

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

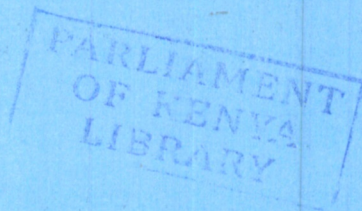
OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
KIKUYU CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2018

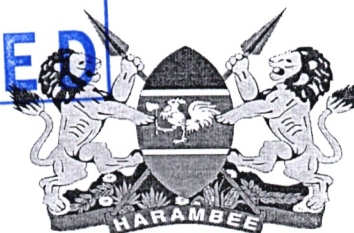


OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY

22 MAY 2019

RECEIVED

Revised Template 30th June 2018



REVISED COPY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND KIKUYU
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2018

Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector
Accounting Standards (IPSAS)

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 26 JUN 2019	DAY:
TABLED BY:	Hon. Aden Dualla, MP L.O.M Hakima Jileman

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KIKUYU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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

Reports and Financial Statements

For the year ended June 30, 2018

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

1. Patriotism – we uphold the national pride of all Kenyans through our work
2. Participation of the people- We involve citizens in making decisions about programmes we fund
3. Timeliness – we adhere to prompt delivery of service
4. Good governance – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. Sustainable development – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

(b) Key Management

The NG-CDF KIKUYU 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.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Elizabeth Kagira
3.	Sub-County Accountant	Harrison Rioba
4.	Chairman NGCDFC	Isabel Waiyaki
5.	Member NGCDFC	Simon Ngugi

(d) Fiduciary Oversight Arrangements

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KIKUYU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

(e) NGCDF KIKUYU Constituency Headquarters

P.O. Box 167
NGCDF Building
Post Office Road
Kikuyu, KENYA

(f) NGCDF KIKUYU Constituency Contacts

Telephone: (254) 0721519908
E-mail: kikuyucdf@gmail.com
Website: kikuyuconstituency.com

(g) NGCDF KIKUYU Constituency Bankers

1. Equity Bank of Kenya
Kikuyu Branch

...

(h) Independent Auditors

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

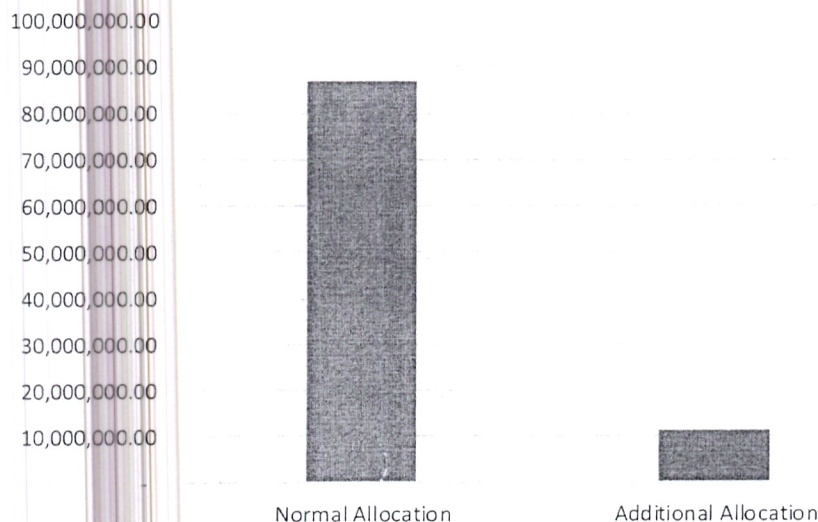
(i) Principal Legal Adviser

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

II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Annual Constituency Allocation

I am pleased to present the unaudited financial statements for Kikuyu Constituency for the financial year ended 30th June 2018. During the year, the Constituency was allocated a total of Kshs 98,189,655.16 consisting of Kshs 86,810,344.82 as normal allocation and Kshs 11,379,310.34 as additional allocations.



