

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
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BY:

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Deputy leader of
Majority Party
Benson Inzofu

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THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
LUANDA CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2023



OFFICE OF THE AUDITOR GENERAL
RECEIVED



23 MAY 2024



P. O. BOX 1188, KISUMU

LUANDA CONSTITUENCY

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
REPORTS AND FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED

30th JUNE 2023

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

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I. Acronyms and Abbreviations

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC- Project Management Committee

FY-Financial Year

II. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2022. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, 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

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.

Functions of NG-CDF Committee

The Functions of the NG-CDF Committee is as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

The Luanda Constituency NGCDF day-to-day management is under the following key organs:

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National Government Constituencies Development Fund (NGCDF)

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

Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Philip Odida
2.	Sub-County Accountant	Agnes Kitembe
3.	Chairman NGCDFC	Hannington Olukaka
4.	Member NGCDFC	Rosemary Kwendo

(c) Fiduciary Oversight Arrangements

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

(d) Luanda Constituency NGCDF Headquarters

P.O. Box 536- 50307

CDF OFFICE Building,

Kima Majengo Road,

LUANDA, KENYA

(e) Luanda Constituency NGCDF Contacts

Telephone: (254) 719161875

E-mail: podida@ngcdf.go.ke

Website: www.luandangcdf.go.ke

(f) Luanda Constituency NGCDF Bankers

Equity Bank
Luanda-Branch
P.O.Box
Luanda

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

III. NG-CDFC Chairman's Report



The **LUANDA** National Government Constituencies Development Fund (NG-CDF) Committee is established pursuant to provisions of NG-CDF Act of 2015 and amended in 2022. The committee is in charge of National Government Constituencies Development Fund as established by the Act. The main purpose of the fund is to enhance infrastructural and socio-economic development at the grass root level in

order to reduce poverty.

The current Luanda Constituency NG-CDF Committee assumed office on 22/12/2023 and immediately embarked on **development of five year strategic development (2023-2027), preparation of FY 2022/2023 Budget proposals, processing bursaries education and training institutions and handling emergency issues.**

Lacking any previous experience in the management of Fund, and without any formal induction/orientation sessions, executing the above assignment was an uphill task. A five day training conducted by NG-CDF Board in Eldoret from 24/4/2023 was an eye opener regarding the operation of NG-CDF.

The core mandate of Luanda National Government Development Fund Committee is implementation of budget that have been approved by NG-CDF Board within a specified period of time to enable Luanda Constituency residents access improved infrastructure facilities in Education project Bursaries for public institutions as well as special school , security and Environment project.

To ensure efficient implementation of the project relevant sub-committee namely: Sub -Bursary committee, Monitoring and Evaluation Committee, Environment committee and Oversight committee have been put in place. This sub-committee plays a vital role of providing information regarding the ongoing project that enables the NG-CDF committee come up with informal decisions.

The demand for Education Bursaries in secondary school, Tertiary and University is overwhelming. By June 2023 a total of ksh.38419332/= had been disbursed yet more needy bursary request area being received. Fifty two(52) bright extremely needy students who did their class 8 public examination (KCPE) and scored 350 marks and above in 2022 were awarded full bursary for the

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entire secondary school circle .The selection criteria covered the five wards in the constituency .Most of the students received form1 invitations from National and Extra –county school.

The incoming NG-CDF Committee took over the following ongoing project from the out-going committee:

- 1) Esibeye Girls secondary school ksh.3000000/= (the construction of dining hall.)
- 2) Mumboha secondary school. Ksh.1000000/= (construction of storey building.)
- 3) Esiandumba secondary school .ksh.5000000/=(construction of twin laboratory.)
- 4) Kshs. 300000/= (purchase of motorbike for the work officer.)
- 5) Mumboha primary school.ksh.3000000/= (construction of 3 classrooms.)
- 6) Ebusakami Girls High school. Kshs.2000000/- (completion of dormitory.)
- 7) Ebubayi chief office .ksh.500000/= (completion of chief's office.)

Funds for Esiandumba secondary school, Ebusakami secondary school and Ebubayi chief's office have been transferred to the respective project Management Committee Bank Accounts.

NG-CDF Board is in the process of approving project proposals from Luanda Constituency NG-CDF committee for FY 2022/2023 in conformity with the 2023 /2027 strategic plan. The following project has been awarded to contractors in conformity with Pubic Procurement Act

1. Construction of 6 No. classroom, storied building at Esiembero primary school.
2. Construction of 6No. Classroom storied at irumbi secondary school.
3. Construction of 2No. Classroom at Emmatsi primary school.
4. Renovation of 4 No., classroom at Ebulonga primary school.

The strategic plan has captured the aspirations of resident of Luanda Constituency in matters of development. In order to ensure efficient and timely implementation of this project, transparency professionalism and teamwork are some of the value being emphasized to those involved.

A strong and cordial working relationship is being developed between Luanda NG-CDF Committee and the stake holders under the patronage of the Luanda constituency Member of Parliament, Hon Dick Maungu.



Rev. Hannington Olukaka

CHAIRMAN NG-CDF COMMITTEE

IV. Statement Of Performance Against Predetermined Objectives for FY2022/23

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of *Luanda Constituency 2018-2023* plan are to:

STRATEGIC ISSUE 1. Quality education and training:

Strategic objectives 1: To improve academic performance in national exams for primary and secondary school.

Strategies

- a) Construction of science laboratories.
- b) Coordination and harmonization of bursaries to needy bright students.
- C) Construction of additional classroom.
- d) Refurbishment of dilapidated classroom.
- e) Construction of libraries.
- F) Provision of safe cleaning water and electricity to all school.
- g) Construction of sanitation facilities.
- h) Improve / grade all access roads to schools.

STRATEGIC OBJECTIVE 2: To increase technical skills for improved youth employment.

Strategies

- a) Construction Technical Training Institution (TTI).
- b) Coordination and harmonization of bursaries to the needy youth pursuing college studies
- c) Construction of medical training college
- d) Provision of safe cleaning water and electricity to all colleges.
- e) Improve / grade all access to roads to collages.

