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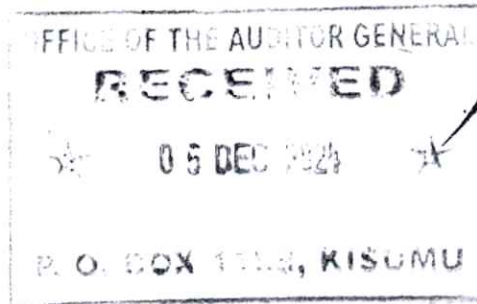
THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY
PAPERS LAMU
DATE: 05 MAR 2025 Wednesday
TABLED BY: Hon Dwen Bayo MP
Deputy Leader of Majority
CLERK-AT-THE-TABLE: Esther Njiru

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND –
LUANDA CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2024**





NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

LUANDA CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

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

Table of Contents	Page
1. Acronyms and Definition of Key Terms.....	..iii
2. Key Constituency Information and Management.....	iv
3. NG-CDFC Chairman’s Report.....	viii
4. Statement of Performance Against Predetermined Objectives for FY2023/24.....	xiv
5. Governance Statement.....	xviii
6. Environmental and Sustainability Reporting.....	xxvii
7. Statement of Management Responsibilities.....	xxxii
8. Report of the Independent Auditors on the NGCDF- Luanda Constituency.....	xxxiii
9. Statement of Receipts and Payments for the Year Ended 30th June 2024..	1
10. Statement of Assets and Liabilities as at 30th June, 2024.	2
11. Statement Of Cash Flows for the Year Ended 30th June 2024.	3
12. Summary Statement of Appropriation for The Year Ended 30 th June 2024.	4
13. Budget Execution By Sectors And Projects For The Year Ended 30 th June 2024	6
14. Significant Accounting Policies.....	15
15. Notes To the Financial Statements.....	20
16. Annexes.....	30

1. Acronyms and Definition of Key Terms

A. Acronyms

AIE	Authority to Incur Expenditure
ARMC	Audit and Risk Management Committee
DCC	Deputy County Commissioner
IPSAS	International Public Sector Accounting Standards.
FAM	Fund Account Manager
NG-CDFB	National Government Constituencies Development Fund Board
NG-CDF	National Government Constituencies Development Fund
NG-CDFC	National Government Constituency Development Fund Committee
NSCA	National Sub-County Accountant
PFM	Public Finance Management
PMC	Project Management Committee
PWD	Persons with Disability
FY	Financial Year

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

2. 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 2023. 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 the cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

Mandate

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

- a) Recognize the constituency as a platform for the 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 realisation of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;
- h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;

- i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;
- j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;
- k) Create a harmonious relationship between citizens and the national government and its officers in local development;
- l) Provide a platform for citizens' participation in service delivery;
- m) Build local accountability and transparency in the use of resources; and
- n) 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.

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 are as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

The NGCDF Luanda Constituency's 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 2024 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	AIE holder	Justus Noo
2.	National Sub-County Accountant	Agnes Kitembe
3.	Chairman NGCDFC	Hannington Olukaka
4.	Member NGCDFC	Rosemary Adema

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Luanda Constituency. The reports and recommendations of ARMC, when adopted by the NGCDF Board, are forwarded to the Constituency Committee for action. The Board forwards any matters that require policy guidance to the Cabinet Secretary and National Assembly Select Committee.

(e) NGCDF Luanda Constituency Headquarters

P.O. Box 536-50307,
Luanda NG-CDF Office
Kisumu Busia Road

(f) NGCDF Luanda Constituency Contacts

Telephone: (254) 725607537
E-mail: cdLuanda@ngcdf.go.ke
Website: info@luanda.go.ke

(g) NGCDF Luanda Constituency Bankers

1. Luanda National Government Constituency Development Fund
Account Number: 1120261446995
Equity Bank Luanda Branch
P.O. Box
2. Luanda NGCDF Deposit Account
Account Number:
Kenya Commercial Bank
P.O. Box

(h) Independent Auditor

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

(i) Principal Legal Adviser

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

3. NG-CDFC Chairman's Report



**Mr. Hannington Olukaka
Chairman Luanda NGCDF Committee**

I am pleased to present to you the annual report and financial statement for the year ended 30th June 2024. The financial statements set out below were prepared on cash basis of accounting regulated by the international public sector accounting standards. Luanda NG-CDF aspires to be the best constituency in utilization of NGCDF funds through satisfying the community needs and promoting good governance in management of the fund. The establishment of the fund was centered on channelling funds to grass root communities by enabling them to implement projects on their own and of course identifying them through public participation.