On receipt of the above allocations, Kikuyu National Government Constituencies Development Fund Committee (NGCDFC) pursuant to the provisions of the National Government CDF Act 2015, as amended in 2016, met and allocated funds to various projects with reference to the priorities of the public participation meetings held across the

Constituency. It is noteworthy that during the FY 2017/2018, we received 50% of the normal Constituency funding equivalent to Kshs 43,405,172 and these funds were then disbursed to earmarked projects. Ksh 28,098,275 from FY 2016/17 was received in 2017/18 financial year.

Sector Prioritization

During the year, a total of Kshs 36,700,00 was allocated as transfers to other Government Units which consist of transfers to Security, Primary schools and secondary schools projects. Another amount of Ksh.24,211,824 was allocated to Administration, Bursary ,M & E and Environment.

Sectoral Analysis of Funding

Over the past 5 years, the Constituency has received a total of Kshs 395,631,874 which were subsequently been disbursed to various projects in such sectors as Health, Roads, Education, water, security etc in addition to the statutory bursary, emergency, sports, environment, administration and monitoring and evaluation votes. The funding has benefitted over 100 projects and the breakdown in terms of the number of projects funded in these leading sectors over the last five years is as hereunder provided;

Number of Projects Per Sectors FY2012/13-2017/18 (In Key Sectors)

Sector	Number of Projects					
	2017/18	2016/17	2015/16	2014/15	2013/14	Total
Primary Schools	3	16	17	13	7	56
Secondary Schools	2	0	6	5	6	19
Tertiary Institutions	0	0	0	1	0	1
Health	0	0	2	3	4	7
Water	0	0	2	4	5	11
Security	1	6	3	1	0	11
Roads	0	0	0	3	3	6
Total No Funded	33	44	53	45	61	281

Source: Kikuyu NGCDF Records (2018)

It is therefore notable that within the education sector, primary schools have realized the highest number of projects funded in the Constituency followed by secondary schools and finally Security and Water institutions. Overall, the ranking based on highest number projects funded over the period is has primary Schools as the leading sector followed by secondary Schools, security and finally Water Institutions.

The NG-CDF (Amendment) Act 2016 introduced a major shift in the scope of projects eligible to be funded. Under this Act only projects falling within the functions of the National Government as outlined in the Constitution of Kenya 2010 will be funded. This effectively means that the Fund has since been concentrating primarily on education, security, sports and environment sectors as well as other national government residual functions. During the FY 2017/2018, the Committee undertook to expedite the disbursement of funds to earmarked projects in accordance with the provisions of the NGCDF Act, 2015, as amended in 2016, and the requirements of the Annual Performance Contract. The disbursements saw the implementation of approved project activities across the Constituency. As at the close of the fiscal year 2017/2018 on 30th June 2018, the funds utilised was Kshs 60,911,824 out of Ksh.76,103,960 received which is 80%. This is an impressive performance realized by the Committee during the year on funds absorption based on funding received from the NGCDF Board. The remaining amount was not received from the National Board.

Achievements and Major Undertakings

During the year, the Committee disbursed a total of Kshs 18,229,400 as bursary to needy students in secondary, Special and tertiary institutions and this benefitted a total of 2,891 students. Major physical facilities funded are infrastructure such as classrooms, administration blocks, laboratories, dormitories, toilets, lockers and chairs, desks and equipping of laboratories and libraries. The continued funding towards the education sector in the Constituency has contributed to increased enrolment in primary, secondary and tertiary institutions whilst increasing retention and transition rates while equally reducing the burden of education for low income families. Another major project undertaken during the year is the Kikuyu NG-CDF Office starring new schools to increase capacity and transition.