STRATEGIC ISSUE II: Improved insecurity.

Strategic objective 1: To improve access to security services

Strategies

- a) Acquire land construct offices for chiefs.
- b) Refurbish dilapidated offices for chiefs
- c) Provide electricity to chief's offices.
- d) Construct police stations.
- f) Improve community outreach through provision of motorcycles to chiefs.

Strategic objectives 2: To improve citizen's engagement with security agents.

Strategies

- a) Strengthen community policing structure.
- b) Create security forum involving police and wananchi.
- c) Establish crime reporting free hotline.

STRATEGIC ISSUE III: Sports.

Strategic objectives: To nurture youth talents through sports.

Strategies

- a) Support active youth clubs with sports equipment
- b) Promote annual youth tournament
- c) Improve sports playgrounds.

STRATEGIC ISSUE IV: Environment conservation

Strategic objectives: To increase forest cover and minimize land degradation

Strategies

- a) Support youth and women group tree nursery enterprise
- b) Promote annual tree planting in public school and other institutions

- c) Organise quarterly cleaning of markets
- d) Provides litter bins to enhance waste management in local market.

STRATEGICS ISSUE V: Streamline monitoring and evaluation.

Strategic objectives: To increase accountability by project management committees.

Strategies

- a) Establish stakeholder's projects monitoring committee.
- b) Design monitoring and evaluation frame work.
- c) Institute bi- annual community progress planning and review meetings.
- d) Strengthen staff capacity on data base management.

Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's	In FY 22/23 -we increased number of primary classrooms to 32 from 24 and secondary school to 18 from 12. The constituency constructed 6 dormitories

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			beneficiaries at all levels	during the year from 4. A total of 8000 students benefited from bursary. 5,350 students in secondary level and 2,650 in tertiary level
Security	To have modern police station and post at the constituency	Access quality police services and reduce crime rate	Number of crime reported	Luanda NG CDF purchase 1 acre piece of land for construction of chiefs camp
Environment	Have clean and healthy environment	Access to good sanitation facilities	No of sanitary facilities constructed	During financial year under review, Luanda NG CDF constructed 4 door pit latrine in 1 schools
Sports	Tapping youths and women talents	Increased number talents for both youths and women	Number of tournament held during the year	Held sports tournament during the month of September through to December
Emergency	To cater for unforeseen occurrences in the constituency	Preparedness and ready for any unforeseen events and occurrences	No of unbudgeted projects in the constituency	Luanda NG CDF allocated a total of Kshs 7,192,207 To cater for unforeseen events

V. Statement of Governance

Process of appointment of NG-CDF Member

1. Members of the Constituency committee are selected under section 43(2) (b), (c) and (d) of the Act.
2. The constituency committee members are selected by a constituency selection panel established under paragraph (4) in the event of vacancy.
3. A vacancy occurs in the constituency upon the
 - ❖ Commencement of a new parliamentary term
 - ❖ Dissolution of the committee
 - ❖ Removal of a member
 - ❖ Or occurrence of a vacancy
4. The selection panel reviews applications and selects 5 applicants based on various factors, including age, gender, special interest group and regional balance.
5. The officer seconded to the constituency submits selected candidates' names and the selection panel's report to the board.
6. The board co-opts a person to ensure equitable representation in the committee's membership.
7. The board requests the National assembly's clerk to nominate 2 individuals of either gender for the committee.
8. The board submits the names of 7 selected persons to the national assembly for approval, in accordance with the Act provisions.
9. After approval, the board appoints Constituency Committee members within 14 days through gazettes notice.

Qualifications of an NG-CDF Member

1. Is a citizen of Kenya
2. Ordinarily a resident and a voter within the constituency
3. Able to read and write and communicate in English and Kiswahili
4. Meets the requirement of chapter 6 of the constitution
5. Available to participate in the activities of constituency committee
6. Persons who served in constituency committee constituted under fund manager or served in leadership position in the community will have an added advantage.

NG-CDF Committees, Composition and roles

Section 43 of the NG-CDF Act establishes the NG-CDF Committee (NG- CDFC) for every constituency, composed of: -

- the National Government official responsible for co-ordination of national government functions;
- Two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment.
- Two women nominated in accordance with subsection (3). one of whom shall be a youth at the date of appointment:
- One person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3)

- Two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act
- The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.
- One member co-opted by the Board in accordance with Regulations made by the Board

NB: The “youth” as per Section 2 of the Act means a person who has attained the age of 18 years but has not attained the age of thirty-five years.

Roles of the NG-CDF Committee

1. Capacity build Project Management Committees and sensitize the Community on the operations of the Fund
2. Consider all project proposals from all wards in the constituency and any other projects which the Committee considers beneficial to the constituency
3. Ensure that all projects proposed and approved for funding meets the requirements of Section 24 of the Act. p
4. Ensure Project proposals submitted to the Board include detailed budget proposal, procurement and work plans
5. Consult with relevant government departments to ensure that cost estimates for the projects are realistic
6. Monitor the implementation of projects as per the Monitoring and Evaluation framework prescribed by the Board
7. Receive and address complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level
8. Ensure labelling of projects as per guidelines issued by the Board
9. Recruit staff as per Section 45 of the Act.

Meetings:

The committee is required to convene a minimum of six meetings and a maximum of twenty-four, including sub-committee meetings.

Member Removal:

Grounds for removing a committee member include:

- i. lack of integrity
- ii. gross misconduct
- iii. embezzlement of public funds
- iv. bringing disrepute to the committee through unethical practices or unbecoming personal conduct
- v. Causing disharmony within the committee, or physical or mental infirmity.

Policy on Conflict of Interest

Luanda NG- CDF is dedicated to upholding the highest standards of integrity and accountability in all its operations. To this end, we maintain a robust conflict of interest policy that obliges all NG- CDFC members, employees and stakeholders to declare any potential conflicts of interest promptly. We emphasize that the fundamental principle of this policy is to avoid conflict of interest all together, thus ensuring that decisions and actions are made solely in the best interest of our community and

without any personal gain. We are proud to report that, to date, no conflict of interest has been identified, affirming our commitment to transparency and ethical conduct in the pursuit of our development goals.

