bank account operated with a local bank. Additional information indicated that the amount was held due to a court case dating as far back as 2011/2012 financial year and which terminated in 2015. No satisfactory explanation was provided why the funds remained unutilized despite the case having been resolved.

In the circumstances, effective utilization of resources could not be established.

3. Grounded Motor Vehicles

Note 11.2 to the financial statements and the summary of fixed asset register at Annex 2 reflect a historical cost balance of Kshs.30,155,277 (2018 - Kshs.28,986,020) for fixed assets. Included in the transport equipment balance of Kshs.9,750,212 was Kshs.2,907,400 and Kshs.5,700,000 relating to a Toyota Double Cab-pick-up and a Land Rover Defender Station Wagon, respectively. However, audit inspection of the vehicles in February, 2020, revealed that the two (2) vehicles had been grounded due to mechanical breakdown and no evidence of the efforts to repair the vehicles was provided.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance

about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the Fund monitors compliance with

relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

12 November, 2021

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KITUI SOUTH CONSTITUENCY

Reports and Financial Statements


For the year ended June 30, 2019

IV. STATEMENT OF RECEIPTS AND PAYMENTS


I. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board	1	109,659,035	125,106,896
Proceeds from Sale of Assets		-	-
Other Receipts	2	107,000	-
TOTAL RECEIPTS		109,766,035	125,106,896
PAYMENTS			
Compensation of employees	3	1,909,856	1,347,563
Use of goods and services	4	9,360,187	7,772,900
Transfers to Other Government Units	5	93,098,834	24,400,000
Other grants and transfers	6	56,107,580	18,622,619
Acquisition of Assets	7	1,169,257	3,000,000
Other Payments	8		1,639,525
TOTAL PAYMENTS		161,645,714	56,782,607
SURPLUS/DEFICIT		(51,879,679)	68,324,289

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KITUI SOUTH Constituency financial statements were approved on 4th March 2020 and signed by:


Fund Account Manager
Name: Dennis Matundura





Sub-County Accountant
Name: Justus Mutua
ICPAK Member Number: 12228

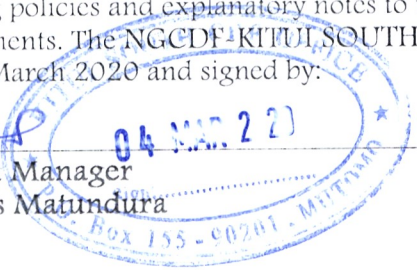
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KITUI SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019


V. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2019 - 2018 Kshs	2017 - 2018 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	9	39,582,789	91,462,468
Cash Balances (cash at hand)		-	-
Total Cash and Cash Equivalents		39,582,789	91,462,468
Current Receivables			
Outstanding Imprests		-	-
TOTAL FINANCIAL ASSETS		39,582,789	91,462,468
FINANCIAL LIABILITES			
Accounts Payable			
Retention		-	-
Total Financial Liabilities		-	-
NET FINANCIAL ASSETS		<u>39,582,789</u>	<u>91,462,468</u>
REPRESENTED BY			
Fund balance b/fwd 1st July...	10	91,462,468	23,138,179
Surplus/Defict for the year		(51,879,679)	68,324,289
Prior year adjustments		-	-
NET FINANCIAL POSITION		<u>39,582,789</u>	<u>91,462,468</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KITUI SOUTH Constituency financial statements were approved on 4th March, 2020 and signed by:


Fund Account Manager
Name: Dennis Matundura




Sub-County Accountant
Name: Justus Mutua
ICPAK Member Number: 12228

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KITUI SOUTH CONSTITUENCY

Reports and Financial Statements


For the year ended June 30, 2019

VI. STATEMENT OF CASHFLOW

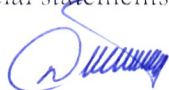
CASH FLOWS FROM OPERATING ACTIVITIES

		2018 - 2019	2017 - 2018
Receipts			
Transfers from CDF Board	1	109,659,035	125,106,896
Other Receipts	2	107,000	
Total Receipts		109,766,035	125,106,896
Payments			
Compensation of Employees	3	1,909,856	1,347,563
Use of goods and services	4	9,360,187	7,772,900
Transfers to Other Government Units	5	93,098,834	24,400,000
Other grants and transfers	6	56,107,580	18,622,619
Other Payments	8		1,639,525
Total Payments		160,476,457	53,782,607
Total Receipts Less Total Payments		(50,710,422)	71,324,289
Net cash flow from operating activities		(50,710,422)	71,324,289
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	7	1,169,257	(3,000,000)
Net cash flows from Investing Activities		-	(3,000,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		(51,879,679)	68,324,289
Cash and cash equivalent at BEGINNING of the year	10	91,462,468	23,138,179
Cash and cash equivalent at END of the year		39,582,789	91,462,468

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KITUI SOUTH Constituency financial statements were approved on 4th March 2020 and signed by:


 Fund Account Manager
 Name: Dennis Matundura




 Sub-County Accountant
 Name: Justus Mutua
 ICPAK Member Number: 12228

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUISOUTH 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 CDF Board	109,040,876	147,121,503	256,162,379	201,121,503	55,040,876	79%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	107,000	107,000	107,000	-	100%
TOTAL RECEIPTS	109,040,876	147,228,503	256,269,379	201,228,503	55,040,876	79%
PAYMENTS						
Compensation of Employees	1,700,000	2,700,000	4,400,000	1,909,856	2,490,144	43%
Use of goods and services	8,113,679	8,649,697	16,763,376	9,360,187	7,403,189	56%
Transfers to Other Government Units	56,400,000	78,400,000	134,800,000	93,098,834	41,701,166	69%
Other grants and transfers	37,927,197	49,694,779	87,621,976	56,107,580	31,514,396	64%
Acquisition of Assets	-	1,169,257	1,169,257	1,169,257	-	100%
Other Payments	4,900,000	6,614,770	11,514,770	-	11,514,770	9%
TOTAL	109,040,876	147,228,503	256,269,379	161,645,714	94,623,665	63%

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI SOUTH CONSTITUENCY


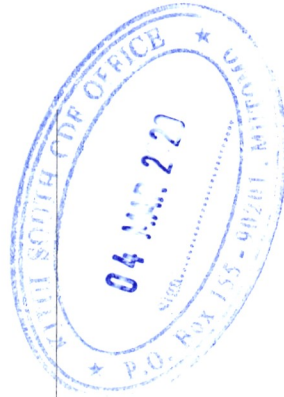
**Reports and Financial Statements
For the year ended June 30, 2019**