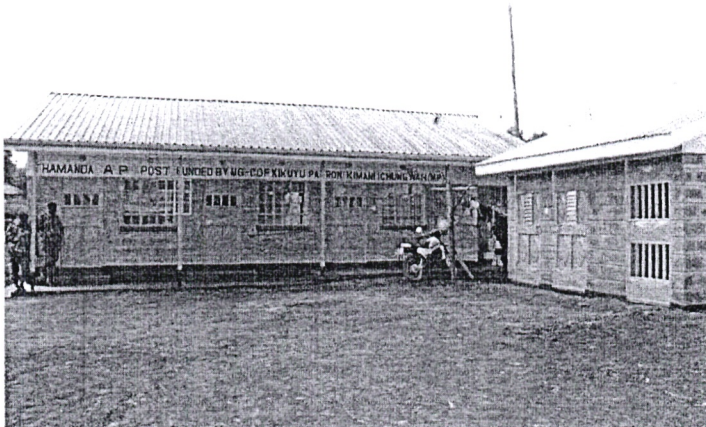
NO.	Project name	Image of the project	Impact of the project
		a)Education Projects	
1	Kanyia Primary School in Nachu Ward		Students at Kanyiha Primary School have good classrooms to do their learning

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KIKUYU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

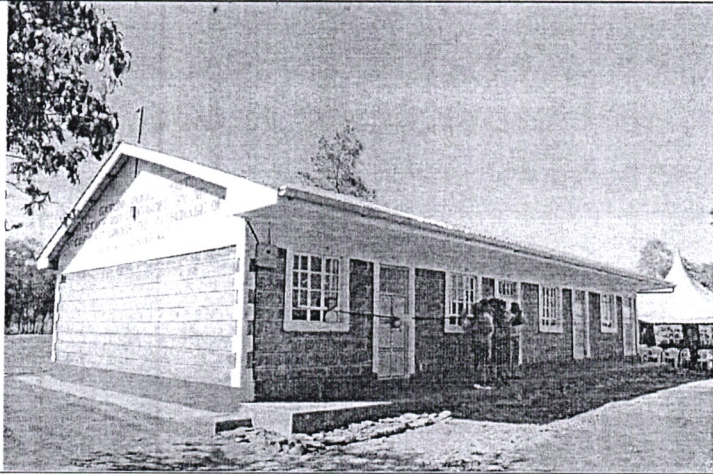
2	Nguriunditu Primary school in Sigona Ward		Pupils at Nguriunditu Primary school have good classrooms for their studies.
3	Mai-a-ihii Primary School in Karai Ward		Pupils at Mai-a-ihii will have good classrooms for their studies
Security Projects			
1.	Thamanda Police Post in Sigona Ward		The project will enable Police Officers to provide security in Sigona area to reduce crime rate which was worrying .

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KIKUYU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

1	Gatune Police Post in Nachu Ward		The Project will enable the police to provide security to reduce crime in the area.
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Budgetary Appropriations

During the financial year 2017/2018, the overall budget utilization stood at 80 percent based on the funds received. This was achieved due to expeditious disbursement of funds received to earmarked projects by the NGCDF Committee. During the period Kshs 43,405,172 was received against the total allocation of Kshs 98,189,655.16 which consists of Kshs 86,810,344.82 in normal funding and Kshs 11,379,310.34 in additional allocations.

Development Planning

The Constituency Development Funds continue to draw interest of beneficiaries and communities alike. This has seen the receipt of many proposals from communities spanning various sectors. To ensure focus and expedite Constituency development, the Committee is reviewing its strategic plan which is a formalized road map that spells out where the Constituency is going over the next five years in project identification, implementation and management taking cognizance of the global Sustainable Development Goals, Kenya Vision 2030 and related County Integrated Development Plans. The NGCDF Committee is convinced that the strategic plan shall help the Constituency in setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal and results.

Challenges

Despite the above impressive performance and plans, the Committee has noted various challenges in project implementation and management during the FY 2017/2018. These encompass, inadequate record keeping by project management committees, failure by some project management committees to comply with the public procurement procedures and regulations as well as delayed submission of the required returns for funds disbursed. Another notable challenge is the limited numbers of technical officers needed to provide the requisite technical advice in project implementation and management. To mitigate the above, the committee during the year 2017/2018 scaled up its capacity building programmes for NGCDF Committee, Project Management Committees and staff on various aspects of NGCDF projects management. These programmes contributed to minimizing the challenges and improving overall performance by Project Management Committees. The NG-CDFC plans to continue with the capacity building as well as monitoring and evaluation programmes during the FY 2018/2019.