VI. Environmental and Sustainability Reporting

Luanda NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

To ensure sustainability of Luanda NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Luanda NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated

part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 22/23 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

- *Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar*
- *Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*

3. Employee welfare

We invest in providing the best working environment for our employees. Luanda constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Luanda constituency invests in capacity building programs for employees.

These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

Luanda NGCDF Constituency is committed to fair and ethical market practises.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers which is enhanced through organized sensitization forums that relate to the procurement legal framework and ethical subject matters. We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption
- b) Good business practice including cordial Supply chain and supplier relations by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interest

5. Community Engagements-

Luanda NGCDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and

the constituency strategic development plan. The identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

The NG CDFC during bursary programme engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meetings.

Luanda NG-CDF has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.



Name: Philip Odida

Fund Account Manager.

VII. Statement Of 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-Luanda 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, 2023. 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-Luanda 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 *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-Luanda Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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The Accounting Officer in charge of the NGCDF Luanda Constituency confirms that the *constituency* 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 *constituency'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- Luanda Constituency financial statements were approved and signed by the Accounting Officer on 30th June, 2023.



Name: Hannington Olukaka
Chairman – NGCDF Committee



Name: Philip Odida
Fund Account Manager

REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - LUANDA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Luanda Constituency set out on pages 1 to 44, which

comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation 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 matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Luanda Constituency as at 30 June, 2023, 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 (Amended 2022).

Basis for Qualified Opinion

1. Unsupported Committee Expenses

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects an amount of Kshs.1,984,947 in respect of committee expenses. The amount includes Kshs.470,746 paid for sitting allowance and other committee expenses. However, the expenditure was not supported with notices for meetings, attendance registers and signed payment schedules.

In the circumstances, the accuracy and completeness of committee expenses amounting to Kshs.1,984,947 could not be confirmed.

2. Unsupported Other Grants and Transfers

The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflects other grants and transfers amount of Kshs.60,211,797 which includes amounts of Kshs.600,000 and Kshs.500,000 in respect of emergency and security projects respectively. The amount of Kshs.600,000 was transferred to Esirabe Primary School emergency project on 07 December, 2022 for construction of pit latrines. However, Project Management Committee minutes, expenditure returns and bank statements were not provided for audit. Further, physical inspection carried out in the month of March, 2024, revealed that the three (3) door pit latrine was not labeled and no renovations had been made.

Further, an amount of Kshs.500,000 was transferred to Ebubay Chief's Office Project Management Committee for renovation of the Chiefs Office. However, no renovations had been done and the bank statements for the PMC account were not provided for audit.

In the circumstances, the accuracy and completeness of other grants and transfers amount of Kshs.1,100,000 could not be confirmed.

3. Unsupported Bursary Disbursements

The statement of receipts and payments reflects other grants and transfers amount of Kshs.60,211,797 and as disclosed in Note 8 to the financial statements which includes bursary payments amounting to Kshs.49,303,797 and Kshs.9,708,000 disbursed to secondary schools and tertiary institutions respectively. However, no acknowledgement letters from the beneficiary institutions were provided for audit.

In the circumstances, the accuracy and completeness of bursary disbursements totalling Kshs.59,011,797 could not be confirmed.

4. Unsupported Project Management Committee Balances

Note 18.4 and Annex 5 to the financial statements reflects Project Management Committee (PMC) bank balance totalling Kshs.1,388. However, cash books, bank reconciliation statements and certificates of bank balances for the individual PMC accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs.1,388 could not be confirmed.

5. Unsupported Training Expenditure

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects an amount of Kshs.754,850 in respect of training expenses. However, there was no training needs assessment report provided in support of the training undertaken by the officers of the Fund.

In the circumstances, the completeness of the training expenditure of Kshs.754,850 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Luanda Constituency Management in accordance with ISSAI 130 on the 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.

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.194,417,571 and Kshs.95,829,969 respectively resulting to an under-funding of Kshs.98,587,602 or 51% of the budget. However, the Fund spent a balance of Kshs.84,651,219 against actual receipts of Kshs.95,829,969 resulting to an under-utilization of Kshs.11,178,750 or 12% of the actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, 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

Unresolved Prior Year Matters

The audit report for the previous year highlighted several issues on Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management has not resolved the issues or given explanation for failure to implement the recommendations.

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. Stalled Construction of Administration Offices

As previously reported, Mumboha Secondary School project had stalled and physical inspection carried out in the month of March, 2024 revealed that the contractor was not on site. The contract agreement was entered on 4 February, 2019 at a contract sum of Kshs.54,748,224 for construction of administration offices, four (4) laboratories and sixteen (16) classrooms.

However, audit of the project revealed the following anomalies;

- i) The Bill of Quantities submitted by the contractor of Kshs.54,748,224 had a general summary with no breakdown to measure the works done.
- ii) The project had been implemented by the Constituency Committee and not Project Management Committee. This was contrary to Section 36(1) of the National Government Constituencies Development Fund Act, 2015 (Amended 2022) which

states that Projects under the Act shall be implemented by the Project Management Committee.

- iii) The project implementation status report provided for audit lacked information on total expenditure incurred for the project making it difficult to confirm the works done.
- iv) Physical inspection carried out in the month of March, 2024 revealed that the project was not complete with outstanding works being painting, fixing of rails, windows and electrical installation.

In the circumstances, value for money was not obtained from the stalled project.

2. Lack of Inspection and Acceptance Committee Reports

During the year under review, the Fund purchased various office stationery items amounting to Kshs.1,101,180. However, there was no Inspection and Acceptance Committee report confirming whether receipts were in good order and condition. This was contrary to Section 48(1) of the Public Procurement and Disposal Act, 2015 that requires an Accounting Officer of a procuring entity to establish an ad hoc committee known as the Inspection and Acceptance Committee for purposes of inspecting, testing and receiving of goods and services.

In the circumstances, Management was in breach of the law.