- (a) The adjustments column comprise amounts budgeted for in the prior year but received in the current year as well as the opening cash book balance for the current year.
- (b) The Constituency realised AIA of ksh 107,000 during the year from sale of prequalification tenders.
- (c) The Constituency did not utilize 90% in any of the components because of the following:
- i. The strategic plan procurement process was in progress and hence its payment had not been done.
 - ii. The Constituency had sought reallocation of ksh 3.3m meant for ICT hubs from the NG-CDF Board and hence the funds formed part of the bank balances
 - iii. There was ksh 5m that had been earmarked for SEKU but NG-CDF sought reallocation approval since the activity had been done.
 - iv. Some of the funds were received close to the closure of the financial year hence prerequisite procedures such as BQs had not been done to enable disbursement to PMCs

The NGCDF-KITUI SOUTH Constituency financial statements were approved on 4th March 2020 and signed by:



Fund Account Manager
Name: Dennis Matundura



Sub-County Accountant
Name: Justus Mutua
ICPAK Member Number: 12228

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI SOUTH 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 comparable basis	Budget utilization difference
	2018/2019		2018/2019	2018/2019	2018/2019
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration					
1.1 Employees' Salaries	1,870,000	2,244,310	4,114,310	1,909,856	2,204,454
1.2 Goods and Services	2,133,832	2,202,858	4,336,690	1,900,800	2,435,890
1.3 Committee Expenses	2,538,621	3,062,703	5,601,324	3,070,500	2,530,824
Sub-Total	6,542,453	7,509,871	14,052,323	6,881,156	7,171,167
2.0 Monitoring and Evaluation					
2.1 Goods and Services	833,458	1,105,141	1,938,599	971,712	966,887
2.2 Committee Expenses	1,604,310	2,734,685	4,338,995	3,417,175	921,820
2.3 Capacity Building of NG- CDFs/PMCs	833,458	0	833,458		833,458
Sub-Total	3,271,226	3,839,826	7,111,052	4,388,887	2,722,165
3.0 Emergency					
3.0 Emergency	5,738,993	6,298,446	12,037,440	8,500,000	3,537,440
Sub-Total	5,738,993	6,298,446	12,037,440	8,500,000	3,537,440
4.0 Bursary and Social Security Programme					
4.1 Bursary Secondary Schools	17,288,203	20,063,163	37,351,366	25,635,866	11,715,500
4.2 Bursary Tertiary Schools	10,000,000	8,300,350	18,300,350	11,391,714	6,908,636
Sub-Total	27,288,203	28,363,513	55,651,716	37,027,580	18,624,136
5.0 Sports					
5.1 Kitui South Constituency Sports Activities	1,000,000	1,180,000	2,180,000	1,180,000	1,000,000