We have had notable success in implementation of projects especially those that transform lives of our community in the constituency notably in areas of school infrastructure, security and bursary awards to needy students, majority of whom are in tertiary institutions.

In the current financial year, budget performance in comparison to the actual has been below 100% that is 61.1% because of delays in receiving the current financial year funds. The constituency received Kshs.130,000,000 against a budgeted amount of Kshs 184,361,810.02. The previous financial year had an amount of Kshs. 11,178,750 as the balance brought forward and pending approval of Kshs.90,487,603.

Despite the delay in disbursement of funds, we have been able to implement and complete more than 50% of projects. A number of new schools (both primary and secondary) were established by purchasing land and constructing classrooms. We were

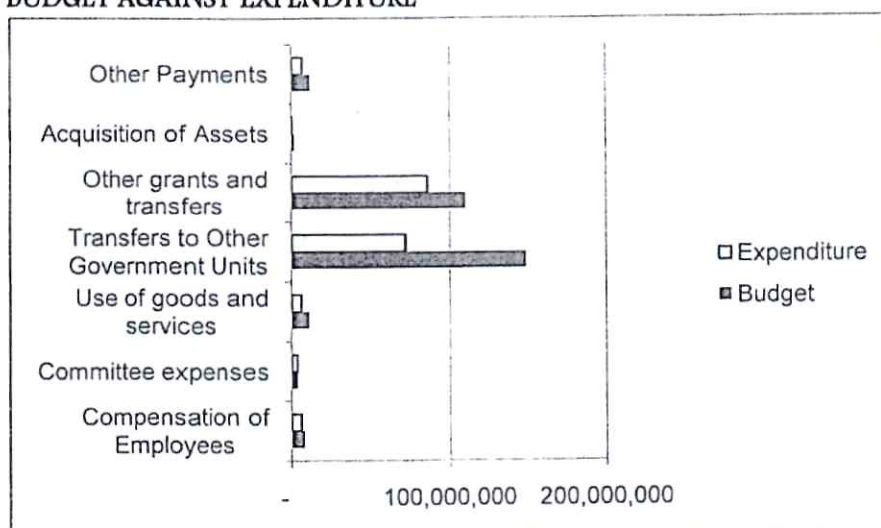
also able to expand infrastructure, mainly classrooms, administration blocks and dining halls in the existing schools.

However, despite the successes achieved, there were implementation challenges encountered along the way. As had been mentioned earlier there have been delays in disbursement of funds from the CDF Board. Some of the project management committees have low capacity to implement projects and hence there is need for training. Inadequate allocation by the NG-CDF Board makes it impossible to implement the intended number of projects that are proposed by the community. It also leads to little allocation to projects hence unable to complete all the budgeted projects in one financial year.

a. Pie chart showing utilization difference against total budget.

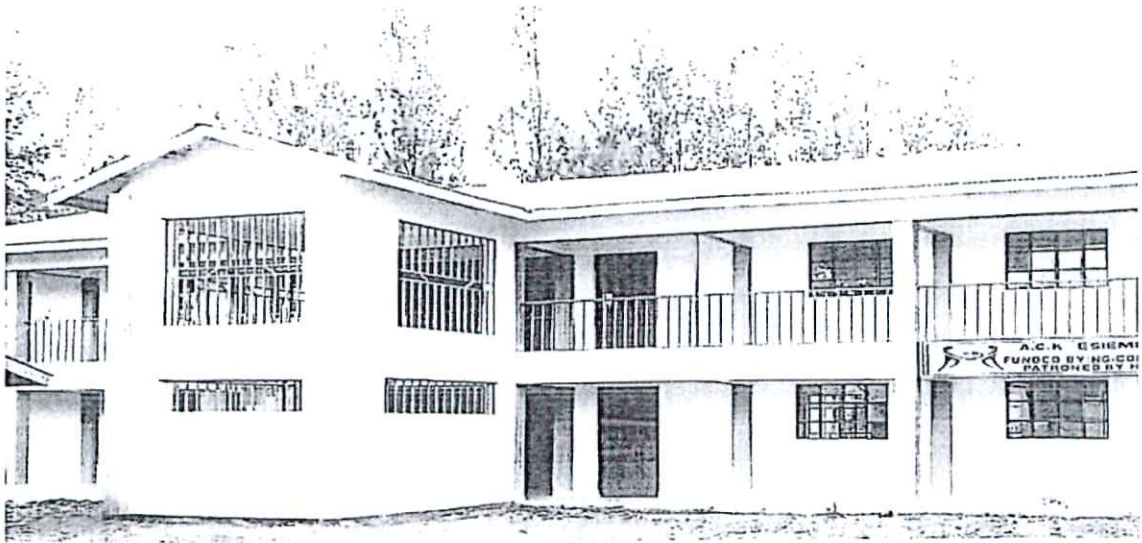
Original Budget	184,057,793
Final Budget	295,324,147
Actual on Comparable Basis	180,306.109
Budget Utilisation Difference	115,018,038
Percentage of Utilisation	61.1%

