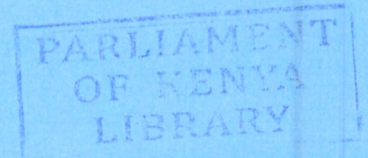


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT




OF

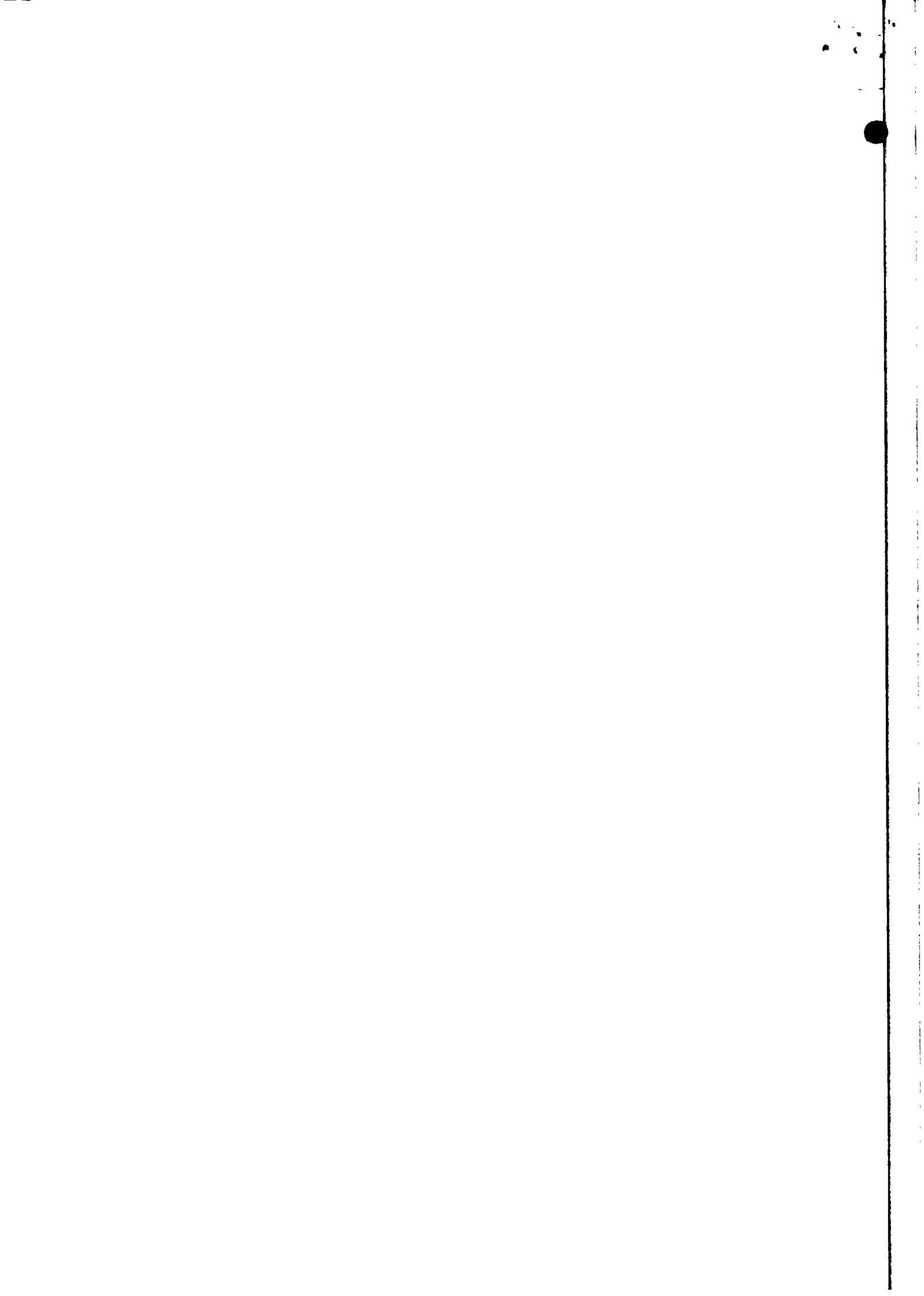
THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND
LARI CONSTITUENCY

FOR THE YEAR
ENDED 30 JUNE 2018

 NATIONAL ASSEMBLY PAPERS LAID	
DATE: 24 JUL 2019	
DAY.	
TABLED BY:	
CLEAR BY	
TIME-TABLE:	



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

18 APR 2019

RECEIVED




**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
LARICONSTITTUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2018**

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

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 24 JUL 2019	
DAY: Wednesday	
TABLED BY:	Hon. Aden Dualem (LOM)
CLERK AT RE-TABLE:	Halima Ahmed

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

Reports and Financial Statements

For the year ended June 30, 2018

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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