Programme/Sub-programme	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference	
	2018/2019	Kshs	2018/2019	Kshs	2018/2019	Kshs	2018/2019	Kshs	2018/2019	Kshs
Subtotal	1,000,000		1,180,000		2,180,000		1,180,000		1,000,000	
6.0 Primary School Projects										
6.1 St. Peters Kooma Primary school	500,000				500,000		500,000		0	
6.2 Ngunga Primary school	1,100,000				1,100,000		1,100,000		0	
6.3 Windiu Primary School	500,000				500,000				500,000	
6.4 Iiani Primary school	500,000				500,000				500,000	
6.5 Ilusya Primary school	1,000,000				1,000,000		1,000,000		0	
6.6 Kyatune Primary school	500,000		2,000,000		2,500,000		2,500,000		0	
6.7 Kitambaa Primary School	500,000				500,000				500,000	
6.8 Wingethi Primary School	1,100,000				1,100,000		1,100,000		0	
6.9 Kayang'ombe Primary school	500,000				500,000				500,000	
6.10 Yamutava Primary School	500,000				500,000				500,000	
6.11 Kakithya Primary school	1,100,000				1,100,000		1,100,000		0	
6.12 ABC Ngiluni Primary school	1,100,000		200,000		1,300,000		200,000		1,100,000	
6.13 Mikuyuni Primary school	1,100,000				1,100,000		1,100,000		0	
6.14 Iiani Primary school	500,000				500,000				500,000	
6.15 Kyoani Primary school	1,000,000				1,000,000				1,000,000	
6.16 Yumbu Primary school	1,000,000				1,000,000				1,000,000	
6.17 Mutulu Primary School	1,000,000				1,000,000		1,000,000		0	
6.18 Kamuvala Primary school	1,100,000				1,100,000		1,100,000		0	
6.19 Kyandula Primary school	2,000,000				2,000,000		2,000,000		0	
6.20 Tisya Primary School	1,100,000				1,100,000				1,100,000	
6.21 Kiواني Primary School	500,000				500,000		500,000		0	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Programme/Sub-programme	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference	
	2018/2019	Kshs	Kshs	Kshs	2018/2019	Kshs	2018/2019	Kshs	2018/2019	Kshs
6.22 Kiati Primary School	500,000				500,000		500,000	500,000	0	0
6.23 Musenge Primary school	1,100,000				1,100,000		1,100,000	1,100,000	0	0
6.24 Yongo primary school	1,100,000				1,100,000		1,100,000	1,100,000	0	0
6.25 Mwala Primary school	500,000				500,000		500,000	500,000	0	0
6.26 AthiZonal Educational Office	300,000				300,000		300,000	300,000	0	0
6.27 Mutha Curriculum Support Office	1,500,000				1,500,000		1,500,000		1,500,000	0
6.28 Kyuasini Primary School			200,000		200,000		200,000	200,000	0	0
6.29 Ngelani Primary School			200,000		200,000		200,000	200,000	0	0
6.30 Muambani Primary School			300,000		300,000		300,000	300,000	0	0
6.31 Kilisa Primary School			900,000		900,000		900,000	900,000	0	0
6.32 Tutu Primary School			200,000		200,000		200,000	200,000	0	0
6.33 Matikoni Primary School			200,000		200,000		200,000	200,000	0	0
6.34 Kituti Primary School			200,000		200,000		200,000	200,000	0	0
6.35 Ngawuni Primary School			200,000		200,000		200,000	200,000	0	0
6.36 Senda Primary School			200,000		200,000		200,000	200,000	0	0
6.37 Nzaini Primary School			200,000		200,000		200,000	200,000	0	0
6.38 Mwaaathe Primary School			200,000		200,000		200,000	200,000	0	0
6.39 Winduma Primary School			200,000		200,000		200,000	200,000	0	0
6.40 Imelu Primary School			200,000		200,000		200,000	200,000	0	0
6.41 Tsavo Primary School			200,000		200,000		200,000	200,000	0	0
6.42 Ngwate Primary School			200,000		200,000		200,000	200,000	0	0
6.43 Mutha Primary School			200,000		200,000		200,000	200,000	0	0
6.44 Maweni Primary School			200,000		200,000		200,000	200,000	0	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Programme/Sub-programme	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference	
	2018/2019		Kshs		2018/2019		Kshs		2018/2019	
6.45 Kathiani Primary School			700,000		700,000		700,000		0	
6.46 Kavete Primary School			200,000		200,000		200,000		0	
6.47 Mavia Primary School			200,000		200,000		200,000		0	
6.48 Mbui Ndune Primary School			200,000		200,000		200,000		0	
6.49 Memboo Primary School			200,000		200,000		200,000		0	
6.50 Isaa Primary School			300,000		300,000		300,000		0	
6.51 Kasyela Primary School			400,000		400,000		400,000		0	
6.52 Yaathi Primary School			750,000		750,000		750,000		0	
6.53 Kaliani Primary School			900,000		900,000		900,000		0	
6.54 Imwange Primary School			900,000		900,000		900,000		0	
6.55 St James Kasambuaya Primary School			900,000		900,000		900,000		0	
6.56 Imathoka Primary School			900,000		900,000		900,000		0	
6.57 Kasundu Primary School			900,000		900,000		900,000		0	
6.58 Mitaani Primary School			2,000,000		2,000,000		2,000,000		0	
6.59 Nzoani Primary School			200,000		200,000		200,000		0	
6.60 Kangungi Primary School			200,000		200,000		200,000		0	
6.61 Ndivuni Primary School			200,000		200,000		200,000		0	
6.62 Ikandani Primary School			200,000		200,000		200,000		0	
6.63 Makosi Primary School			400,000		400,000		400,000		0	
6.64 Kathithu Primary School			300,000		300,000		300,000		0	
6.65 Kakunio Primary School			300,000		300,000		300,000		0	
6.66 Mwangu Ivuti Primary School			400,000		400,000		400,000		0	
6.67 Kyamako Primary School			500,000		500,000		500,000		0	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Programme/Sub-programme	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference	
	2018/2019		Kshs		2018/2019		Kshs		2018/2019	
6.68 Kanthi Primary School		Kshs		Kshs		Kshs		Kshs		Kshs
6.69 Mang'etheni Primary School				500,000		500,000		500,000		0
6.70 Makongo Primary School				500,000		500,000		500,000		0
6.71 Kivuti Primary School				500,000		500,000		500,000		0
6.72 Syomisiyi Primary School				500,000		500,000		500,000		0
6.73 Kilongoni Primary School				900,000		900,000		900,000		0
6.74 Kawelu Primary School				900,000		900,000		900,000		0
6.75 Kiluya Primary School				900,000		900,000		900,000		0
6.76 Kimuu Primary School				1,000,000		1,000,000		1,000,000		0
6.77 Mwaani Primary School				500,000		500,000		500,000		0
6.78 Mwambua Primary School				500,000		500,000		500,000		0
6.79 Kenze Primary School				500,000		500,000		500,000		0
6.70 Ndatani Primary School				500,000		500,000		500,000		0
6.71 Yikisemei Primary School				200,000		200,000		200,000		0
6.72 Kamuluve Primary School				200,000		200,000		0		200,000
6.73 Kwa Mukulu Primary School				200,000		200,000		0		200,000
6.74 Ikanga Primary School				1,000,000		1,000,000		1,000,000		0
6.75 Kongo Primary School				500,000		500,000		500,000		0
6.76 Munathi Primary School				500,000		500,000		500,000		0
6.77 Kithae Primary School				500,000		500,000		500,000		0
6.78 Muvuyuni Primary School				500,000		500,000		500,000		0
6.79 Ndithini Primary School				500,000		500,000		500,000		0