BUDGET AGAINST EXPENDITURE

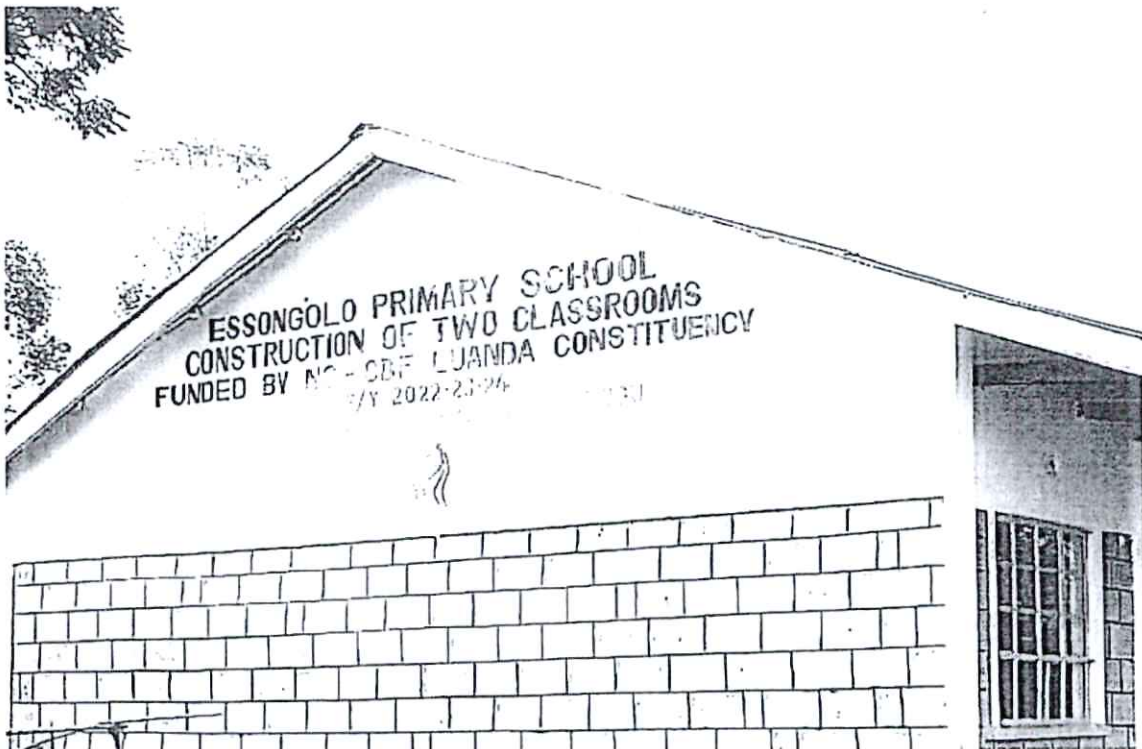


KEY ACHIEVEMENTS

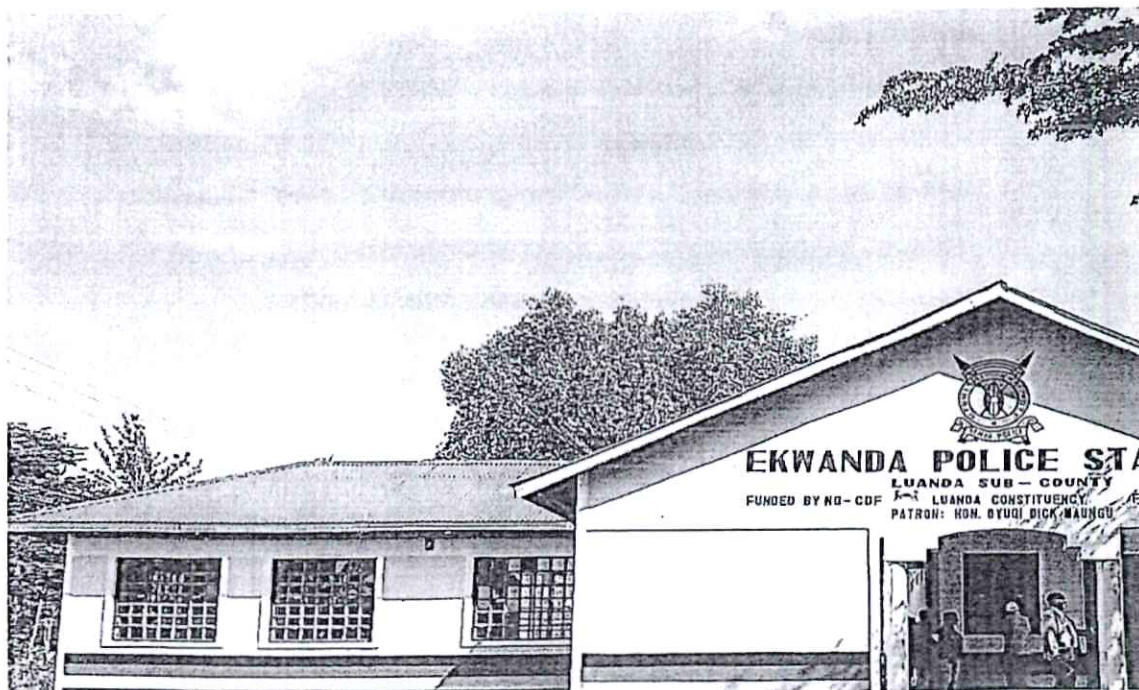
The following are some of the key projects that have been undertaken.



Project 1: Esiembero Primary school: Construction of one storey building



Project 2: Essong'olo Primary school: Construction of 2 classrooms



Project 3: Ekwanda police station

The following are some of the emerging issues that are experienced as a result of the current economy.

1. Restructuring of the Education Funding

The move by the government to restructure the education funding for the tertiary institutions through changing of the HELB funding structure has brought a lot of pressure to the NGCDF Bursary Funds as many students are now seeking for scholarships from the constituency to enable them continue with their studies

2. Junior Secondary School

The introduction of the Junior Secondary School through the CBC Education system has brought a lot of pressure to the existing facilities in various primary schools. There is need for construction and equipping of new classrooms and laboratories to accommodate the students.

3. Inflation Rates

With the current economic position where the rate of exchange of Kenyan shillings to dollar continues to rise, there has been an increase in the cost of construction materials. Hence those projects that were submitted to the board before inflation may not be completed with the original budgeted cost necessitating need for variations and additional funding.

IMPLEMENTATION CHALLENGES AND SOLUTIONS

- Many projects delayed due to the late disbursement of public funds. We hope that this will improve to enable us do the projects in time. We have been however able to utilize the funds adequately as they are disbursed by the Board
- There is also a challenge in the education funds set for bursary. The number of needy students is many compared to the available funds for the same. However, we have been able to seek for help from other government organizations on the same and enable most of the needy students get scholarships. We also wish to increase the amount allocated to bursary funds in the coming financial years.