Reports and Financial Statements

For the year ended June 30, 2018

Core Values

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

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Ayaan Mahadhi
3.	Sub-County Accountant	Peter Wachira
4.	Chairman NGCDFC	Peter Mugo Mwangi
5.	Member NGCDFC	Paul Kamotho Wainaina

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF Lari Constituency Headquarters

P.O. Box 71-00221
Matathia
District County Commissioners Compound

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

(f) NGCDF Lari Constituency Contacts

Telephone: (254) 725481100
E-mail: Lariconstituency@gmail.com-
Website: www.go.ke

(g) NGCDF Lari Constituency Bankers

1. Equity Bank
Account number 1110295360924
Kimende
P.O BOX
Kimende.

(h) Independent Auditors

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

(i) Principal Legal Adviser

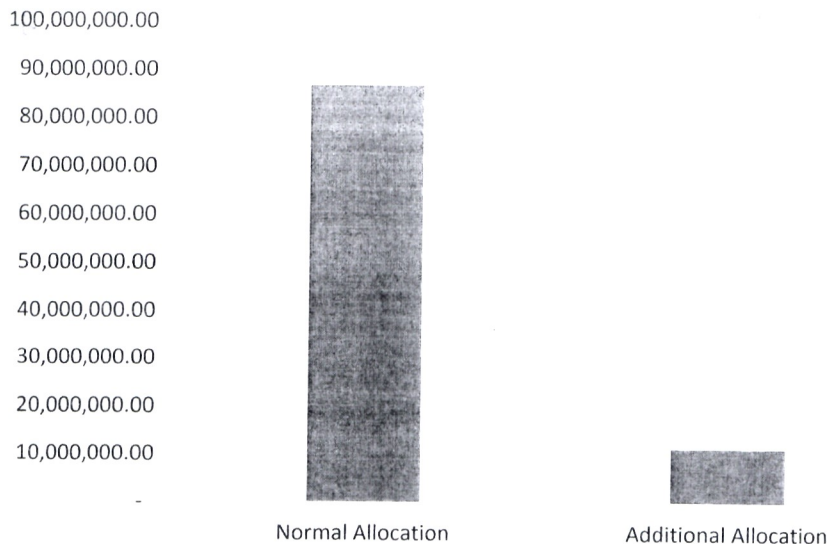
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

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

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Annual Constituency Allocation

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



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

Constituency. It is noteworthy that during the FY 2017/2018, we received 50% of the normal Constituency funding equivalent to Kshs 43,405,172 and these funds were then disbursed to earmarked projects.

Sector Prioritization

During the year, a total of Kshs 31,000,000 was allocated as transfers to other Government Units which consist of transfers to primary schools, secondary schools and tertiary institutions. The funding consisted of Kshs 28,000,000 set aside in normal allocation and Kshs 3,000,000 allocated in additional Constituency funding. The Committee also allocated Kshs 54,052,587 which consists of Kshs 47,497,414 in normal allocation and Kshs 6,555,172 in additional allocations. These were funds allocated towards other grants and transfers which consists of Bursary, Mocks and CATs, sports, environment and emergency

Sign

CHAIRMAN NGCDF COMMITTEE

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

**Reports and Financial Statements
For the year ended June 30, 2018**

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

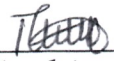
The Accounting Officer in charge of the NGCDF-Lari Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2018. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Lari Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2018, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-Lari Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.


The Accounting Officer in charge of the NGCDF-Lari Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