I wish to sincerely thank the NGCDF Committee, NG-CDFC staff, Project Management Committees and other stakeholders for the cooperation and support that saw the achievement of the above milestones. Going forward, the Committee envisions even performing better and attaining better assessments in its performance targets for FY 2018/2019.

ISABEL WAIYAKI
CHAIRPERSON NG-CDF COMMITTEE

Section 81 (1) of the Public Finance Management Act, 2013 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-KIKUYU 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, 2018. 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.

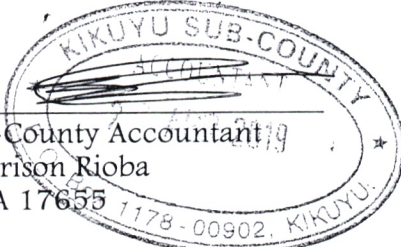
The Accounting Officer in charge of the NGCDF-KIKUYU Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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, 2018, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-KIKUYU 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-KIKUYU 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-KIKUYU Constituency financial statements were approved and signed by the Accounting Officer on 26 APR 2019.


Fund Account Manager
Elizabeth Kagira
TEL: 0721 519 908


Sub-County Accountant
Harrison Rioba
CPA 17655

REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIKUYU CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Kikuyu Constituency set out on pages 10 to 31, which comprise the statement of assets as at 30 June 2018, and the statement of receipts and payments, statement of cash flow 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 National Government Constituencies Development Fund – Kikuyu Constituency as at 30 June 2018, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Net Financial Position

The statement of assets as at 30 June 2018 reflects total financial assets of Kshs.15,216,976 and nil liabilities. However, contrary to the guidelines issued by the Public Sector Accounting Standards Board, the net financial position of Kshs.15,216,976 has instead been presented as net liabilities.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Kikuyu Constituency in accordance with ISSAI 30 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.

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund – Kikuyu Constituency for the year ended 30 June 2018

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. Except for the matters described in the Basis for Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections, I have determined that there are no key audit matters to communicate in my report.

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 Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections 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. Budgetary Control and Performance

During the financial year 2017/2018, Kikuyu NG-CDF had approved final budget of Kshs.130,884,443 including adjustments of Kshs.44,078,099 (previous year balances that were not transferred from NG-CDF Board Account to the Kikuyu NG-CDF Account). Available records indicate that the Kikuyu NG- CDF had an expenditure budget of Kshs.130,888,443 but the actual expenditure was Kshs.60,886,984 for the year under review, resulting in under expenditure of Kshs.70,001,459 or 53% of the total budget.

Failure to utilize approved budget allocations to implement approved programs impacted negatively on service delivery to the constituents.

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 Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my

report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal control, risk management and 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 controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, management is responsible for assessing the ability of National Government Constituencies Development Fund – Kikuyu Constituency to sustain services, disclosing and as applicable matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to cease operations, or have no realistic alternative but to do so.

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

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

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the entity 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 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 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.

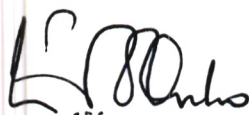
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 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 sustaining 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 National Government Constituencies Development Fund – Kikuyu Constituency 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.



FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

16 May 2019

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KIKUYU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

III. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017 - 2018 Kshs	2016 - 2017 Kshs
RECEIPTS			
Transfers from NGCDF board	1	71,503,447.10	103,747,688
Proceeds from Sale of Assets	2	00	00
Other Receipts	3	00	00
TOTAL RECEIPTS		71,503,447.10	103,747,688
PAYMENTS			
Compensation of employees	4	1,519,451.00	1,986,069
Use of goods and services	5	4,224,133.00	10,868,037
Transfers to Other Government Units	6	24,500,000.00	56,311,034
Other grants and transfers	7	30,643,400.00	38,180,756
Acquisition of Assets	8	00	00
Other Payments	9	00	00
TOTAL PAYMENTS		60,886,984.00	107,345,896
SURPLUS/ (DEFICIT)		<u>10,616,463.00</u>	<u>(3,598,209)</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KIKUYU Constituency financial statements were approved on _____ 2018 and signed by:

NG-CDF FUND ACCOUNT
MANAGER KIKUYU
26 APR 2019
Fund Account Manager
Elizabeth Kagira
TEL: 0721 519 908

KIKUYU SUB-COUNTY
ACCOUNTANT
26 APR 2019
Sub-County Accountant
Harrison Rioba
CPA 176558-00902 KIKUYU

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KIKUYU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

IV. STATEMENT OF ASSETS

	Note	2017 - 2018	2016 - 2017
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	15,216,976	4,600,513
Cash Balances (cash at hand)	10B	00	00
		15,216,976	4,600,513
Current Receivables			
Outstanding Imprests	11	00	00
TOTAL FINANCIAL ASSETS		<u>15,216,976</u>	<u>4,600,513</u>
REPRESENTED BY			
Current Payables			
Retention	12	00	00
Fund balance b/fwd 1st July...	13	4,600,513	8,198,723
Surplus/Defict for the year		10,616,463	(3,598,209)
Prior year adjustments	14	00	00
NET LIABILITIES		<u>15,216,976</u>	<u>4,600,513</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KIKUYU Constituency financial statements were approved on 28th June 2018 and signed by:

MANAGER KIKUYU

Fund Account Manager

Elizabeth Kagira

TEL: 0721 519 903

Sub-County Accountant

Harrison Rioba

CPA 17655

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KIKUYU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

V. STATEMENT OF CASHFLOW

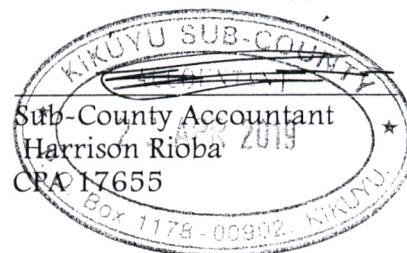
Receipts for operating income		2017 – 2018	2016 - 2017
Transfers from NGCDF Board	1	71,503,447.10	103,747,688
Other Receipts	3	00	00
		71,503,447.10	103,747,688
Payments for operating expenses			
Compensation of Employees	4	1,519,451.00	1,986,069
Use of goods and services	5	4,224,133.00	10,868,069
Transfers to Other Government Units	6	24,500,000.00	56,311,034
Other grants and transfers	7	30,643,400.00	38,180,756
Other Payments	9	00	00
		10,616,463.00	(3,598,209)
Adjusted for:			
Adjustments during the year	14	00	00
Net cash flow from operating activities		10,616,463.00	(3,598,209)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	00	00
Acquisition of Assets	9	(00)	(00)
Net cash flows from Investing Activities		00	00
NET INCREASE IN CASH AND CASH EQUIVALENT		10,616,463.00	(3,598,209)
Cash and cash equivalent at BEGINNING of the year	13	4,600,513.00	8,198,723
Cash and cash equivalent at END of the year		<u>15,216,976.00</u>	<u>4,600,513</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KIKUYU Constituency financial statements were approved on 2018 and signed by:

NG-CDF KIKUYU ACCOUNTANT
MANAGER KIKUYU

Fund Account Manager
Elizabeth Kagira

TEL : 0721 519 903



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KIKUYU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

VI. 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	86,810,344.00	44,078,099.00	130,888,443.00	76,103,960.00	54,784,483.00	58%
Proceeds from Sale of Assets	00.00	00.00	00.00	00.00	00.00	0%
Other Receipts	00.00	00.00	00.00	00.00	00.00	0%
TOTALS	86,810,344.00	44,078,099.00	130,888,443.00	76,103,960.00	54,784,483.00	58%
PAYMENTS						
Compensation of Employees	1,974,880.00	200,000.00	2,174,880.00	1,519,451.00	655,429.00	70%
Use of goods and services	5,802,568.00	610,345.00	6,412,912.00	4,224,133.00	2,188,780.00	66%
Transfers to Other Government Units	50,950,000.00	27,831,034.00	78,781,034.00	24,500,000.00	54,281,034.00	31%
Other grants and transfers	26,882,896.00	15,436,720.00	42,319,616.00	30,643,400.00	11,676,216.00	72%
Acquisition of Assets	00.00	00.00	00.00	00.00	00.000	0%
Other Payments	1,200,000.00	00.00	1,200,000.00	00.00	1,200,000.00	0%
TOTALS	86,810,344.00	44,078,099.00	130,888,443.00	60,886,984.00	70,001,459.00	47%

The NGCDF-KIKUYU Constituency financial statements were approved on 26 April 2019 and signed by:

Fund Account Manager
Elizabeth Kagira

Sub-County Accountant
Harrison Rioba
CPA 17655

VII. 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-KIKUYU 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.

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 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.