- Getting Acknowledgement Receipts from the members of the Public when they are issued with bursary has been a challenge. We have been able to disburse combined cheque to those schools that are closer or where students are many in one school and this has enabled us get a few Bursary Acknowledgement Receipts and hence meet the requirements set for the same. We have also been doing civic education and awareness of the need for the bursary beneficiaries to bring back bursary acknowledgement receipts from the institutions once they have collected their cheques and taken them to schools.


Otherwise the impact of the NG-CDF kitty is felt in the constituency and we hope and pray that the fund lives longer and longer in order to impact positively more and more lives in Kenya.

Challenges and way forward

- As we appreciate the continued support from the National Government in making slight additions to the kitty, we however regrettably wish to say that it's not enough to assist the constituency make the rapid anticipated challenge of

providing proper infrastructure for the education sector and security organs. The National Government should seriously consider the re-introduction of the poverty index scheme for the distribution of the national cake.

- It's common knowledge that there are certain pocket of regions in this country that have a high poverty index like Luanda and they have to be jump started economically to catch up with region that have huge strides in matters development.
- We remain committed as a committee to ensure that the fund makes the expected impact in the constituency in terms of enabling needy and bright students attend and complete their formal education in a convenient environment.
- We also are focused to ensure our constituency achieve the lowest regional and national crime indices


.....