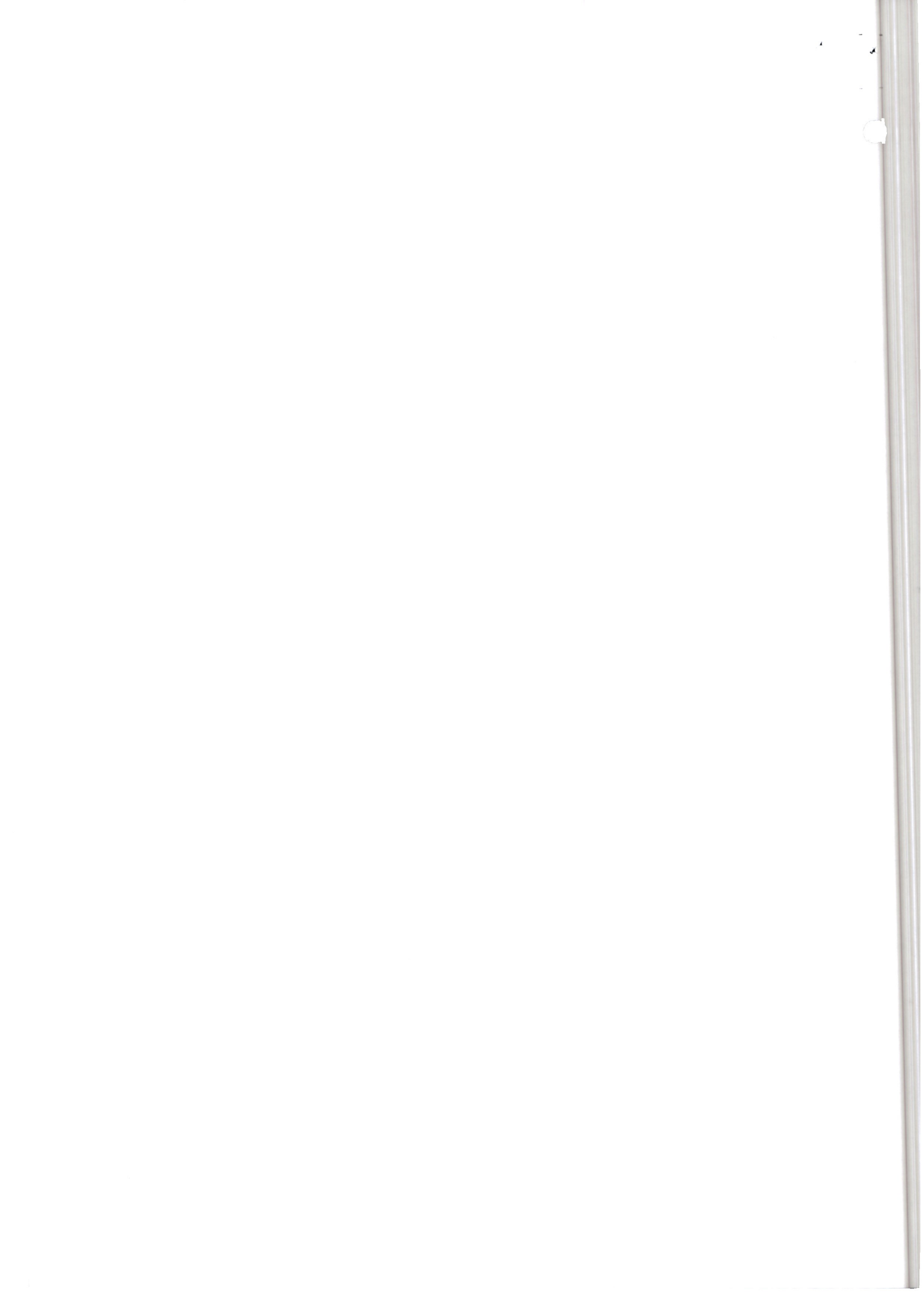
The NGCDF-Lari Constituency financial statements were approved and signed by the Accounting Officer on 17th APRIL 2019.



Fund Account Manager
Name: Ayaan Mahachi



Sub-County Accountant
Name: Nancy Mgoi
ICPAK Member Number:



REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
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P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Lari Constituency set out on pages 6 to 27, which comprise the statement of assets as at 30 June 2018, and the statement of receipts and payments, statement of cash flow and summary statement of appropriation-recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects 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 National Government Constituencies Development Fund – Lari Constituency as at 30 June 2018, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Unsupported Outstanding Imprests

The statement of assets as at 30 June 2018 reflects outstanding imprests balance of Kshs.1,167,750 and as disclosed in Note 11 to the financial statements. However, contrary to the guidelines issued by the Public Sector Accounting Standards Board, the details of the imprest holders including their names, dates issued and due, and the respective amounts outstanding as at 30 June 2018 have not been disclosed in Note 11. The corresponding Note has also been erroneously indicated in the statement of assets as 10C instead of 11.

In addition, the imprests register has not been updated and the AIE Holder had been issued with multiple imprests contrary to the provisions of regulation 93 of the Public Finance Management (National Government) Regulations, 2015.

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

Consequently, it has not been possible to confirm the accuracy, completeness and recoverability of the outstanding imprests balance of Kshs.1,167,750 as at 30 June 2018.

2. Cash and Cash Equivalents

The statement of assets as at 30 June 2018 reflects cash and cash equivalents of Kshs.14,578,490. However, the following unsatisfactory matters have been noted regarding the same:

(i) Unpresented Cheques

The bank reconciliation statement as at 30 June 2018 reflects unpresented cheques totalling Kshs.14, 578,490 which includes stale cheques amounting to Kshs.880,356. However, no explanation has been given for failure to reverse the stale cheques in the cash book.

(ii) Unsupported Bank Reconciliations

Further, examination of bank reconciliation statements for twelve months from July 2017 to June 2018 revealed payments in the bank statements not recorded in the cash book amounting to Kshs.932,484. However, documents in support of these payments have not been provided for audit review. In the circumstances, the validity and propriety of the payments totalling Kshs.932,484 cannot be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Lari Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Budget Under Absorption

During the year under review, Lari NG-CDF management had budgeted to receive and spend an amount of Kshs. 98,356,990, respectively. However, the actual expenditure was Kshs.27,826,266 only or 28%, leading to an under expenditure of Kshs.70,530,724 or 72% of the total budget. The under expenditure implies that planned activities and programmes were not executed, and which in turn means that the public resources budgeted for and made available by parliament were not efficiently and effectively used for the benefits of the constituents.