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

Reports and Financial Statements

For the year ended June 30, 2018

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Funds

Unutilized funds consist of bank balances in the constituency account and previous year(s) balances not yet disbursed by the Board to the constituency at the beginning of the financial year. These balances are available for use in the year under review to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(1) of NGCDF Act, 2015.

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

Reports and Financial Statements

For the year ended June 30, 2018

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 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) –
KIKUYU CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2018

VIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2017-2018	2016-2017
		Kshs	Kshs
NGCDF Board			
AIE NO A855814 2016/2017	1	28,098,275	52,799,411
AIE NO A855861 2017/2018	1	5,500,000	4,094,828
AIE NO A892920 2017/2018	2	37,905,172	36,853,449
			10,000,000
TOTAL		71,503,447	103,747,688

2. PROCEEDS FROM SALE OF ASSETS

	2017-2018	2016-2017
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	0.00	0.00
Receipts from sale of office and general equipment	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	0.00	0.00
Total	0.00	0.00

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

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2017- 2018	2016-2017
	Kshs	Kshs
Interest Received	0.00	0.00
Rents	0.00	0.00
Receipts from Sale of tender documents	0.00	0.00
Other Receipts Not Classified Elsewhere	0.00	0.00
Total	0.00	0.00

4. COMPENSATION OF EMPLOYEES

	2017-2018	2016-2017
	Kshs	Kshs
Basic wages of contractual employees	1,051,933	1,986,069
Basic wages of casual labour	124,000	000
Personal allowances paid as part of salary		
House allowance	000	000
Transport allowance	000	000
Leave allowance	000	000
Gratuity	343,518	000
Other personnel payments	000	000
Total	1,519,451	1,986,069

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

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2017-2018	2016-2017
	Kshs	Kshs
Committee Expenses	1,490,900.00	2,800,000
Utilities, supplies and services	259,625.00	7,468,755
Communication, supplies and services	283,500	00
Domestic travel and subsistence	757,700.00	00
Printing, advertising and information supplies & services	147,789.00	00
Rentals of produced assets	00	00
Training expenses	00	00
Hospitality supplies and services	767,936.00	00
Insurance costs	00	00
Specialized materials and services	00	00
Office and general supplies and services	00	00
Other operating expenses	516,683	599,282
Routine maintenance – vehicles and other transport equipment	00	00
Routine maintenance – other assets	00	00
Total	4,224,133.00	10,868,037

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

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017-2018 Kshs	2016-2017 Kshs
Transfers to National Government entities	00	00
Transfers to primary schools (see attached list)	24,000,000.00	48,311,034
Transfers to secondary schools (see attached list)	500,000.00	8,000,000
Transfers to tertiary institutions (see attached list)	00	00
Transfers to health institutions (see attached list)	00	00
TOTAL	24,500,000.00	56,311,034

7. OTHER GRANTS AND OTHER PAYMENTS

	2017-2018 Kshs	2016- 2017 Kshs
Bursary – secondary schools (see attached list)	10,255,500.00	16,007,000
Bursary – tertiary institutions (see attached list)	6,973,900.00	5,233,458
Bursary – special schools (see attached list)	1,000,000.00	500,000
Mock & CAT (see attached list)	00	00
Water projects(see attached list)		3,070,000
Security projects (see attached list)	10,500,000.00	7,000,000
Sports projects (see attached list)	00	2,311,810
Environment projects (see attached list)	93,000.00	2,558,488
Emergency projects (see attached list)	1,700,000.00	1,500,000
Committee Expenses	121,000.00	3,070,000
Total	30,643,400.00	38,180,756