6.80 Simisi Primary School				500,000		500,000		500,000		0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Programme/Sub-programme	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference	
	2018/2019	Kshs	Kshs	Kshs	2018/2019	Kshs	2018/2019	Kshs	2018/2019	Kshs
6.81 Ilamba Primary School			500,000		500,000		500,000	500,000		0
6.82 ABC Nguuni Primary School			500,000		500,000		500,000	500,000		0
6.83 Muteetu Primary School			500,000		500,000		500,000	500,000		0
6.84 Kalivu Primary School			500,000		500,000		500,000	500,000		0
6.85 Maluma Primary School			500,000		500,000		500,000	500,000		0
6.86 Kaunguni Primary School			500,000		500,000		500,000	500,000		0
6.87 Katulu Primary School			500,000		500,000		500,000	500,000		0
6.88 Kakungula Primary School			500,000		500,000		500,000	500,000		0
6.89 Kyangiu Primary School			500,000		500,000		500,000	500,000		0
6.90 Malatani Primary School			500,000		500,000		500,000	500,000		500,000
6.91 Kwa Kimweli Primary School			500,000		500,000		500,000	500,000		0
6.91 Nzeveni Primary School			500,000		500,000		500,000	500,000		0
6.92 Kaluluni Primary School			500,000		500,000		500,000	500,000		0
Sub-Total		23,200,000	37,850,000		61,050,000		51,450,000	9,600,000		
7.0 Secondary School Projects										
7.1 St. Peters Secondary School-Nduundune		2,500,000			2,500,000					2,500,000
7.2 Ikanga Girls' Secondary school		1,000,000			1,000,000					1,000,000
7.3 Kisayani Secondary school		1,000,000	1,500,000		2,500,000		2,500,000			0
7.4 Mutomo Girls' Secondary school		2,000,000			2,000,000					2,000,000
7.5 Kenze Secondary school		300,000			300,000			300,000		0
7.6 Uac Mixed Secondary School		2,000,000			2,000,000			2,000,000		0
7.7 Kawelu Secondary School		2,000,000			2,000,000					2,000,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Programme/Sub-programme	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference	
	2018/2019	Kshs	Kshs	Kshs	2018/2019	Kshs	2018/2019	Kshs	2018/2019	Kshs
7.8 Kanziko Secondary school	1,500,000		500,000		2,000,000	2,000,000	2,000,000	2,000,000		0
7.9 Muthue secondary school	2,000,000				2,000,000					2,000,000
7.10 Vutu secondary school	1,100,000				1,100,000					1,100,000
7.11 KwaKimweli Secondary school	1,000,000				1,000,000	1,000,000	1,000,000	1,000,000		0
7.12 Timboni Secondary school	2,000,000				2,000,000					2,000,000
7.13 Mutonya Secondary school	1,100,000				1,100,000	1,100,000	1,100,000	1,100,000		0
7.14 Kaatene Secondary School	2,000,000				2,000,000	2,000,000	2,000,000	2,000,000		0
7.15 Mathima Secondary school	2,000,000				2,000,000					2,000,000
7.16 Simisi secondary school	1,000,000				1,000,000	1,000,000	1,000,000	1,000,000		1,000,000
7.17 St. Patricks Mixed Secondary school	2,500,000				2,500,000					2,500,000
7.18 Kaliani Secondary School				200,000	200,000	200,000	200,000	200,000		0
7.19 Vote Secondary School				1,000,000	1,000,000	1,000,000	1,000,000	1,000,000		0
7.20 Mwangala Secondary School				1,000,000	1,000,000	1,000,000	1,000,000	1,000,000		0
7.21 Semea Mixed Day Sec School				1,000,000	1,000,000	1,000,000	1,000,000	1,000,000		0
7.22 Yaathi Mixed Day Sec School				1,000,000	1,000,000	1,000,000	1,000,000	1,000,000		0
7.23 Mutha Secondary School				500,000	500,000	500,000				500,000
Sub-Total	27,000,000		6,700,000		33,700,000	33,700,000	15,100,000	15,100,000		18,600,000
8.0 Tertiary institutions projects										
8.1 KMTC Mutomo Campus	1,000,000		3,048,834		4,048,834	4,048,834	3,048,834	3,048,834		1,000,000
8.2 Ikanga Teachers Training College	5,200,000		7,000,000		12,200,000	12,200,000	7,000,000	7,000,000		5,200,000
8.3 SEKU Mutomo Campus			21,500,000		21,500,000	21,500,000	16,500,000	16,500,000		5,000,000
Sub-Total	6,200,000		31,548,834		37,748,834	37,748,834	26,548,834	26,548,834		11,200,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Programme/Sub-programme	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference	
	2018/2019	Kshs	Kshs	Kshs	2018/2019	Kshs	2018/2019	Kshs	2018/2019	Kshs
9.0 Security Projects										
9.1 Mutomo Sub-county – Deputy County Commissioner's (DCC) Office	300,000				300,000				300,000	
9.2 Mwanianga Assistant Chiefs' Office	400,000				400,000				400,000	
9.3 Ikutha Chiefs' Camp	500,000				500,000				500,000	
9.4 Ikanga Chiefs' Office	500,000		500,000		1,000,000		1,000,000		0	
9.5 Kyoani Assistant Chief's Office	400,000				400,000			400,000	0	
9.6 Athi Chiefs' Office	500,000				500,000			500,000	0	
9.7 Kituti Chiefs' Office	500,000				500,000			500,000	0	
9.8 Ndakani Chiefs' Office	200,000		300,000		500,000		500,000		0	
9.9 Kiimani Assistant Chiefs' Office	400,000				400,000			400,000	0	
9.10 Monguni assistant Chiefs office	200,000				200,000			200,000	0	
9.11 Ndilili Ass. Chief Office			300,000		300,000			300,000	0	
9.12 Ikutha SubCounty DCC Office			2,500,000		2,500,000		2,500,000		0	
9.13 Mutomo Chiefs Office			200,000		200,000		200,000		0	
9.14 Kyatune Ass Chief Office			300,000		300,000		300,000		0	
9.15 Yongela Ass Chief Office			300,000		300,000		300,000		0	
9.16 Katilimi Ass Chief Office			300,000		300,000		300,000		0	
9.17 Simisi Ass Chief Office			500,000		500,000		500,000		0	
9.18 Kiange Ass chief office			500,000		500,000		500,000		0	
9.19 Mutomo Administration Police			1,000,000		1,000,000		1,000,000		0	
9.20 Kyatune AP Lines			300,000		300,000		0		300,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Programme/Sub-programme	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference	
	2018/2019	Kshs	Kshs	Kshs	2018/2019	Kshs	2018/2019	Kshs	2018/2019	Kshs
9.21 Ndatani Administration Police line			660,759		660,759	0		660,759		
Sub-Total	3,900,000		7,660,759		11,560,759	9,400,000		2,160,759		
10.0 Others										
10.1 Mutomo Huduma Centre	4,500,000				4,500,000			4,500,000		
10.2 Special Education Curriculum support office	100,000				100,000	0		100,000		
10.3 Mutomo Curriculum Support Office	100,000				100,000	0		100,000		
10.4 Mutha Curriculum Support Office	100,000				100,000	0		100,000		
10.5 Athi Curriculum Support Office	100,000				100,000	0		100,000		
10.6 Makele Youth Polytechnic			800,000		800,000	0		800,000		
10.7 CDF Office-DCC Mutomo Road			800,000		800,000	0		800,000		
10.8 Yongela Youth Polytechnic			200,000		200,000	0		200,000		
10.9 NBK Balance(Court case)			6,693,227		6,693,227	0		6,693,227		
10.10 CIH-4No			4,677,027		4,677,027	1,169,257		3,507,770		
10.11 Strategic plan			3,000,000		3,000,000	0		3,000,000		
Sub-Total	4,900,000		16,170,254		21,070,254	1,169,257		19,900,997		
11.0 AIA			107,000		107,000	0		107,000		
GRAND TOTAL	109,040,876		147,228,503		256,269,379	161,645,714		94,623,665		