2. Non Implementation of Projects and Activities

Examination of budget documents revealed that Lari NG-CDF management had not implemented as at 30 June 2018, projects budgeted for amounting to Kshs.64,176,379.94 as detailed below:

Project	Specific Activities	Amount Kshs.
Strategic Plan	To undertake a constituency strategic plan.	3,500,000.00
Sports		
Sports	Organizing of marathon and purchase of uniforms for the winning teams.	1,736,206.90
Sports	Organizing football matches for; Kinale,Kijabe,Kamburu, Lari kirenga and Nyanduma F.C'S	227,586.20
Environment Projects		
	Planting Trees	227,586.20
Primary School Projects		
Kamahindu Primary School	Renovation of eight classrooms (plastering, reroofing, fixing window panes, flooring, painting and fixing fascia boards)	1,800,000.00
Muhoro primary	Renovation of eight classrooms (plastering, reroofing, fixing window panes, flooring, painting and fixing fascia boards)	1,800,000.00
Kijabe Primary School	Construction of one classroom to completion.	1,000,000.00
Kago Primary School	Construction of two classrooms to completion	2,000,000.00
Utugi Primary School	Construction of two classrooms to completion	2,000,000.00
Sulmac Primary School	Construction of one classroom to completion	1,000,000.00
Githirioni Primary School	Renovation of eight classrooms (plastering, re-roofing, fixing window panes, flooring, painting and fixing fascial boards)	1,800,000.00
Kabunge Primary School	Construction of one class to completion	1,000,000.00
Secondary School Projects		
Gachema Secondary School	Completion of three classrooms (walling and roofing)	3,000,000.00
Iria-ini secondary school	construction of one class to completion	1,000,000.00
Bursaries	Allocation of bursary to the needy students in secondary schools, tertiary and special needs	12,942,758.62
Emergencies		

Project	Specific Activities	Amount Kshs.
Emergency	To cater for any unforeseen emergency occurrences in the constituency during the financial year.	568,965.51
Emergency	To cater for any unforeseen emergency occurrences in the constituency during the financial year.	4,568,965.52
Security Projects		
Kwaregi AP Post	Renovation of 3 AP houses (plastering, reroofing, fixing window panes, flooring, painting and fixing fascial boards)	656,035.16
Kwaregi AP Post	Construction of two AP Post Offices	1,548,275.83
Kijabe ACCs Office	Construction of Assistant County Commissioner office to completion	1,200,000.00
ICT Hub		
Kamburu ICT Hub	Equipment (Kshs.1,169256.80) and Construction (Kshs.2,330,743.20)	3,500,000.00
Kagwe ICT hub	Equipment (Kshs.1,169256.80) and Construction (Kshs.2,330,743.20)	3,500,000.00
Kimende ICT hub	Equipment (Kshs.1,169256.80) and Construction (Kshs.1,830743.20)	3,000,000.00
Kinale ICT hub	Equipment (Kshs.1,169256.80) and Construction (Kshs.2,330,743.20)	3,500,000.00
Multi-purpose Units-Re-Allocation to Schools		
Sulmae Secondary School	Construction of one Classroom to Completion	1,300,000
Gatithia Girls Secondary School	Construction of a Dormitory	1,200,000
Munyaka Primary School	Construction of 4 Cubicle Latrines at Kshs.300,000. Levelling of School Play Ground at Kshs.200,000	500,000
	Sub-Total	3,000,000
Technical Institute		
Lari Technical Training Institute	Construction of 1200m Security Perimeter Wall around the Institution at Kshs.2,700,000. Landscaping of the whole institution at Kshs.600,000	3,300,000.00
Acquisition of Assets		
Office Furniture	Purchase of office furniture	800,000.00
TOTAL		64,176,379.94

The failure to implement the above planned projects and activities impacted negatively on service delivery to the constituents.