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets

	2017-2018	2016-2017
	Kshs	Kshs
Purchase of Buildings	00	00
Construction of Buildings	00	00
Refurbishment of Buildings	00	00
Purchase of Vehicles and Other Transport Equipment	00	00
Overhaul of Vehicles and Other Transport Equipment	00	00
Purchase of Household Furniture and Institutional Equipment	00	00
Purchase of Office Furniture and General Equipment	00	00
Purchase of ICT Equipment, Software and Other ICT Assets	00	00
Purchase of Specialised Plant, Equipment and Machinery	00	00
Rehabilitation and Renovation of Plant, Machinery and Equip.	00	00
Acquisition of Land	00	00
Acquisition of Intangible Assets	00	00
Total	00	00

9. OTHER PAYMENTS

	2017-2018	2016-2017
	Kshs	Kshs
Strategic plan	00	00
ICT Hub	00	00
TIVET	00	00
	00	00

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

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2017-2018	2016-2017
	Kshs	Kshs
<i>Name of Bank, Account No. 0570262103404</i>	15,216,976.00	4,600,513.00
<i>Name of Bank, Account No.</i>	00	00
<i>Name of Bank, Account No.</i>	00	00
Total	15,216,976.00	4,600,513.00
10B: CASH IN HAND		
Location 1	00	00
Location 2	00	00
Location 3	00	00
Other Locations (<i>specify</i>)	00	00
Total	00	00
<i>[Provide cash count certificates for each]</i>		

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

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
Total				000

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

12 RETENTION

	2017 - 2018	2016-2017
	Kshs	Kshs
Supplier 1	00	00
Supplier 2	00	00
Supplier 3	00	00
Total	00	00

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2017-2018	2016-2017
	Kshs	Kshs
Bank accounts	4,600,513.00	8,198,723
Cash in hand	00	00
Imprest	00	00
Total	4,600,513.00	8,198,723

[Provide short appropriate explanations as necessary]

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

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

	2017- 2018 Kshs	2016-2017 Kshs
Bank accounts	00	00
Cash in hand	00	00
Imprest	00	00
Total	00	00

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2017- 2018 Kshs	2016-2017 Kshs
Construction of buildings	00	00
Construction of civil works	00	00
Supply of goods	00	00
Supply of services	00	00
	00	00

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	00	00
Middle management	00	00
Unionisable employees	00	00
Others (<i>specify</i>)	00	00
	00	00

15.3: UNUTILIZED FUNDS (See Annex 3)

	Kshs	Kshs
Compensation of employees	160,000.00	00
Use of goods and services	500,000.00	00
Amounts due to other Government entities (see attached list)	7,200,000.00	2,500,000
Amounts due to other grants and other transfers (see attached list)	7,356,976.00	2,100,513
Acquisition of assets	00	00
Others (<i>specify</i>)	00	00
	15,216,976.00	4,600,513

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

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For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	14,187,123	8,380,842
	14,187,123	8,380,842