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-KITUI SOUTH 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) – KITUI
SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 30th June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

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 Constituency bank accounts 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.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI
SOUTH 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) – KITUI SOUTH 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
Normal Allocation	AIE NO. B005145	6,000,000	
	AIE NO. B030340	44,659,035	
	AIE NO. B042694	5,000,000	
	AIE NO. A699012	10,000,000	
	AIE NO. B047015	44,000,000	
	AIE NO. 855881		5,500,000
	AIE NO. 839747		36,853,448
	AIE NO. 892667		4,900,000
	AIE NO. 896952		39,948,276
	AIE NO. 896985		37,905,172
TOTAL		109,659,035	125,106,896

2.OTHER RECEIPTS

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Sale of Tender Documents	107,000	-
TOTAL	107,000	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3.COMPENSATION OF EMPLOYEES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Basic wages of contractual employees	1,028,371	1,263,525
Personal allowances paid as part of salary		
House allowance	135,300	-
Transport allowance	96,000	-
Leave allowance	16,000	-
Other personnel payments-Extraneous Allowance	143,770	-
Employer contribution to NSSF	68,053	84,038
Gratuity-Paid	422,362	
TOTAL	1,909,856	1,347,563

4.USE OF GOODS AND SERVICES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Utilities, supplies and services	500,000	846,000
Electricity	-	-
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	-	21,920
Domestic travel and subsistence	315,800	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	860,000	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI
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Reports and Financial Statements

For the year ended June 30, 2019

Hospitality supplies and services	-	-
Other committee expenses	-	-
Committee allowance	7,487,675	6,701,455
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	-	-
Fuel , oil & lubricants	166,000	164,000
Other operating expenses	-	-
Bank service commission and charges	30,712	39,525
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	-	-
Routine maintenance- other assets	-	-
TOTAL	9,360,187	7,772,900

5. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Transfers to Primary schools	51,450,000	11,100,000
Transfers to Secondary schools	15,100,000	2,800,000
Transfers to Tertiary institutions	26,548,834	10,500,000
TIVET	-	-
TOTAL	93,098,834	24,400,000

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI
SOUTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. OTHER GRANTS AND OTHER PAYMENTS

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Bursary -Secondary	25,635,866	9,804,531
Bursary -Tertiary	11,391,714	5,218,088
Bursary-Special schools	-	-
Mocks & CAT	-	-
Security	9,400,000	3,600,000
Sports	1,180,000	-
Environment	-	-
Emergency Projects	8,500,000	-
TOTAL	56,107,580	18,622,619

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. ACQUISITION OF ASSETS

Non Financial Assets	2018-2019	2017 - 2018
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	3,000,000
Refurbishment of Buildings	-	-
Purchase of Vehicles	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles	-	-
Purchase of office furniture and fittings	-	-
Purchase of computers ,printers and other IT equipments	1,169,257	-
Purchase of photocopier	-	-
Purchase of other office equipments	-	-
Purchase of soft ware	-	-
Acquisition of Land	-	-
TOTAL	1,169,257	3,000,000

8. OTHER PAYMENTS

Construction of DEO office Mutomo	-	1,600,000
Bank Charges	-	39,525
TOTAL	-	1,639,525

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI SOUTH CONSTITUENCY

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	Account Number	2018-2019	2017 - 2018
		Kshs (30/6/2019)	Kshs (30/6/2018)
Equity Bank-Mutomo Branch	A/C no.1670266577876	32,889,562	84,769,241
National Bank of Kenya-Mutomo Branch	A/C no.01001082371400	6,693,227	6,693,227
Totals		39,582,789	91,462,468

10. BALANCES BROUGHT FORWARD

	2018-2019	2017 - 2018
	(1/7/2018)	(1/7/2017)
	Kshs	Kshs
Bank accounts	91,462,468	23,138,179
Cash in hand		-
Imprest		-
TOTAL	91,462,468	23,138,179

11. OTHER IMPORTANT DISCLOSURES

11.1 UNUTILIZED FUND (See Annex 1)

	Kshs	Kshs
Compensation of employees	1,334,595	1,874,309
Use of goods and services	6,121,613	6,655,171
Amounts due to other Government entities (see attached list)	7,400,000	43,598,834
Amounts due to other grants and other transfers (see attached list)	11,525,583	32,640,927
Acquisition of assets	0	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Others (SP, ICT Hubs, NBK bal)	13,200,997	6,693,226
	39,582,789	91,462,468

11.2 FIXED ASSETS (See Annex 2)

	Historical Cost (Kshs) 2018/19	Historical Cost (Kshs) 2017/18
Assets	30,155,277	28,986,020
Total	30,155,277	28,986,020

11.3 STAFF GRATUITY OUTSTANDING (See Annex 3)

	2018-2019 Ksh	2017-2018 Ksh
Pending Staff Payables	446,790	-
Totals	446,790	-

11.4: PMC account balances (See Annex 4)

	2018-2019 Kshs	2017-2018 Kshs
PMC account Balances	42,646,310	17,707,102
	42,646,310	17,707,102

NATIONAL GOVERNMENT ENTITY - (KITUI SOUTH CONSTITUENCY DEVELOPMENT FUND)
Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

ANNEX 1 – UNUUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees		1,334,595	1,874,309	
Use of goods & services		6,121,613	6,655,171	
Amounts due to other Government entities		5,000,000		Funds being reallocated to Ikanga TTC
SEKU Mutomo Campus		1,000,000		
KMITC Mutomo Campus		500,000		
Kayan'gombe Primary School		500,000		
Mialatani Primary School		200,000	200,000	Being reallocated to St. Josphehs mixed Sec School-Kirimani
Kamuluve Primary School		200,000	200,000	Being reallocated to St. Josphehs mixed Sec School-Kirimani
Kwa Mukulu Primary School		200,000	200,000	
Kyusiani Primary School		200,000	200,000	
Ngelani Primary School		200,000	200,000	
Muambani Primary School		200,000	200,000	
Tutu Primary School		200,000	200,000	
Matikoni Primary School		200,000	200,000	
Kituti Primary School		200,000	200,000	
Ngawuni Primary School		200,000	200,000	
Sendia Primary School		200,000	200,000	
Nzanini Primary School		200,000	200,000	
Mwaathe Primary School		200,000	200,000	
Winduma Primary School		200,000	200,000	
Imelu Primary School		200,000	200,000	
Tsavo Primary School		200,000	200,000	
Ngwate Primary School		200,000	200,000	
Mutha Primary School		200,000	200,000	
Maweni Primary School		200,000	200,000	
Kathiani Primary School		200,000	200,000	