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

whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Those Charged with Governance

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

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

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015. In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

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


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

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

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

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

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



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

Nairobi

08 May 2019

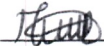



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
LARI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

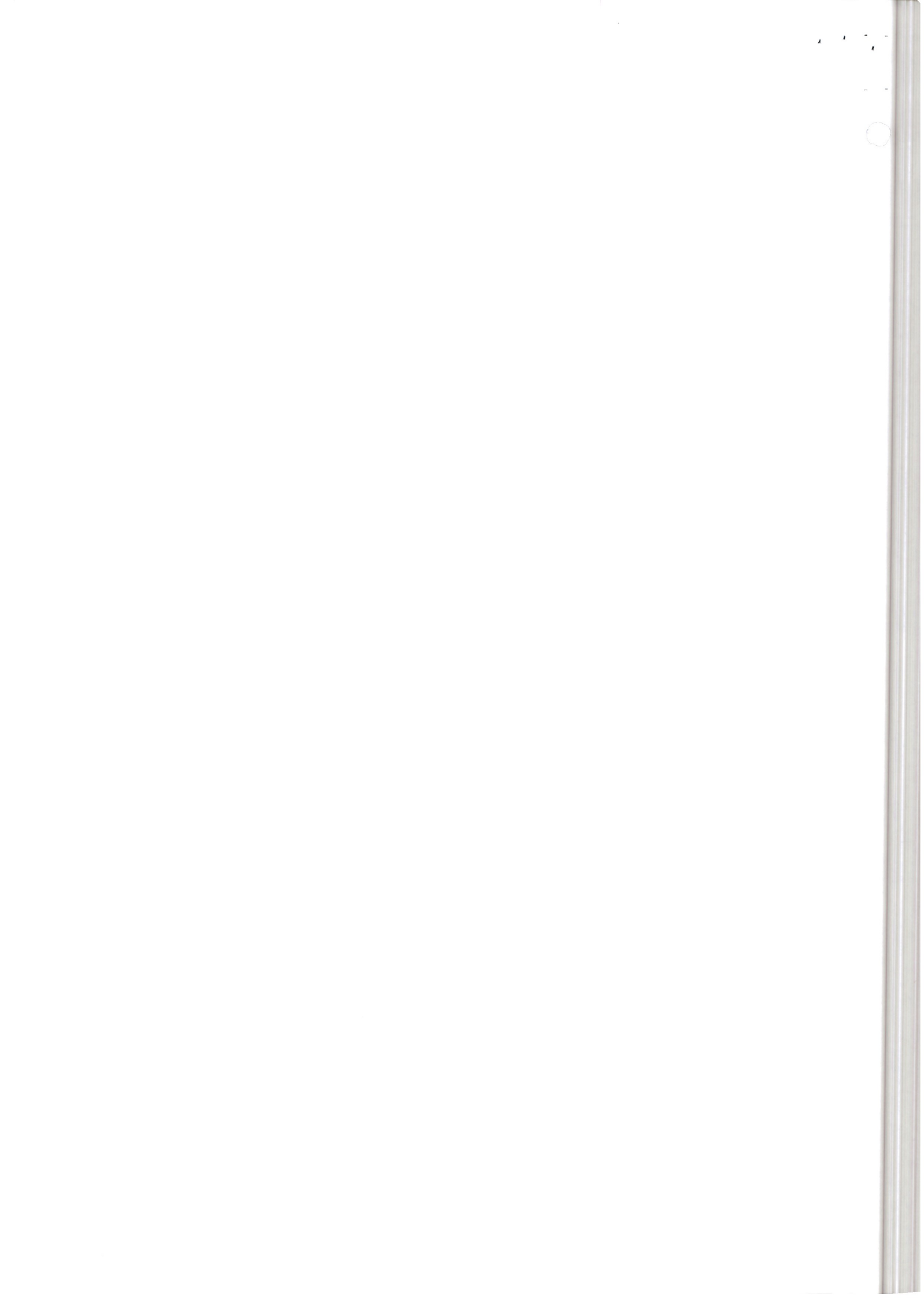
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2017-2018	2016-2017
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	43,405,172	135,219,154
Proceeds from Sale of Assets	2		-
Other Receipts	3		-
TOTAL RECEIPTS		43,405,172	135,219,154
PAYMENTS			
Compensation of employees	4	937,860	2,547,741
Use of goods and services	5	1,577,199	10,795,495
Transfers to Other Government Units	6	8,300,000	54,600,000
Other grants and transfers	7	16,876,207	69,314,579
Acquisition of Assets	8	135,000	-
Other Payments	9	-	
TOTAL PAYMENTS		27,826,266	137,257,815
SURPLUS/DEFICIT		15,578,906	(2,038,661)

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


Fund Account Manager
Name: Ayaan Mahadhi


Sub-County Accountant
Name: Nancy Njogoi
ICPAK Member Number:





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

IV. STATEMENT OF ASSETS

	Note	2017-2018	2016-2017
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	14,578,490	167,334
Cash Balances (cash at hand)	10B		
Total cash and cash equivalents		14,578,490	167,334
Current receivables-Outstanding Imprests	10C	1,167,750	
TOTAL FINANCIAL ASSETS		15,746,240	167,334
Accounts payable- Retention	12		
NET FINANCIAL ASSETS		<u>15,746,240</u>	<u>167,334</u>
REPRESENTED BY			
Fund balance b/fwd 1st July...2017	13	167,334	2,205,995
Surplus/Deficit for the year		15,578,906	(2,038,661)
Prior year adjustments	14	-	-
NET FINANCIAL POSITION		<u>15,746,240</u>	<u>167,334</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-LARI Constituency financial statements were approved on 17th APRIL 2019 and signed by:


 Fund Account Manager
 Name: AYAAN MAHADHI


 Sub-County Accountant
 Name: NANCY MOGOI
 ICPAK Member Number:

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


**Reports and Financial Statements
For the year ended June 30, 2018**

V. STATEMENT OF CASHFLOW

Receipts for operating income		2017-2018	2016-2017
Transfers from CDF Board	1	43,405,172	135,219,154
Other Receipts	3	-	-
TOTAL		43,405,172	135,219,154
Payments for operating expenses			
Compensation of Employees	4	937,860	2,547,741
Use of goods and services	5	1,577,199	10,795,495
Transfers to Other Government Units	6	8,300,000	54,600,000
Other grants and transfers	7	16,876,207	69,314,579
Other Payments	8	-	-
Adjusted for:			
Adjustments during the year		-	-
		27,691,266	137,257,815
Net cash flow from operating activities		15,713,906	(2,038,661)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	135,000	-
Net cash flows from Investing Activities (2 - 10)		15,578,906	
NET INCREASE IN CASH AND CASH EQUIVALENT (a + b)		15,578,906	(2,038,661)
Cash and cash equivalent at BEGINNING of the year	11	167,334	2,205,995
Cash and cash equivalent at END of the year	10A	15,746,240	167,334

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


Fund Account Manager
Name: AYAAN MAHADHI


Sub-County Accountant
Name: NANCY MOGOI
ICPAK Member Number:

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

VI. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from CDF Board	86,810,345	11,546,645	98,356,990	43,572,506	54,784,484	44.30%
Proceeds from Sale of Assets						
Other Receipts						
PAYMENTS						
Compensation of Employees	1,677,961	578,094	2,256,055	937,860	1,318,195	41.57%
Use of goods and services	9,634,970	613,378	10,248,348	1,577,199	8,671,149	15.39%
Transfers to Other Government Units	28,000,000	3,000,000	31,000,000	8,300,000	22,700,000	26.77%
Other grants and transfers	47,497,414	6,555,172	54,052,587	16,876,207	37,176,380	31.22%
Acquisition of Assets	-	800,000	800,000	135,000	665,000	16.88%
Other Payments	-	-	-	-	-	0
TOTALS	86,810,345	11,546,645	98,356,990	27,826,266	70,530,724	28.29%

(a) Lari NG-CDF did not realize any AIA in the financial year 2017-2018 since the prequalification of supplies was done towards end of financial year hence no sale of tenders

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

i. The underutilization of all the above projects was due to late disbursement of funds from NG-CDF BOARD

There was no changes in the budget

The NGCDF-LARI Constituency financial statements were approved on 17th APRIL 2018 and signed by:



Fund Account Manager
 Name: **AYAAN MAHADHI**



Sub-County Accountant
 Name: **NANCY MOGOI**
 ICPAK Member Number:

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

**Reports and Financial Statements
For the year ended June 30, 2018**

VII. SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the NGCDF-LARI Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

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

Reports and Financial Statements

For the year ended June 30, 2018

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

**Reports and Financial Statements
For the year ended June 30, 2018**

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

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Funds

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

Reports and Financial Statements

For the year ended June 30, 2018

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

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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

**Reports and Financial Statements
For the year ended June 30, 2018**

VIII. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES

Description		2017-2018	2016-2017
		Kshs	Kshs
Normal Allocation			53,322,602
			4,094,828
			36,853,449
			40,948,275
	A855901	5,500,000	
	A892960	37,905,172	
Conditional grants	AIE NO...	-	
	AIE NO...	-	
Receipt from other Constituency			
TOTAL		43,405,172	135,219,154

2 PROCEEDS FROM SALE OF NON FINANCIAL ASSETS

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

3 OTHER RECEIPTS

Description		2017-2018	2016-2017
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LARI
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

		Kshs	Kshs
Interest Received		-	
Rents		-	
Sale of tender documents		-	-
Other Receipts Not Classified Elsewhere (specify)		-	
Total		-	-

4. COMPENSATION OF EMPLOYEES

Description	2017-2018	2016-2017
	Kshs	Kshs
Basic wages of contractual employees	873,060	1,478,093
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance		
Employer contribution to NSSF	64,800	
Other personnel payments	-	-
gratuity		1,069,648
Total	937,860	2,547,741

5. USE OF GOODS AND SERVICES

Description	2017-2018	2016-2017
	Kshs	Kshs
Utilities, supplies and services	99,199	350,000
Office rent		-
Communication, supplies and services	10,000	450,000
Domestic travel and subsistence	5,000	550,000
Printing, advertising and information supplies & services	200,000	850,000
Rentals of produced assets		
Training expenses		519,000