3. Incomplete Construction of Ablution Block Project

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects an amount of Kshs.15,050,907 relating to transfer to other Government units. Included is an expenditure totalling Kshs.4,500,000 paid to a construction company for construction and completion of an ablution block at Mumboha Secondary School. However, physical inspection carried out in the month of March 2024 revealed poor workmanship as reflected by cracks on the walls and incomplete floor tiles in the toilets. In addition, the project was managed directly by the Constituency Committee and not the Project Management Committee at the school. This was contrary to Section 36(1) of the National Government Constituencies Development Fund Act, 2015 (Amended 2022) which states that Projects under the Act shall be implemented by the Project Management Committee.

In the circumstances, Management was in breach of the law.

4. Irregular Extension of Contract for the Construction of Laboratories

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects an amount of Kshs.15,050,907 relating to transfer to other Government units. Included is an amount of Kshs.5,000,000 paid to a company for construction of a laboratory at Esiandumba Secondary School. In March, 2021, a contract was entered with a new company for the proposed completion of the laboratory. However, Management did not provide reasons for change of the contractor and there was no letter of termination of the contractor previously on site.

On 2 June, 2021, a letter of variation order was issued by Regional Works Officer from Vihiga County. This variation order was made in less than three (3) months after signing of the contract agreement contrary to Section 139 (4) of the Public Procurement and Asset Disposal Act, 2015 which states that any variation of a contract shall only be considered after twelve months from the date of signing the contract. Further, the amount of variation was not clearly stated as it was not indicated in the variation letter.

In the circumstances, Management was in breach of the law.

5. Delay in Construction of Four (4) Storey Dormitory Block at Ebusakami Secondary School

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects an amount of Kshs.15,050,907 relating to transfer to other Government units. Included in the amount is expenditure totalling Kshs.2,000,000 paid for the construction of four (4) storey dormitory block at Ebusakami Secondary School.

The project was indicated to have been started in the year 2016/2017 and is a partnership project between the Fund and Parent Teachers Association (PTA). Later, on April, 2023, a second set of Bill of Quantities was prepared by the County Quantity Surveyor of State Department for Public Works, after which a contract between the Fund Manager and a Company was entered on 1 June, 2023 at a contract sum of Kshs.6,742,040 for completion of outstanding works on the dormitory block (Phase II).

In the circumstances, the value for money for the expenditure of Kshs.2,000,000 could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 controls, risk management and governance.

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

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the 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 noncompliance. 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 Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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 Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

26 June, 2024

Luanda Constituency

National Government Constituencies Development Fund (NGCDF)

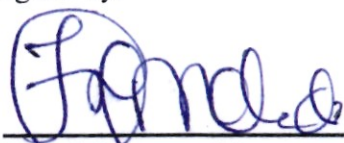
Annual Report and Financial Statements for The Year Ended June 30, 2023

IX. Statement of Receipts and Payments for the Year Ended 30th June 2023

	Note	2022-2023	2021-2022
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	76,846,599	148,531,159
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		76,846,599	148,531,159
PAYMENTS			
Compensation of employees	4	1,845,306	3,758,402
Committee expenses	5	1,984,947	2,781,000
Use of goods and services	6	4,719,019	5,500,828
Transfers to Other Government Units	7	15,050,907	89,226,844
Other grants and transfers	8	60,211,797	60,533,774
Acquisition of Assets	9	-	-
Oversight committee expense	10	578,093	
Other Payments	11	261,150	-
TOTAL PAYMENTS		84,651,219	161,800,848
SURPLUS/DEFICIT		(7,804,620)	(13,269,689)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by the NGCDFC on 30/6/2023 and signed by:



Fund Account Manager



**National Sub-County
Accountant**



**Chairman NG-CDF
Committee**

Name: Philip Odida

Name: Agnes Kisembe
ICPAK M/No: 8815

Name: Hannington Olukaka

Statement Of Assets and Liabilities As At 30th June, 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	11A	11,178,751	18,983,370
Cash Balances (cash at hand)	11B	-	-
Total Cash and Cash Equivalents		11,178,751	18,983,370
Accounts Receivable			
Outstanding Imprests	12	-	-
TOTAL FINANCIAL ASSETS		11,178,751	18,983,370
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	13A	-	-
Gratuity	13B	-	-
NET FINANCIAL SSETS		11,178,751	18,983,370
REPRESENTED BY			
Fund balance b/fwd 1st July 2023	14	18,983,370	32,253,059
Prior year adjustments	15	-	-
Surplus/Deficit for the year		(7,804,620)	(13,269,689)
NET FINANCIAL POSITION		11,178,751	18,983,370

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 30/06 2023 and signed by


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name: Philip Odida

Name: Agnes Kitembe

Name: Hannington Olukaka

Luanda Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

ICPAK M/No:

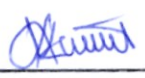
Statement of Cash Flows for The Year Ended 30th June 2023

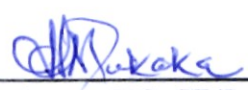
		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	76,846,599	148,531,159
Other Receipts	3	-	-
		76,846,599	148,531,159
Payments for operating activities			
Compensation of Employees	4	1,845,306	3,758,402
Committee expenses	5	1,984,947	2,781,000
Use of goods and services	6	4,719,019	5,500,828
Transfers to Other Government Units	7	15,050,907	89,226,844
Other grants and transfers	8	60,211,797	60,533,774
Oversight committee expenses	10	578,093	-
Other Payments	11	261,150	-
		84,651,219	161,800,848
Adjusted for:			
Decrease/(Increase) in Accounts receivable	16	-	-
Increase/(Decrease) in Accounts Payable	17	-	-
Prior year Adjustments	15	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(7,804,620)	(13,269,689)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(7,804,620)	(13,269,689)
Cash and cash equivalent at BEGINNING of the year	11	18,983,370	32,253,059
Cash and cash equivalent at END of the year		11,178,751	18,983,370

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 30/06 2023 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Luanda Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2023

Name: Philip Odida

Name: Agnes Kitembe

Name: Hannington Olukaka

ICPAK M/No:

***Luanda Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023***

X. Summary Statement of Appropriation for The Year Ended 30th June 2023

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
		a	b				
	2022/2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	c=a+b 2022/2023	d 2022/2023	e=c-d	f=d/c %
Receipts							
Transfers From NGCDF Board	Kshs 145,087,603	Kshs 18,983,370	Kshs 30,346,598	Kshs 194,417,571	Kshs 95,829,969	Kshs 98,587,602	49.3%
Proceeds From Sale of Assets				-	-	-	0.0%
Other Receipts				-	-	-	0.0%
Totals	145,087,603	18,983,370	30,346,598	194,417,571	95,829,969	98,587,602	49.3%
Payments							
Compensation Of Employees	3,923,816	872,734	-	4,796,550	1,845,306	2,951,244	38.5%
Committee Expenses	3,707,962	74,780		3,782,742	1,984,947	1,797,795	52.5%
Use Of Goods and Services	3,666,440	724,731	30,250	4,421,421	4,719,019	(297,598)	106.7%
Transfers To Other Government Units	48,900,000	12,066,599	9,080,831	70,047,430	15,050,907	54,996,523	21.5%
Other Grants and Transfers	79,106,885	4,944,526	21,235,517	105,286,928	60,211,797	45,075,131	57.2%
Acquisition Of Assets	2,332,500	300,000	-	2,632,500	-	2,632,500	0.0%

Luanda Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2022/2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022/2023	2022/2023		
Receipts							
Oversight committee expenses	1,450,000	-		1,450,000	578,093	871,907	39.9%
Other Payments	2,000,000	-	-	2,000,000	261,150	1,738,850	13.1%
Funds Pending Approval**							
Totals	145,087,603	18,983,370	30,346,598	194,417,571	84,651,219	109,766,353	43.5%

Explanatory Notes.

(a) The underutilization was as a result of late disbursement of funds to the Constituency.

(b) The adjustment column is the opening balance of Ksh. 18,483,370 as at 1st July, 2022 plus amount owing to the constituency as at 30th June 2022 of Ksh. 30,346,598 during the year under review.

The utilization difference of Ksh. 109,766,353 is the closing cashbook balance of Ksh. 11,178,750 as at 30th June, 2023 plus the amount owing to the Constituency as at 30th June, 2023 of Ksh. 98,587,602

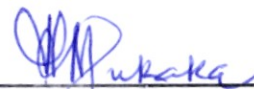
Luanda Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	109,766,353
Less undisbursed funds receivable from the Board as at 30 th June 2023	98,587,602
	11,178,750
Increase/(decrease) Accounts payable	-
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the 30 th June 2023	11,178,750

The Constituency financial statements were approved by NG CDFC on 30/6 2023 and signed by:


 Fund Account Manager


 National Sub-County Accountant


 Chairman NG-CDF Committee

Name: Philip Odida

Name: Agnes Kisembe

Name: Hannington Olukaka

ICPAK M/No:

Luanda Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

XI. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	45,107	
	Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,923,816	872,734		4,796,550	1,845,306	2,951,244
1.2 Committee allowances	1,490,000			1,490,000	1,502,386	(12,386)
1.3 Use of goods and services	2,371,440	1,454,019		3,825,459	1,508,340	2,317,119
Total	7,785,256	2,326,753	-	10,112,009	4,856,032	5,255,977
2.0 Monitoring and evaluation						-
2.1 Capacity building	1,237,962			1,237,962	754,850	483,112
2.2 Committee allowances	980,000			980,000	482,561	497,439
2.3 Use of goods and services	1,295,000	1,000,000		2,295,000	2,455,829	(160,829)
Total	3,512,962	1,000,000	-	4,512,962	3,693,240	819,722

Luanda Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

Oversight Committee expenses	1,450,000	-	-	1,450,000	578,093	658,893
Total	1,450,000	-	-	1,450,000	578,093	658,893
3.0 Emergency						
3.1 Primary Schools	7,636,190	209,306		7,845,496	600,000	7,245,496
3.2 Secondary schools				-		-
3.3 Tertiary institutions				-		-
3.4 Security projects			-	-		-
3.5 Unutilised				-		-
Total	7,636,190	209,306		7,845,496	600,000	7,245,496
4.0 Bursary and Social Security						
4.1 Secondary Schools	36,000,000	5,000,000		41,000,000	49,303,797	(8,303,797)
4.2 Tertiary Institutions	10,068,943	3,000,000		13,068,943	9,708,000	3,360,943
4.3 Social Security	4,200,000			4,200,000	-	4,200,000
4.4 Special Needs	500,000			500,000	-	500,000
Total	50,768,943	8,000,000	-	58,768,943	59,011,797	(242,854)

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5.0 Sports								
sports activity	2,901,752				2,901,752	-		-
Total	2,901,752		-		2,901,752		-	2,901,752
6.0 Environment								
ebuhando primary school	80,000				80,000			80,000
ekamanji primary school	80,000				80,000			80,000
ebbiba primary school	80,000				80,000			80,000
khumuseno primary school	80,000				80,000			80,000
emmati primary school	-		103,497		103,497		100,000	3,497
mulwaki primary school	80,000				80,000			80,000
ebwali primary school	200,000				200,000			200,000
ebwiranyi primary school	200,000				200,000			200,000
ebubayi secondary school	200,000				200,000			200,000
kayila secondary school	200,000				200,000			200,000
epang'a primary school	200,000				200,000			200,000
emusenjeli primary school	500,000				500,000			500,000

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ebusubi primary school	500,000				500,000		500,000
ibubi girls secondary school	500,000				500,000		500,000
Total	2,900,000	103,497	-	3,003,497	100,000	2,903,497	
7.0 Primary Schools Projects							
esiembere primary school	7,500,000				7,500,000		7,500,000
essong'olo primary school	2,000,000				2,000,000		2,000,000
emmatsi primary school	2,000,000				2,000,000		2,000,000
esiandumba primary	3,000,000				3,000,000		3,000,000
esiemarwi primary school	2,000,000				2,000,000		2,000,000
esirabe primary school	2,000,000				2,000,000		2,000,000
mulwanda primary school	500,000				500,000		500,000
wemilabi primary school	800,000				800,000		800,000
esibembe primary school	1,200,000				1,200,000		1,200,000
ekamanji primary school	2,000,000				2,000,000		2,000,000
Irumbi primary school			520,000		520,000	520,000	-
							-