NATIONAL GOVERNMENT ENTITY - (KITUI SOUTH CONSTITUENCY DEVELOPMENT FUND)
Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Kavete Primary School			200,000	
Mavia Primary School			200,000	
ABC Ngiluni Primary School			200,000	
Mbui Ndtune Primary School			200,000	
Memboo Primary School			200,000	
Isaa Primary School			300,000	
Kasyela Primary School			400,000	
Yaathi Primary School			750,000	
Kaliani Primary School			900,000	
Inwange Primary School			900,000	
St James Kasambuya Primary School			900,000	
Imathoka Primary School			900,000	
Kasundu Primary School			900,000	
Mitaani Primary School			2,000,000	
Kyatune Primary School			2,000,000	
Nzoani Primary School			200,000	
Kangungu Primary School			200,000	
Ndivuni Primary School			200,000	
Ikandani Primary School			200,000	
Makosi Primary School			400,000	
Kathithu Primary School			300,000	
Kakumio Primary School			300,000	
Mwangu Ivuti Primary School			400,000	
Kyamako Primary School			500,000	
Kanathi Primary School			500,000	
Mang'etheni Primary School			500,000	
Makongo Primary School			500,000	
Kivuti Primary School			500,000	
Syomisiyi Primary School			500,000	
Kilongoni Primary School			900,000	
Kawelu Primary School			900,000	
Kiluya Primary School			900,000	
Kilisa Primary School			900,000	
Kimuu Primary School			1,000,000	
Mwaani Primary School			500,000	
Mwambua Primary School			500,000	

NATIONAL GOVERNMENT ENTITY - (KITUI SOUTH CONSTITUENCY DEVELOPMENT FUND)

Reports and Financial Statements

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

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Kenze Primary School			500,000	
Ndatani Primary School			500,000	
Yikisemi Primary School			200,000	
Kaliani Secondary School			200,000	
Kanziko Secondary School			500,000	
Vote Secondary School			1,000,000	
Kisayani Secondary School			1,500,000	
Mwangala Secondary School			1,000,000	
Semea Mixed Day Secondary School			1,000,000	
Yaathi Mixed Day Secondary School			3,500,000	
SEKU Mutomo Campus			3,048,834	
KMTC Mutomo Campus			4,000,000	
Ikanga Teachers Training College		7,400,000	43,598,834	
Sub-Total				
Amounts due to other grants and other transfers				
Kyatune AP line		300,000		
Ndatani AP Line		660,759		
Mutomo DCC Office		300,000		
Ikutha Chiefs Camp		500,000		
CDF Office-DC Mutomo Road project		800,000	800,000	To be reallocated
Makele Youth Polytechnic		800,000	800,000	Being reallocated
Yongela Youth Polytechnic		200,000	200,000	Being reallocated
Bursaries		7,964,824	19,160,927	
Emergency			4,500,000	
Ndalili Ass Chief Office			300,000	
Ikutha Subcounty DCC Office			2,500,000	
Mutomo Chiefs Office			200,000	
Ndakani Chief Office			300,000	
Kyatune Ass Chief Office			300,000	
Yongela Ass Chief Office			300,000	
Kyatune AP Line			300,000	
Katilini Ass Chief Office			300,000	
Ikanga Chiefs Office			500,000	
Simisi Ass Chief Office			500,000	
Kiange Ass Chief Office			500,000	

NATIONAL GOVERNMENT ENTITY - (KITUI SOUTH CONSTITUENCY DEVELOPMENT FUND)
 Reports and Financial Statements
 For the year ended June 30, 2019 (Kshs'000)

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Sports			1,180,000	Equipment distributed to various teams
	Sub-Total	11,525,583	32,640,927	
	Sub-Total			
Acquisition of assets				
Others (specify)				
ICT hubs		3,507,770		
Strategic plan		3,000,000		
NBK Balance		6,693,226	6,693,226	
	Sub-Total	13,200,997	6,693,226	
	Grand Total	39,582,789	91,462,467	

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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	-	-	-	-
Buildings and structures	18,561,408	-	-	18,561,408
Transport equipment	9,750,212	-	-	9,750,212
Office equipment, furniture and fittings	-	-	-	-
ICT Equipment, Software and Other ICT Assets	674,400.00	1,169,257	-	1,843,657
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	28,986,020	-	-	30,155,277

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ANNEX 3 –OUTSTANDING STAFF GRATUITY

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Outstanding Balance 2018	Comments
1. Elizabeth Kavata Kasanga	J	83,208	01/07/2018	0	83,208.00	0	Accruing gratuity started in February 2019
2. Sabina Mueni Maleve	G	78,488	01/07/2018	0	78,488.00	0	Accruing gratuity started in February 2019
3. Jeremiah Kitonga	F	113,850	01/09/2017	0	113,850.00	0	Accruing gratuity started in February 2019
4. Kyundu Mwooka	B	60,764	01/09/2017	0	60,764.00	0	Accruing gratuity started in February 2019
5. Joel Malombe	B	49,716	01/09/2017	0	49,716.00	0	Accruing gratuity started in February 2019
6. Kambua Paul	F	60,764	01/01/2018	0	60,764.00	0	Accruing gratuity started in February 2019
Sub-Total		446,790			446,790.00		

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ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2019

S/No.	Project Name	Bank	Account Number	Bank Bal as at 30/06/2019	Bank Bal as at 30/06/2018
1	Kyuasini Primary School	KCB	1209860554	340	-
2	ABC Kimweli Sec School	KCB	1259546756	1,000,000	-
3	AIC Nguuni Primary School	KCB	1255209305	500,000	-
4	Athi Chiefs Office	KCB	1259465160	500,000	-
5	Athi Zonal Educational Office	KCB	1206434430	308,341	-
6	Erick Muvuyuni Primary School	KCB	1206141123	108,913	-
7	Ikandani Primary School	KCB	1166343979	356	-
8	Ikanga Primary School	KCB	1159581258	355,837	-
9	Ikanga Teachers Training College	KCB	1239216939	5,029,628	-
10	Ilaani Primary School	KCB	1166126226	2,067	-
11	Ilamba Primary School	KCB	1166412474	548,840	500,060
12	Ilusya Primary School	KCB	1166341550	1,000,474	110,200
13	Imelu Primary School	KCB	1234837080	40	-
14	Imwange Primary School	KCB	1206737921	4,668	-
15	Isaa Primary School	KCB	1161654151	1,307	-
16	Kaatene Sec School	KCB	1259162591	2,000,000	-
17	Kakithya Primary School	KCB	1258904543	1,000,000	-
18	Kakunio Primary School	KCB	1236039394	57,600	-
19	Kalambani Secondary	KCB	1209468689		-