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LARI
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Reports and Financial Statements
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Other committee expenses		622,000	3,779,100
Committee allowance		626,000	3,017,200
Hospitality supplies and services			-
Insurance costs			-
Specialised materials and services			-
Office and general supplies and services		15,000	680,000
Fuel ,oil & lubricants			335,000
Other operating expenses-Bank charges			165,495
Routine maintenance – vehicles and other transport equipment			99,700
Routine maintenance – other assets			
Total		1,577,199	10,795,495

6 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017-2018	2016-2017
	Kshs	Kshs
Transfers to primary schools	7,800,000	45,200,000
Transfers to secondary schools	500,000	8,900,000
Transfers to Tertiary institutions		
Transfers to Health institutions		500,000
TOTAL	8,300,000	54,600,000

7 OTHER GRANTS AND OTHER PAYMENTS

Description	2017-2018	2016-2017
	Kshs	Kshs
Bursary -Secondary	5,085,000	12,634,858
Bursary -Tertiary	7,955,000	12,634,857
Bursary-Special schools	-	
Mocks & CAT	-	
water/Sewers	-	2,200,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LARI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

Electricity Projects		-	
Security		2,100,000	26,806,035
Roads		-	3,082,367
Sports			2,843,931
Environment		1,736,207	3,743,931
Emergency Projects (specify)			5,368,600
Development - factories/stadiums			
Total		16,876,207	69,314,579
8 ACQUISITION OF ASSETS			
Non Financial Assets		2017-2018	2016-2017
		Kshs	Kshs
Purchase of Buildings		-	
Construction of Buildings			-
Refurbishment of Buildings			
Purchase of Vehicles		-	
Purchase of Bicycles & Motorcycles		-	
Overhaul of Vehicles		-	
Purchase of Office furniture and fittings		-	
Purchase of computers ,printers and other IT equipment's		135,000	
Purchase of photocopier			
Purchase of other office equipments			
Purchase of soft ware			
Acquisition of Land			
Total		135,000	-
9 OTHER PAYMENTS			
		2017-2018	2016-2017
		Kshs	Kshs
specify		-	
specify		-	

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

TOTAL				
10A) Bank Balances (cash book bank balance)				
Name of Bank	Account Number	2017-2018	2016-2017	
		Kshs (30/6/2017)	Kshs (30/6/2016)	
Equity Bank Kimende No. 1110295360924 KSHS		14,578,490	167,334	
		-		
		-		
Total		14,578,490	167,334	
10B) CASH IN HAND				
		2017-2018	2016-2017	
		Kshs (30/6/2017)	Kshs (30/6/2016)	
Location 1		-		
Location 2		-		
Location 3		-		
Other receipts (specify)		-		
Total		-		
11) OUTSTANDING IMPRESTS				
Name of Officer	Date imprest taken	Amount Taken	Amount Taken	Balance (30/6/2018)
		Kshs	Kshs	Kshs
Name of Officer	dd/mm/yy	-		1,167,750.00
Name of Officer	dd/mm/yy	-		-
Name of Officer	dd/mm/yy	-		-
Name of Officer	dd/mm/yy	-		-
Name of Officer	dd/mm/yy	-		-
Name of Officer	dd/mm/yy	-		-
Total				1,167,750.00
12) Retention				
		2017 - 2018	2016 - 2017	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LARI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

Supplier/Contractor	PV No.			
			-	-
TOTAL			-	-
13 BALANCES BROUGHT FORWARD				
			2017-2018	2016-2017
			Kshs (1//7/2017)	Kshs (1//7/2016)
Bank accounts			167,334	2,205,995
Cash in hand			-	
Imprest			-	
Total			167,334	2,205,995
<i>[Provide short appropriate explanations as necessary]</i>				
14 PRIOR YEAR ADJUSTMENTS				
			2017-2018	2016-2017
			Kshs	Kshs
Bank accounts				
Cash in hand			-	-
Imprest			-	
			-	
Total			-	-
15 OTHER IMPORTANT DISCLOSURES				
15.1 PENDING ACCOUNTS PAYABLE (See Annex 1)				
			2017-2018	2016-2017
			Kshs	Kshs
Construction of buildings			-	
Construction of civil works			-	
Supply of goods			-	
Supply of services			-	
TOTAL			-	
15.2 PENDING STAFF PAYABLES (See Annex 2)				
			2017-2018	2016-2017
			Kshs	Kshs

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LARI
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Reports and Financial Statements
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Senior management		-	550,566	
Middle management		-		
Unionisable employees		-		
Others (<i>specify</i>)		-		
UNUTILIZED FUNDS (See Annex 3)				
		2017-2018	2016-2017	
		Kshs	Kshs	
Amounts due to other Government entities (see attached list)		-	12,900,000	
Amounts due to other grants and other transfers (see attached list)		-	7,065,192	
Others (<i>specify</i>)		-		