Name: Hannington Olukaka
Chairman Luanda NGCDF Committee

4. Statement of Performance Against Predetermined Objectives for FY2023/24

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 the *NGCDF Luanda Constituency 2022-2027* plan are to:

STRATEGIC ISSUE I: EDUCATION

Objectives

- To facilitate access to education for all learners in Luanda constituency.
- To promote high performance of schools in Luanda constituency
- To improve infrastructure in schools.
- To improve sanitation and social amenities in all schools in the constituency.
- To support co-curricular activities in schools within the constituency.
- To improve electricity supply.
- To enhance social cohesion within the constituency.

STRATEGIC ISSUE II: ENVIRONMENT

Objectives

- To promote planting of environment friendly trees to improve forest cover within the constituency.
- To ensure environmental laws are followed in all constituency projects.
- To curb soil erosion in the constituency.
- To protect rivers and riverine areas within the constituency.
- To promote eco tourism within the constituency.

STRATEGIC ISSUE III: SOCIAL PROTECTION

Objectives

- To protect and improve the lives of the elderly, orphans and vulnerable children, widows, people with disabilities and the poor within the constituency.
- To promote gender mainstreaming within the constituency.
- To promote the minority groups in the constituency.
- To develop and provide shelter to the homeless within the constituency.
- To curb alcohol and substance abuse while rehabilitating those suffering from addiction.
- To provide relief food to vulnerable and disadvantaged households within the constituency.
- To reduce poverty through promotion of innovation and entrepreneurship within the constituency.
- To provide opportunities for youth within the constituency.

STRATEGIC ISSUE IV: TALENT PROMOTION

Objectives

- To run tournaments that develops talents within the constituency.
- To establish talent academies in the constituency.
- To provide linkages to opportunities for use of talent both nationally and internationally.
- To promote talent commercialization using modern technology.

Progress on the 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:

Sector	Objective	Outcome	Indicator	Performance
Education	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels</i>	<i>In FY 2023/2024 -we increased number of classrooms from 12 to 15 in secondary schools and from 20 to 25 in primary schools. -approximately 6,000 students benefited in secondary schools and 3,000 in tertiary institutions.</i>
Security	To have modern police station and post at the constituency	Access quality police services and reduce crime rate	Number of crime reported	Luanda CDF built Ekwanda police station and Ekwanda chiefs office.
Environment	Have clean and healthy environment	Access to good sanitation facilities	No of sanitary facilities constructed	Luanda NG-CDF constructed 6 door pit latrines in 5 primary schools and installed water tanks in 3 primary schools.
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 catered for unforeseen events in the education and security sectors

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

5. Governance Statement

Introduction

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43(1), (2), (3) and 57(1) and its regulations, provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency. The officer of the board facilitated the process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.

In this regard section 5 and 6 of NG CDF regulations provides for procedure for nomination of the five members of the NG CDFC as outlined in section 43 (2) paragraph (b), (c), and (d) of the principal Act through a selection panel composed of:

- a) One person nominated by national Government official in charge of Sub County or designated representative who shall chair the panel
- b) Officer of the Board seconded to the constituency who is to be the secretary of the selection panel
- c) Two persons one of either gender nominated by the constituency office (established under regulations made pursuant to the parliamentary service act)

Further the NG-CDF regulations require that one to serve as member of the NGCDF committee he or she must be:

- a) citizen of Kenya
- b) ordinarily resident voter of the constituency
- c) able to read and write and communicate in English and Kiswahili
- d) meet the chapter six of the constitution
- e) Available to participate in the activities of the constituency
- f) For youth nominee he or she must have attained age of 18 years but below age of 35yrs and
- g) For persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

Appointment of National Government Constituency Development Fund Committee

- (1) There is established a National Government Constituency Development Fund Committee for every constituency.
- (2) Each Constituency Committee shall comprise of—
 - (a) the national government official responsible for co-ordination of national government functions;
 - (b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
 - (c) Two women nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
 - (d) one person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);
 - (e) two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;
 - (f) The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.
 - (g) One member co-opted by the Board in accordance with Regulations made by the Board.
- (3) The seven persons referred to in subsection (2)(b), (c), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.
- (4) The names of the persons selected under subsection (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board.
- (5) The Regulations made under subsection (3) shall be submitted to the National Assembly for approval before publication by the Board.
- (6) The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or the

date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency.

(7) The quorum of the Constituency Committee shall be one half of the total membership.