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S/No.	Project Name	Bank	Account Number	Bank Bal as at 30/06/2019	Bank Bal as at 30/06/2018
	School			10,040	
20	Kalivu Primary School	KCB	1255152141	438,975	-
21	Kaluluini Primary School (Mutha)	KCB	1206580852	16,980	-
22	Kaluluini Primary School (Kaluluini)	KCB	1159242933	2,152	-
23	Kamina Primary School	KCB	1156693454	1,001,595	-
24	Kamuvala Primary School	KCB	1166910059	1,099,745	-
25	Kangungi Primary School	KCB	1236317882	28,670	-
26	Kangungula Primary School	KCB	1255152192	500,000	-
27	Kanthi Primary School	KCB	1155947959	1,710	-
28	Kanziiko Primary School	KCB	1166547140	105,944	-
29	Kanziko Secondary School	KCB	1124894934	1,501,467	-
30	Kasundu Primary School	KCB	1166328910	84,934	-
31	Kasyela Primary School	KCB	1166387682	2,716	-
32	Kathiani Primary School	KCB	1226897592	540,630	-
33	Kathithu Primary School	KCB	1166340082	25	-
34	Kathungu Assistant Chief Office	KCB	1259538117	200,200	-
35	Katulu Primary School	KCB	1255151838	21,610	-
36	Kaunguni Primary School	KCB	1255152117	500,000	-
37	Kavete Primary School	KCB	1166457141	340	-
38	Kawelu Primary School	KCB	1167093380	118,046	-

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S/No.	Project Name	Bank	Account Number	Bank Bal as at 30/06/2019	Bank Bal as at 30/06/2018
39	Kenze Primary School	KCB	1158646798	302,206	-
40	Kiange Ass chief office	KCB	1159752125	14,830	-
41	Kiati Primary School	KCB	1167523725	65,024	-
42	Kiimani Assistant Chiefs Office	KCB	1258505312	400,200	-
43	Kilisa Primary School	KCB	1166840174	360,006	-
44	Kilongoni Primary School	KCB	1206577819	293	-
45	Kiluya Primary School	KCB	1239532334	150	-
46	Kithae Primary School	KCB	1166338983	500,060	-
47	Kituti Chiefs Office	KCB	1259474089	500,000	-
48	Kituti Primary School	KCB	1203252471	1,320	-
49	Kiuani Primary School	KCB	1166698521	503,770	-
50	Kivuti Primary School	KCB	1204384533	1,460	-
51	KMTC Mutomo Campus	KCB	1174072954	962,209	7,853,913
52	Kongo Primary School	KCB	1159243697	39	-
53	Kwa Kimweli Primary School	KCB	1255082984	501,200	-
54	Kyandula Primary School	KCB	1259456471	2,000,000	-
55	Kyangiu Primary School	KCB	1238204082	1,390	-
56	Kyatune Ass Chief Office	KCB	1236294971	300,000	-
57	Kyoani Assistant Chiefs Office	KCB	1259010694	400,000	-
58	Makongo Primary School	KCB	1236097858	148	-

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S/No.	Project Name	Bank	Account Number	Bank Bal as at 30/06/2019	Bank Bal as at 30/06/2018
59	Makosi Primary School	KCB	1203390033	5,140	-
60	Makueni Primary School	KCB	1166884767	1,095	-
61	Maluma Primary School	KCB	1255151986	127,130	-
62	Mang'etheni Primary School	KCB	1166169111	371	-
63	Matikoni Primary School	KCB	1236029291	1,504	-
64	Mavia Primary School	KCB	1167742419	1,925	-
65	Mbui Ndune Primary School	KCB	1234798638	1,579	-
66	Memboo Primary School	KCB	1236048024	140	-
67	Mesilya Primary School	KCB	1166560295	189,903	-
68	Monguni Assistant Chiefs Office	KCB	1259516083	200,200	-
69	Monguni Primary School	KCB	1155409531	85,280	-
70	Muambani Primary School	KCB	1234917122	25,262	-
71	Mukuanima Primary School	KCB	1167339517	203,072	-
72	Mukwakwani Primary School	KCB	1206564490	200,750	-
73	Munathi Primary School	KCB	1255160896	500,000	-
74	Musenge Primary School	KCB	1166304469	1,100,301	-
75	Muteetu Primary School	KCB	1234776095	477,475	-
76	Mutha Primary School	KCB	1213896207	260	80
77	Mutonya Sec School	KCB	1159256217	1,100,640	-
78	Mutulu Primary School	KCB	1167201507	1,000,842	-

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S/No.	Project Name	Bank	Account Number	Bank Bal as at 30/06/2019	Bank Bal as at 30/06/2018
79	Mwaani Primary School	KCB	1224699750	87,114	900,500
80	Mwaathe Primary School	KCB	1234783754	6,210	-
81	Mwala Primary School	KCB	1166429628	500,130	-
82	Mwambua Primary School	KCB	1238237096	200,080	-
83	Mwangala Secondary School	KCB	1236644468	1,000,000	-
84	Mwangu Ivuti Primary School	KCB	1237008506	52,510	-
85	Ndakani Chiefs Office	KCB	1236270193	200,510	-
86	Ndatani Primary School	KCB	1166271579	60	-
87	Ndatani Secondary School	KCB	1152805207	200,980	-
88	Ndiini Primary School	KCB	1166175677	273	-
89	Ndilili Ass. Chief Office	KCB	1236080467	549	-
90	Ndithini Primary School	KCB	1207322563	143,226	-
91	Ndivuni Primary School	KCB	1236616057	1,400	-
92	Ngawuni Primary School	KCB	1234835126	870	-
93	Ngelani Primary School	KCB	1212925165	780	-
94	Ngunga Primary School	KCB	1198863544	6,880	-
95	Nzaini Primary School	KCB	1234823608	210	-
96	Nzeveni Primary School	KCB	1169663575	1,219	-
97	Nzoani Primary School	KCB	1236323688	1,525	-
98	SEKU Mutomo Campus	KCB	1199672459	1,045,969	-
99	Semea Mixed Day Sec	KCB	1217272917		-