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

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
	a	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LARI CONSTITUENCY
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
		a	b	c	d=a-c		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LARI CONSTITUENCY
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ANNEX 3 – UNUTILIZED FUNDS

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES						
Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Outstanding Balance		
		a	b	d=a-c		
Amounts due to other Government entities						
PRIMARY SCHOOL						
Munya primary school	Roofing of class rooms	500,000.00		500,000.00		
Kago primary school	Construction of classroom	2,000,000.00		2,000,000.00		
Kamahindu primary school	Renovation of classroom	1,800,000.00		1,800,000.00		
Kambunge primary school	Construction of classroom	1,000,000.00		1,000,000.00		
Kijabe primary school	Constructin of classroom	1,000,000.00		1,000,000.00		
Muhoro primary school	Renovation of 8 classrooms	1,800,000.00		1,800,000.00		
Githirioni primary school	Renovation of 8 classrooms	1,800,000.00		1,800,000.00		
SECONDARY SCHOOL						
Iriani secondary school	Construction of a class	1,000,000.00		1,000,000.00		
Gachema secondary school	Construction of classrooms	3,000,000.00		3,000,000.00		
Gitithia secondary school	Co-funding for construction of a dormitory	1,200,000.00		1,200,000.00		
Sulimac secondary	Construction of a classroom	1,300,000.00		1,300,000.00		
Sub-Total				5,300,000.00		
Lari Technical Institute						
Amounts due to other grants and other transfers						
Security						
Kwaregi admin police houses	Police houses	2,096,550.83		2,096,550.83		
Kijabe acc office	Construction of accs office in kimende	1,200,000.00		1,200,000.00		
Security Projects						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LARI CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2018**

Strategic plan	Constituency strategic plan	3,500,000.00		3,500,000.00
bursary	Issuing of bursary to needy students	17,514,309.73		17,514,309.73
ENVIRONMENT PROJECTS				
Environmental projects	Planting of trees in various schools	227,586.30	-	227,586.30
SPORTS	Purchase of sports kits	227,586.20	-	227,586.20
EMERGENCY				
Emergency	To cater for any unforeseen occurrences/ calamities in the constituency during the financial year	4,837,931.00		4,837,931.00
Sub-Total				
OTHERS				
CONSTITUENCY INNOVATION HUB (CIH)				
Digital innovation Hub.	Installation of Digital Innovation Hub in Utawala secondary school	3,375,000.00		3,375,000.00
Digital innovation Hub.	Installation of Digital Innovation Hub in Embakasi Garrison secondary school	3,375,000.00		3,375,000.00
Digital innovation Hub.	Installation of Digital Innovation Hub in Mihango chiefs office	3,375,000.00		3,375,000.00
Digital innovation Hub.	Installation of Digital Innovation Hub in Soweto chiefs office	3,375,000.00		3,375,000.00
Sub-Total				
Administration	Employee salaries	1,166,504.00		1,166,504.00
Use of goods	Use of goods	2,014,566.62		2,014,566.62
Monitoring and evaluation	Committee expenses	2,946,689.32		2,946,689.32
ACQUISITION OF ASSETS				
NG-CDF Office furniture's	Purchase of 1 executive office table and 2 executive chairs and 10 Boardroom chairs	800,000.00	800,000.00	800,000.00

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

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land				
Buildings and structures	9,150,000.00			9,150,000.00
Transport equipment				
Office equipment, furniture and fittings	881,000.00			881,000.00
ICT Equipment, Software and Other ICT Assets	486,500.00	135,000.00		621,500.00
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	10,517,500.00	135,000.00		10,652,500.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LARI
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ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Kijabe primary school	equity	1110277516615	105,070	00.00
Karugo primary school	equity	1110277352744	670	00.00
Githirioni primary school	equity	1110277516585	82018	00.00
Muhoro primary school	equity	1110277516559	649	00.00
Kago primary school	equity		1959411	.00
Lare primary	equity		93513	00.
Kamae primary	equity		171	00
Mirangi primary	equity		679149	00
Total				

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LARI
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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
Cen/hub/kbu.c/1 aricdf/1/8	Payment vouchers missing	the amount is total of all the contra entries but refracted like they were missing payment vouchers	FAM	RESOLVED	RESOLVED
Cen/hub/kbu.c/1 aricdf/1/8	Motor vehicle repair	The vehicle broke down during cdf monitoring and evaluation	FAM	RESOLVED	RESOLVED
Cen/hub/kbu.c/1 aricdf/1/8	Budget Adjustment	the amount as indicated was the bank balances for 2016/17	FAM	RESOLVED	RESOLVED
Cen/hub/kbu.c/1 aricdf/1/8	use of goods	there were no over expenditure for the amount was part of the contra entries	FAM	RESOLVED	RESOLVED