(8) The term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board.

(9) The Fund account manager seconded by the Board to the constituency shall be the custodian of all records and equipment of the constituency during the term of Parliament and during transitions occasioned by general elections or a by-election.

(10) Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of one hundred and twenty days.

(11) The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

Process of Formation of the NGCDF Committee

To facilitate this, the selection panel invited interested and qualified members of the public for appointment to the NG-CDF committee. The panel invited the public through advertisement publicised in churches, public offices notice boards at the chiefs and assistant Chiefs offices and other public areas in the constituency.

The selection panel developed a short listing criterion which enabled identification of the nominees for interviews. Two additional nominees were proposed by Luanda Constituency Office as per section 43 of the NG-CDF Act, 2015.

NO	NAME	CATEGORY	WARD
1.	Rebecca Otwelo	Female (Adult)	Luanda South
2.	Charles Etale	Male(Adult)	Luanda Township

Nominee of the Body representing Persons with Disability

NO	NAME	NOMINATING ORGANIZATION	NATURE OF PHYSICAL IMPAIRMENT	WARD
1.	Richard Ogalo	Luanda Special SHG	Ambulatory	Luanda South

CO-opted member

NO	NAME	CATEGORY	OCCUPATION	WARD
1.	Refa Moses	female	business	Wemilabi

Nominee of the Constituency Office

NO	NAME	CATEGORY	OCCUPATION	WARD
1.	Charles Etale	Male	farmer	Luanda Township

The above committee was gazetted on 29th November 2022 by the Chief Executive Officer of the Board via Gazette Notice Vol. CXXIV-No. 254

The members took over the office on the first meeting on 15th December 2022 and went through the process electing the chairperson and the secretary of the committee. The following members were elected.

1. Chairperson -**Ms. Hannington Olukaka** ID No. 0234431
2. Secretary -**Mrs. Rosemary Adema** ID No. 184564

During its first meeting, a Constituency Committee established Sub-Committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board. The two subcommittee are as follows:

- i. Bursary Sub Committee
- ii. Sports and Environment Sub Committee

The following were appointed to the different committee

a. Bursary committee

- | | |
|--------------------|-------------|
| 1. Rosemary Adema | - Chair |
| 2. Rebeccah Otwelo | - secretary |
| 3. Penninah Otwoma | -member |

b. Sports and Environment Sub Committee

- | | |
|-----------------------|----------|
| 1. David Ochuka | - Member |
| 2. Hannington Olukaka | - Member |

The chairperson and the secretary are members of all the committees. The DCC is the member of the complaints committee, while representative from the ministry of education office is also co-opted to be in the Bursary committee.

The term of office for the members of the Constituency Committee is two years and will be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act.

Roles and functions of NG-CDFC

The functions of the National Government Constituency Development Fund Committees members as stipulated in NG-CDF Regulations 2016(11) are;

- Convene public meetings in every ward in the constituency to deliberate to on development matters.
- Deliberate on project proposals and any other projects considers beneficial to constituency.
- List of projects to be submitted in accordance with the Act to be submitted to the to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund

- Ensure that all projects receive adequate funding and are completed within three years.
- Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act.
- Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- Enter into performance contracting with the Board on an annual basis.

Removal of NG-CDFC Members

Section 43(13) of the Act provides that a member of the Constituency Committee may be removed from office on any one or more of the following grounds-

- (i) lack of integrity;
- (ii) gross misconduct;
- (iii) embezzlement of public funds;
- (iv) bringing the committee into disrepute through unbecoming personal public conduct;
- (v) promoting unethical practises
- (vi) causing disharmony within the committee;
- (vii) Physical or mental infirmity.

A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member ought to be removed shall be given a fair hearing before the resolution is made.

In Luanda the NG-CDFC has found four (4) members to have contravened the laid down regulations and law to warrant removal. The due process is ongoing and the Board is yet to give its verdict.

Training of NG-CDFC Members

In the financial year 2023/2024 the NGCDF Board organized training of NGCDFC members. During the training, critical areas such as public finance, project planning,

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

procurement, complaint management, performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF Luanda.

Number of Meetings Held

According to the NG-CDF Act 2015, Section 43(1), the NGCDF Committee is required to hold a maximum of 24 meetings in a year including any subcommittee meetings. Luanda Constituency Held a total of 12 meetings in the financial year 2023-2024 and the attendance was as follows.