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S/No.	Project Name	Bank	Account Number	Bank Bal as at 30/06/2019	Bank Bal as at 30/06/2018
	School			13,190	
100	Senda Primary School	KCB	1235837793	1,050	-
101	Simisi Ass Chief Office	KCB	1240363893	1,920	-
102	Simisi Primary School	KCB	1255155655	110,140	-
103	St James Kasambuya Primary School	KCB	1236035119	81,226	-
104	St Josephs Mixed Sec School	KCB	1172810567	28,140	-
105	St Peters Kooma Primary School	KCB	1166409937	501,649	42,859
106	Syomisyi Primary School	KCB	1207688851	274	-
107	Uae Girls Sec School	KCB	1154152871	2,009,763	-
108	Vote Secondary School	KCB	1233536133	435	-
109	Wingethi Primary School	KCB	1206634642	1,104,600	-
110	Yaathi Mixed Day Sec School	KCB	1242832688	104,500	-
111	Yaathi Primary School	KCB	1234841487	104,500	-
112	Yikisemei Primary School	KCB	1236124685	20,107	-
113	Yongela Ass Chief Office	KCB	1236957113	2,252	-
114	Yongo Primary School	KCB	1167721187	1,111,429	-
115	ABC Ngiluni Primary School	EQUITY	1670177392746	550	-
116	Ikutha Subcounty DCC Office	EQUITY	1670172063406	244,420	-
117	Imathoka Primary School	EQUITY	167017915075	13,904	-
118	Kaliani Secondary School	EQUITY	1670167020794	335	-
119	Kimuu Primary School	EQUITY	1670171867468	123,980	-
120	Kyatune Primary School	EQUITY	1670168819266	691,220	-

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S/No.	Project Name	Bank	Account Number	Bank Bal as at 30/06/2019	Bank Bal as at 30/06/2018
					340
121	Mitaani Primary School	EQUITY	1670172036274	1,320	-
122	Mutomo Administration Police	EQUITY	1670178714694	99,060	-
123	Mutomo Chiefs Office	EQUITY	1670167015112	66	-
124	Mutomo Police station	EQUITY	1670177637177	381	-
125	Ngoseni Primary School	EQUITY	1670171510313	200,050	489,920
126	Tutu Primary School	EQUITY	1670170935168	299,780	-
127	Winduma Primary School	EQUITY	1670167015785	670	-
128	Ikanga Chiefs Office	NBK	1520209825900	500,658	-
129	Kyamako Primary School	NBK	1522209170900	168	-
130	Maweni Primary School	NBK	1281023074900	483	-
131	Mikuyuni Primary School	NBK	1522023013100	1,100,500	-
132	Ngwate Primary School	NBK	1281076444300	420	-
133	Tsavo Primary School	NBK	1522052114000	638	-
134	Katilini Ass Chief Office	NBK	1520209238600	90,678	-
135	Muthue Primary School	KCB	1167597424	-	1,372
136	Ivukuvuku Primary School	KCB	1168519330	-	1,996
137	Nzouni Primary School	KCB	1166331261	-	119,163
138	Nzalani Primary School	KCB	1166592944	-	534,820
139	Kengo Primary School	KCB	1206580003	-	1,963
140	Kiviu Primary School	KCB	1166205762	-	2,370
141	Kyanganga Primary School	KCB	1166519198	-	430,546
142	Mutyauwa Primary School	KCB	1225874238	-	393,090
143	Kalivu Secondary School	KCB	1160183066	-	1,000,375
144	Kyanyaa Assistant Chief Office	KCB	1215845928	-	400,000
145	Syunguni Assistant Chief Office	KCB	1216309434	-	25,820
146	Kiati assistant Chief Office	KCB	1225510074	-	60,560
147	Mwala assistant Chief	KCB	1225667283	-	400,000

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S/No.	Project Name	Bank	Account Number	Bank Bal as at 30/06/2019	Bank Bal as at 30/06/2018
	office				
148	Kengo assistant Chief Office	KCB	1225666821	-	59,350
149	Kitui South CDF Office	KCB	1154156214	-	1,590,403
150	Mutomo Zonal Office	KCB	1215782209	-	159,170
151	Ilengi Primary School	EQUITY	1670168708176	-	44,790
152	Kandae Primary School	EQUITY	1670169614575	-	458,790
153	Ikutha Girls Secondary School	EQUITY	1670264520981	-	811,290
154	Ikanga Boys Secondary School	EQUITY	1670268705797	-	551,895
155	Mutomo Mixed Secondary School	EQUITY	1670167274428	-	761,468
Totals				42,646,310	17,707,102

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
EH/AUD/NG-CDF/KITUI S./2017-2018/16	1.0 Cash and cash equivalents: 1. Stale cheques ksh 590,660 2. Idle Cash - ksh 6,693,227	1. The stale cheques have been lapsed to the cash book 2. The authority to spend the cash has been given by NG-CDF Board. NG-CDFC is the process of proposing projects for the funds.	Dennis Matundura, FAM	Part 1 resolved while part 2 is in progress	December 2019
	1.1 Expected receipts not received from the NG-CDFB ksh 59,884,484	The funds were not received before the closure of the Financial year but were received later	NG-CDF board, Programmes Dpt	Resolved	September 2018
	1.2 Underutilization of budget	Part of the funds were received towards closure of the year hence not much would have been done within the short time however the funds were utilized in the subsequent year	Dennis Matundura, FAM	Resolved	September 2019
	2.0 Project implementation Status	The 6 projects with value of 9.1 million that were on-going as at the closure of last financial year have since been completed	Dennis Matundura, FAM	Resolved	December 2018
	3.0 Project Inspection Status	The project with value ksh 400,000 that had not started as at the time of audit was later completed	PMC of the project	Resolved	May 2019
	Management	The NG-CDFC is now in the	FAM, Dennis	Unresolved	December

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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)
	t of 16 motor cycles	process of training about 500 motorcycles riders who shall be issued with driving license. This is ongoing	Matundura		2019
	Stalled Construction of Women Hostel	All the activities as per the BQ have been completed	Dennis Matundura, FAM & Contractor	Resolved	June 2019