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Total	23,000,000	-	520,000	23,520,000	520,000	23,000,000
8.0 Secondary Schools Projects						-
ibubi girls secondary school	500,000			500,000		500,000
ebusiralo secondary school	1,800,000			1,800,000		1,800,000
ibubi girls secondary school	3,000,000			3,000,000		3,000,000
hobunaka girls	4,000,000	-	-	4,000,000	-	4,000,000
mumboha secondary school	5,000,000	1,497,334	97,334	6,594,668		6,594,668
esibembe secondary school	1,500,000			1,500,000		1,500,000
esiandumba secondary school	2,600,000	-	5,000,000	7,600,000		7,600,000
irumbi secondary school	7,500,000			7,500,000		7,500,000
Ebusakami Girls Secondary School		1,400,000	600,000	2,000,000	2,000,000	-
Esiandumba Secondary School		-	5,000,000	5,000,000	5,000,000	-
IRUMBI SECONDARY SCHOOL		2,800,000	-	2,800,000	2,800,000	-
EKWANDA SECONDARY SCHOOL		300,000		300,000	300,000	-
mumboha secondary school		-	4,430,907	4,430,907	4,430,907	-
				-		-

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Total	25,900,000	5,997,334	15,128,241	47,025,575	14,530,907	32,494,668
9.0 Tertiary institutions Projects				-		-
	-					-
Total	-		-	-	-	-
10.0 Security Projects				-		-
luanda police post	400,000			400,000		400,000
emusnji chief office	2,000,000			2,000,000		2,000,000
ekwanda police station	7,000,000			7,000,000		7,000,000
luanda DCC office	500,000			500,000		500,000
ekwanda chief office	2,000,000			2,000,000		2,000,000
ebusudi assistant chiefs office	2,000,000			2,000,000		2,000,000
mwilala village	1,000,000			1,000,000		1,000,000
Ebubayi chiefs office		500,000		500,000	500,000	-
Total	14,900,000	500,000	-	15,400,000	500,000	14,900,000
11.0 Acquisition of assets				-		-
luanda NG-CDF office	940,462	846,480	-	1,786,942	-	1,786,942

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luanda NG-CDF office	1,392,038		-	1,392,038	-	1,392,038
	-		-	-		
Total	2,332,500	846,480	-	3,178,980	-	3,178,980
12.0 Other payments						
				-		-
strategic Plan	2,000,000			2,000,000	261,150	1,738,850
				-		-
				-		
Total	2,000,000		-	2,000,000	261,150	1,738,850
13.0 unallocated fund						
Unapproved projects				-		-
AIA	-			-		-
PMC savings				-		-
Total						
	145,087,603	18,983,370	30,346,598	194,417,571	84,651,219	109,766,353

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

XII. 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 (gratuity 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-Luanda 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.

Significant Accounting Policies continued

Transfers from the National Government Constituency Development Fund (NG-CDF)

Transfers from the NG-CDF to the constituency are recognized when cash is received in the Constituency account.

Proceeds from Sale of Assets

Proceeds from disposal of assets are recognized as and when cash is received in the constituency account.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from sale of tender documents, rent receipts, interest earned on bank balances, hire of Plant/Equipment/Facilities, Unutilized funds from PMCs among others.

Unutilized Funds from PMCs.

All unutilized funds of the Project Management Committee (PMC) are returned to the constituency account. Unutilized funds from PMCs are recognised as other receipts upon return to the constituency account.

External Assistance

External assistance refers to grants and loans received from local, multilateral and bilateral development partners. In the year under review there was no external assistance 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.

Significant Accounting Policies continued

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 constituency 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 constituency 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 constituency 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.

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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 various commercial banks at the end of the financial year.

Significant Accounting Policies continued

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 (gratuity 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. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

Significant Accounting Policies continued

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 are 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 financial 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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is 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 30th June 2023 for the period 1st July 2022 to 30th June 2023 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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.

Significant Accounting Policies Continued

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 2023.

14. Errors

Material prior period errors are 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

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa.

Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022/2023	2021/2022
NGCDF Board	Kshs	Kshs
AIE NO. B 105847		34,000,000
AIE NO. B 128595		15,000,000
AIE NO. B 105699		34,000,000
AIE NO. B 128907		26,000,000
AIE NO. B 154105		8,242,280
AIE NO. A 888979		1,500,000
AIE NO. B 140984		29,788,879
AIE NO. B185299	7,000,000	
AIE NO. B185686	21,000,000	
AIE NO. B202006	5,000,000	
AIE NO. B206452	12,000,000	
AIE NO. B205962	12,000,000	
AIE NO. A888905	19,846,599	
TOTAL	76,846,599	148,531,159

2. Proceeds From Sale of Assets

	2022/2023	2021/2022
	Kshs	Kshs
Receipts from sale of Buildings	0.00	0.00
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
Others (specify)	0.00	0.00
Total	0.0	0.00

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3. Other Receipts

	<i>2022/2023</i>	<i>2021/2022</i>
	Kshs	Kshs
Interest Received	0.00	0.00
Rents	0.00	0.00
Receipts from sale of tender documents	0.00	0.00
Hire of plant/equipment/facilities	0.00	0.00
Other Receipts Not Classified Elsewhere	0.00	0.00
Total	0.0	0.00

Notes To the Financial Statements (Continued)

4. Compensation Of Employees

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,826,694	2,548,400
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
NHIF	-	83,400
Gratuity-contractual employees	-	903,258
Employer Contributions Compulsory national social security schemes	18,612	223,344
TOTAL	1,845,306	3,758,402

5. Committee Expenses

	2022/2023	2021/2023
	Kshs	Kshs
Sitting allowance	1,502,386	622,300
Other committee expenses	482,561	1,158,700
Total	1,984,947	1,781,000

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6. Use of Goods and services