N ^o	NG-CDFC COMMITTEE MEMBERS	3rd July 2023	4 th Sept 2023	2 nd Nov 2023	2 nd Jan 2024	14 th Dec 2024	23 rd Jan 2024	9 th Feb 2024	6 th Feb 2024	14 th Feb 2024	23 rd Feb 2024	25 th April 2024	6 th June 2024
1	Hannington Olukaka-Chair	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Rebecca Otwelo-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Richard Ogalo-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Rosemary Adema-Secretary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Abraham Kemboi-DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	David Ochuka-member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Charles Etale-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Refa Moses-member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
11	Peninah Otwoma-member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Ethics & Conduct

Members of NGCDFC are required to observe the following ethical issues

- i. Confidentiality- the NGCDFC members have a responsibility to ensure confidentiality unless in situations required by law.

- ii. Honesty and integrity-NGCDFC members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflict arising in a way that protects the public interest.
- iii. Leadership- NGCDFC members should promote leadership in the constituency.

During the financial year 2023/2024, most members of NGCDFC Luanda adhered to the above ethical issues

Members Remuneration

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NG-CDFC is entitled to an allowance Ksh. 7,000.00 per meeting and all other members an allowance of Ksh. 5,000.00 per sitting. All NGCDFC members should adhere to general ethics and code of conduct as stipulated in the NGCDF Act.

In this financial year the NGCDFC members adhered to the cabinet secretary's circular on members sitting and field allowances.

Disclose policy on conflict of interest

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2023/2024 no member of NGCDFC Luanda contravened conflict of interest policy.

Risk management

Risk management has been integrated in the constituency operations through the following: training of the NGCDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations, the Fund account manager avails himself with all the support

and required resources to ensure that the identified risk does not hamper with the delivery of service.

Some of the risk mitigation strategies that NGCDFC Luanda has implemented include the following: Implementing audit findings and recommendations, adherence and compliance with NGCDF act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year, Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification.

6. Environmental and Sustainability Reporting

Luanda NGCDF is committed to climate change mitigation and environmental conservation as outlined in the service charter.

The committee has allocated enough resources to plant trees in most schools within the constituency as a conservation measure.

1. Sustainability strategy and profile -

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

- a. Education and Training:** Luanda Constituency's 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 marginalized 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.

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 Constituency is committed to fair and ethical market practices.

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 Constituency 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

Luanda Constituency 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 NGCDF Board in accordance with the Act.

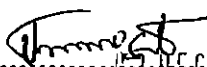
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

The NGCDFC 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 Constituency has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.


.....457.0.E.C.2024.....

**Name: Justus Noo
Fund Account Manager.**

7. 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, 2024. 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.

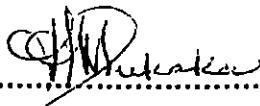
The Accounting Officer in charge of the NGCDF- Luanda Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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, 2024, 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.

***National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024***

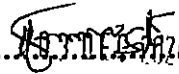
The Accounting Officer in charge of the NGCDF Luanda Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for 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 04/12/ 2024.



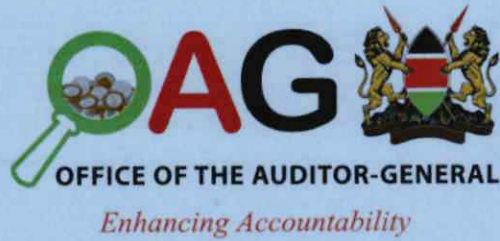
.....
Name: Hannington Olukaka
Chairperson Luanda NGCDF Committee



.....
Name: Justus Noo
Fund Account Manager

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - LUANDA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

- A. Report on 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 the 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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 48, which

Report of the Auditor-General on National Government Constituencies Development Fund - Luanda Constituency for the year ended 30 June, 2024

comprise of the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts 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(s) 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 - Luanda Constituency as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2022) and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of receipts and payments reflects an amount of Kshs.6,738,850 in respect of other payments. However, the explanatory Note 10 reflects an amount of Kshs.1,738,850 resulting to unexplained and unreconciled variance of Kshs.5,000,000.

In the circumstances, the accuracy of other payments disclosed in the financial statements could not be confirmed.

2. Inaccurate Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.51,360,245. However, review of the bank reconciliation statement for the month of June, 2024 revealed payments in cash book not in bank amounting to Kshs.28,474,804. Further, the bank reconciliation statement payments in the bank statement not in the cash book amounting to Kshs.1,153. No explanation was provided by Management for the anomalies.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.51,360,245 could not be confirmed.