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KIKUYU CONSTITUENCY
Reports and Financial Statements
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2018	Comments
	a	b	c	d=a-c		
Construction of buildings						
1.	0	0	0	0	0	
2.	0	0	0	0	0	
3.	0	0	0	0	0	
Sub-Total	00			00	00	
Construction of civil works						
4.	0	0	0	0	0	
5.	0	0	0	0	0	
6.	0	0	0	0	0	
Sub-Total	00			00	00	
Supply of goods						
7.	0	0	0	0	0	
8.	0	0	0	0	0	
9.	0	0	0	0	0	
Sub-Total	00			00	00	
Supply of services						
10.	0	0	0	0	0	
11.	0	0	0	0	0	
12.	0	0	0	0	0	
Sub-Total	00			00	00	
Grand Total	00			00	00	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KIKUYU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2018	Comments
		a	b	c	d=a-c		
Senior Management		0	0	0	0	0	
1.		0	0	0	0	0	
2.		0	0	0	0	0	
3.		0	0	0	0	0	
Sub-Total		00			00	00	
Middle Management							
4.		0	0	0	0	0	
5.		0	0	0	0	0	
6.		0	0	0	0	0	
Sub-Total		00			00	00	
Unionisable Employees							
7.		0	0	0	0	0	
8.		0	0	0	0	0	
9.		0	0	0	0	0	
Sub-Total		00			00	00	
Others (specify)							
10.		0	0	0	0	0	
11.		0	0	0	0	0	
12.		0	0	0	0	0	
Sub-Total		00			00	00	
Grand Total		00			00	00	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KIKUYU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees		160,000	00	
Use of goods & services		500,000	00	
Amounts due to other Government entities		7,200,000	00	
Sub-Total		7,860,000	0	
Amounts due to other grants and other transfers		7,356,976	0	
Sub-Total		7,356,976	0	
Sub-Total				
Acquisition of assets		0	0	
Others (<i>specify</i>)				
Sub-Total		0	0	
Grand Total		15,216,976	0	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land				
Buildings and structures	4,000,000.00	0	0	4,000,000.00
Transport equipment	0	0	0	0
Office equipment, furniture and fittings	680,730.00	0	0	680,730.00
ICT Equipment, Software and Other ICT Assets	1,200,700	0	0	1,200,700
Other Machinery and Equipment	0	0	0	0
Heritage and cultural assets	0	0	0	0
Intangible assets	0	0	0	0
Total	5,881,430	0	0	5,881,430

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ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Thamanda Police Post	KCB	1224081579	824,202	5,000,000
Nguriunditu primary School	KCB	1116138352	208,445	38,541
Nduguini primary School	KCB	1224082079	470,610	0.00
Wambaa Primary school	KCB	1136129014	105,711	99,813
Kanyiha Primary school	KCB	1111154716	1,999,749	79
Riu Nderi Primary school	Equity	0570260630647	855,713	5,428
Kerwa Police Post	Equity	0570270129113	769,081	89,449
Kinoo Police Post	Equity	0570293380430	7,003,958	3,003,958
Gathiru Primary school	Equity	0570298932865	1,876,002	1,603
Mai-a-ihii Primary school	Equity	0570270671553	48,922	91,778
Kikuyu Police Post	Jamii Bora	3061829409002	24,730	50,193
Total			14,187,123	8,380,842

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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)	Time frame: (Put a date when you expect the issue to be resolved)
CEN/H UB/KB U.C/KI KUYU CDF/2/10	Budget Underperformance	The underperformance was caused by delay in disbursement of funds from the national board	Elizabeth Kagira Fund Account Manager	Resolved	Done
CEN/H UB/KB U.C/KI KUYU CDF/2/10	Non Compliance with procurement procedures	The procurement minutes were provided to the auditors	Elizabeth Kagira Fund Account Manager	Resolved	Done
CEN/H UB/KB U.C/KI KUYU CDF/2/10	Unsupported Expenditure	The supporting documents were provided	Elizabeth Kagira Fund Account Manager	Resolved	Done
CEN/H UB/KB U.C/KI KUYU CDF/2/10	Misclassification of transactions	The transactions were correctly classified	Elizabeth Kagira Fund Account Manager	Resolved	Done
CEN/H UB/KB U.C/KI KUYU	Under funding of projects	The bank statements were provided to show disbursements ,delay was due to disbursement from the	Elizabeth Kagira Fund Account Manager	Resolved	Done

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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)	Time taken: (Put date when you expect the issue to be resolved)
CDF/2/10		National board			
CEN/HUB/KB U.C/KI KUYU CDF/2/10	Unapproved change of activity	The extra activities were done with the remaining amount from the complete project	Elizabeth Kagira Fund Account Manager	Resolved	Done
CEN/HUB/KB U.C/KI KUYU CDF/2/10	Irregular expenditure	The expenditure on sports and environment were clearly explained	Elizabeth Kagira Fund Account Manager	Resolved	Done
CEN/HUB/KB U.C/KI KUYU CDF/2/10	Unutilised funds	The balance at the end of the year was broken down into the votes	Elizabeth Kagira Fund Account Manager	Resolved	Done