Description	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	98,580	152,458
Communication, supplies and services	877,700	2,142,920
Domestic travel and subsistence	414,000	460,000
Printing, advertising and information supplies & services		-
Rentals of produced assets		-
Training expenses	754,850	1,300,000
Hospitality supplies and services	118,060	-
Insurance costs	338,735	437,469
Specialized materials and services	-	-
Office and general supplies and services	747,290	-
Fuel, oil & lubricants	877,700	340,000
Other operating expenses	354,104	170,000
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	88,000	60,000
Routine maintenance- other assets	50,000	437,981
TOTAL	4,719,019	5,500,828

Notes To The Financial Statements (Continued)

7. Transfer To Other Government Units

Description	2022/2023	2021/2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	520,000	41,233,433
Transfers To Secondary Schools (See Attached List)	14,530,907	47,993,411
Transfers To Tertiary Institutions (See Attached List)	-	-
Total	15,050,907	89,226,844

8. Other Grants and Other transfers

Description	2022-2023	2021-2022
	Kshs	Kshs
Bursary - Secondary (see attached list)	49,303,797	32,828,000
Bursary -Tertiary (see attached list)	9,708,000	12,780,000
Bursary- Special Schools		-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	
Security Projects (see attached list)	500,000	1,350,000
Sports Projects (see attached list)	-	3,540,433
Environment Projects (see attached list)	100,000	1,429,989
Emergency Projects (see attached list)	600,000	8,605,352
Roads Projects	-	-
TOTAL	60,211,797	60,533,774

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Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

	2022/2023	2021/2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
Total	-	-

10. Oversight committee expenses

	2022-2023	2021/2022
	Kshs	Kshs
Committee allowances	578,093	-
	-	-
	578,093	-

11. Other Payments

	2022-2023	2021/2022
	Kshs	Kshs
Strategic plan	261,150	-
ICT Hub	-	-
	261,150	-

11A. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022/2023	2021/2022
	Kshs	Kshs
11A: Bank Accounts (Cash Book Bank Balance)		
<i>Equity bank- Luanda Branch</i>		
1,120,261,446,995	11,178,750.52	32,253,059.00
Total	11,178,750.52	32,253,059.00
11 B: Cash on Hand		
Total	11,178,750.52	32,253,059.00

12. Outstanding Imprests

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
Total		-	-	-

Notes to the Financial Statement Continued

13A. Retention

	2022/2023	2021/2022
	KShs	KShs
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	0.00	0.00
Retention paid during the Year (C)	0.00	0.00
Closing Retention as at 30 th June D= A+B-C	0.0	0.0

13 B. Gratuity

	2022/2023	2021/2022
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

14. BALANCES BROUGHT FORWARD

	2022-2023	2021-2022
	Kshs (1/7/2022)	Kshs (1/7/2021)
Bank accounts	11,178,750.52	32,253,059
Cash in hand		
Imprest		
TOTAL	11,178,750.52	32,253,059

15. Prior Year Adjustments

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (specify)	-	-	-
Total	-	-	-

16. Changes In Accounts Receivable – Outstanding Imprests

	2022/2023	2021/2022
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	0.00	0.00
Imprest issued during the year (B)	0.00	0.00
Imprest surrendered during the Year (C)	0.00	0.00
closing accounts in account receivables D= A+B-C	0.00	0.00
Net changes in accounts Receivables D - A	0.0	0.0

17. Changes In Accounts Payable – Deposits and Retentions

	2022/2023	2021/2022
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	-	-
Deposit and Retentions held during the year (B)	-	-

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Deposit and Retentions paid during the Year (C)	-	-
closing account payables D - A+B-C	-	-
Net changes in accounts payables D-A	-	-

18. Fund Balance B/F

	(1 st July 2023-1)	(1 st July 2022-2)
	Kshs	Kshs
Bank accounts	11,178,751	32,253,059
Cash in hand	-	-
Imprest	-	-
Total	-	-
Less	-	-
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	11,178,751	32,253,059

Notes To the Financial Statements (Continued)

18. Other Important Disclosures

18.1: Pending Accounts Payable (See Annex 1)

	2022/2023	2021/2022
	Kshs	Kshs
Construction of buildings	-	-
Total	-	-

18.2: Pending Staff Payables (See Annex 2)

	2022/2023	2021/2022
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
Total	-	-

18.3: Unutilized Fund (See Annex 3)

	2022/2023	2021/2022
	Kshs	Kshs
Compensation of employees	2,951,244	872,734
Committee expense	1,797,795	-
Use of goods and services	(297,598)	651,439
Amounts due to other Government entities (see attached list)	54,996,523	14,657,567
Amounts due to other grants and other transfers (see attached list)	45,075,131	21,498,242
Acquisition of assets	2,632,500	1,146,490
Oversight Committee Expenses	871,907	-
Other Payments (<i>specify</i>)	1,738,850	103,497
Funds pending approval		10,400,000
Total	109,766,353	49,329,969

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18.4: PMC account balances (See Annex 5)

	2022/2023	2021/2022
	Kshs	Kshs
Ekwanda Secondary School	0.00	0.00
Ebwali Secondary School	1,388.30	1,388.30
Esiandumba Secondary School		24,493.00
Ebusakami Girls Secondary School		563.00
Emmatsi Secondary School		1,230.90
Esibeye Secondary School		1,176.04
Esirabe Primary School		452.90
Emmatsi Primary School		0.00
Ebwiranyi Secondary School		74,854.46
Emmatsi Primary School		
Ebubayi Chief's Camp		
Total	1,388.3	104,158.60

XIV. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30th June 2023	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2022-2023	2021-2022	
Compensation of employees	staff monthly salary	2,951,244	872,734	
Use of goods & services	capacity building	(297,598)	651,440	
Committee allowances	payments of allowances	1,797,795		
Oversight committee allowances	payments of allowances	871,907		
		5,323,348	1,524,174	
Amounts due to other Government entities				
MUMBOHA PRI SCHOOL	Construction of 3 classes	-	3,000,000	
IRUMBI PRIMARY SCHOOL	purchase of land	-	520,000	
ESIANDUMBA SEC SCHOOL	construction of science lab	-	1,746,599	
MUMBOHA SEC SCHOOL	Construction of toilet	-	4,500,000	
MUMBOHA SEC SCHOOL	construction of 12 doors latrine	-	1,000,000	
EBUSAKAMI SEC SCHOOL	construction of dormitory	-	2,000,000	
EKWANADA SEC SCHOOL	construction of dormitory	-	300,000	
IRUMBI SEC SCHOOL	Purchase of Land	-	2,800,000	
EKWANDA PRIMARY SCHOOL		-	1,600,000	
esiembero primary school	Construction of storey building	7,500,000	-	
essong'olo primary school	Construction of 2 classes	2,000,000	-	
emmati primary school	Construction of 2 classes	2,000,000	-	
esiandumba primary	Construction of 3 classes	3,000,000	-	
esiemarwi primary school	Construction of 2 classes	2,000,000	-	
esirabe primary school	Construction of 2 classes	2,000,000	-	
mulwanda primary school	Construction of toilet	500,000	-	
wemilabi primary school	Completion of admin block	800,000	-	
esibembe primary school	Construction of classes	1,200,000	-	

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ekamanji primary school	Construction of 2 classes	2,000,000	-	
ebusiralo secondary school	Purchase of land	1,800,000	-	
ibubi girls secondary school	Construction of 3 classes	3,000,000	-	
hobunaka girls	Construction of tuition block	4,000,000	-	
mumboha secondary school	completion of 16 classes	6,677,334	-	
esibembe secondary school	Purchase of Land	1,500,000	-	
esiandumba secondary school	Construction of classrooms	4,346,599	-	
irumbi secondary school	Construction of classrooms	7,500,000	-	
mumboha secondary school	Construction of classrooms	69,093	-	
Sub-Total		54,893,026	17,466,599	
Amounts due to other grants and other transfers				
BURSARY	Bursary	14,796,777	18,401,461	
EMERGENCY	Emergency provision	7,834,236	1,896,781	
SECURITY			500,000	
luanda police post	construction of doors latrine	400,000		
emusenzi chief office	construction of chief office	2,000,000		
ekwanda police station	construction of admision block	7,000,000		
luanda DCC office	Renovations	500,000		
ekwanda chief office	construction of chief office	2,000,000		
ebusudi assistant chiefs office	construction of chief office	2,000,000		
mwilala village	Electrification	1,000,000		
		37,531,013	20,798,242	
SPORTS		2,901,752	-	
Acquisition of assets				
Refurbishment of cdf offices	laying of cabros	940,462	846,490	
CDF MOTORBIKE	purchase of motorbike for m&e	300,000	300,000	
luanda NG-CDF office	Renovations	1,392,038		

ENVIRONMENT	planting of trees in schools	3,006,994	103,497	
Strategic plan	strategic plan	1,738,850		
Other payments		1,738,870	-	
Sub-Total		9,117,214	1,249,987	
Funds pending approval	Primary, Secondary and Tertiary	49,549,979	10,000,000	
Grand Total		109,766,353	49,329,969	

Annex 4 – Summary of Fixed Asset Register

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Asset class	Historical Cost	Additions	Disposals	Historical Cost
	b/f	during the	during the	
	(Kshs)	year	year	(Kshs)
		(Kshs)	(Kshs)	At Year End
Land	2,446,727.00	-	-	2,446,727.00
Buildings and structures	35,441,526.00	-	-	35,441,526.00
Transport equipment	6,130,000.00	-	-	6,130,000.00
Office equipment, furniture and fittings	3,866,693.00	-	-	3,866,693.00
ICT Equipment, Software and Other ICT Assets	80,000.00	-	-	80,000.00
Other Machinery and Equipment	632,000.00	-	-	632,000.00
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	48,596,946.00	-	-	48,596,946.00

PMC	Bank	Account number	Bank Balance	Bank Balance
			2022-2023	2021-2022
EKWANDA SEC SCHOOL	KCB	1128110156	-	-
EBWALI SEC SCHOOL	EQUITY	960293389065	1,388	1,388.30
ESIANDUMBA SEC SCHOOL	EQUITY	1120277708325		24,493.00
EBUSAKAMI SEC SCHOOL	EQUITY	1120263155499	-	563.00
EMMATSI SEC SCHOOL	EQUITY	1120297582548		1,230.90
ESIBEYE SEC SCHOOL	KCB	1135232229		1,176.04
ESIRABE PRIMARY SCHOOL	EQUITY	1120279267366		452.90
EMMATSI PRIMARY SCHOOL	EQUITY	1120297529957		-
EBWIRANYI SEC SCHOOL	EQUITY	1120299458514		74,854.46
Total			1,388.30	104,158.60

Annex 5 –PMC Bank Balances As At 30th June 2023

Annex 6: 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 and subsequent progress made on the resolution of the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Cash and Cash Equivalents The statement of assets and liabilities and as disclosed in Note 10A reflects bank balance of Kshs. 18,983,371. Review of cashbook revealed that cheque recording in the cashbook were not sequential. Review of the bank reconciliation statement indicated that cheques amounting to Kshs. 456,698 remained outstanding over six (6) months. Management failed to provide information as to why the amount	The cheques were reversed and cashbook updated	Resolved	14 Days

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	had not been reversed to the cashbook.			
2.	Compensation of Employees The statement of receipts and payment reflects compensation of employees Kshs. 3,758,402. Record provided for audit review revealed that one employee whose contract expired on 2 nd January, 2022 was paid upto June 2022. As such, he was irregularly compensated for six months amounting to Kshs. 144,816	The correct contract agreement was provided for audit review	Resolved	14 Days
3.	Transfer to Other Government Units The statement of receipt and payment reflects transfer to other government units amount of Ksh. 89,226,844. Included in this amount of Kshs. 41,233,433 in respect to transfer of primary schools out of	The support transfer records were provided for review.	Resolved	14 Days

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	which Ksh. 14,300,000 were not supported with transfer records.			



Name: Philip Onda

Fund Account Manager.