3. Unsupported Expenditure on Bursaries

The statement of receipts and payments reflects an amount of Kshs.85,811,139 in respect of other grants and transfers which, as disclosed in Note 8 to the financial statements, includes Kshs.8,818,694 being bursary disbursements to tertiary institutions. However, Kshs.6,676,694 disbursed to tertiary institutions was not supported by

acknowledgement receipts from beneficiary institutions contrary to Regulation 104(1) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, the propriety of Kshs.6,676,694 disbursed as bursaries to tertiary institutions could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Luanda NGCDF 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 statement of appropriation for the year ended 30 June 2024 reflects final receipts budget of Kshs.295,324,147 against actual receipts of Kshs.231,666,354 resulting to an under funding of Kshs.63,657,793 or 22% of the budget. Similarly, the Fund spent Kshs.180,306,109 out of the approved budget of Kshs.295,324,147 resulting to an under expenditure of Kshs.115,018,038 or 38% of the approved budget.

The under-funding and under-expenditure may impact negatively on delivery of services to the intended recipients.

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. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal controls, Risk management and governance. However, Management had not resolved the issues as at 30 June, 2024.

Other Information

Conclusion

The Management is responsible for the other information set out on page iv to xxxiii which comprise of Key Information and Management, NG-CDF Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

Basis for Conclusion

In connection with my audit on the NG-CDF financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information and I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect(s) of the matter(s) described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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. Unauthorized Reallocations

The statement of receipts and payments reflects other grants and transfers amount of Kshs.85,811,139. Included in the amount is bursary to special schools' expenditure of Kshs.335,000 as disclosed in Note 8 to the financial statements. Review of the expenditure schedules revealed that payments totalling Kshs.1,560,500 were irregularly transferred to tertiary institutions and secondary schools in form of bursaries. Further, NGCF Board via their letter dated 21 May, 2024 approved the reallocations from Social Security Programmes including Kshs.200,000 as bursaries to tertiary institutions. However, Management expensed Kshs.315,000 resulting to reallocation of Kshs.115,000 without approval from the Board. The reallocations were contrary to Section 6(2) National Government Constituencies Development Fund Act, 2015, which provide those once funds are allocated for a particular project, they shall remain allocated for that project and may only be reallocated for any other purpose during the financial year with the approval of the Board.

2. Unplanned Procurement

The statement of receipts and payments reflects an amount of Kshs.306,501 in respect to acquisition of assets and as disclosed in Note 9 to the financial statements. Review of records provided for audit revealed that the payment was made for supply and delivery of office digital camera. However, the procurement of the digital camera was not in the procurement plan or the approved budget. This was contrary to Section 44(2)(a) of the Public Procurement and Asset Disposal Act, 2015 which stipulates an Accounting Officer shall ensure that procurements of goods, works and services of the public entity are within approved budget of that entity.

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

3. Stalled Construction of Administration Offices, Laboratories and Classrooms

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 between Luanda Constituency and the contractor 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) 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 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.

4. Incomplete Construction of Ablution Block Project

As previously reported, Management engaged a construction company for construction and completion of an ablution block at Mumboha Secondary School. However, the project file provided for review lacked bill of quantities, tender advertisement, tender opening minutes, tender evaluation minutes and letter of notification of awards, letter of

acceptance and the inspection and acceptance report. Further, the last physical inspection carried out in 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.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require 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 comply 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 controls, 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 the 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 as a going concern, disclosing, as applicable, matters related

to going concern and using the going concern basis of accounting unless Management is aware of the intention 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 comply 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 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 governance and risk management, and ensuring the adequacy and effectiveness of the control environment.


Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, SBS
AUDITOR-GENERAL

Nairobi

27 December, 2024

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

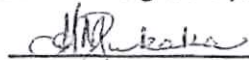
9. Statement of Receipts and Payments for the Year Ended 30th June 2024

	Note	2023/2024	2022/2023
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	220,487,603	76,846,599
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		220,487,603	76,846,599
PAYMENTS			
Compensation of employees	4	5,977,414	1,845,306
Committee expenses	5	3,495,900	1,984,947
Use of goods and services	6	6,274,925	4,719,019
Transfers to Other Government Units	7	71,701,380	15,050,907
Other grants and transfers	8	85,811,139	60,211,797
Acquisition of Assets	9	306,501	-
Other Payments	10	6,738,850	839,243
TOTAL PAYMENTS		180,306,109	84,651,219
SURPLUS/DEFICIT		40,181,494	(7,804,620)

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 31/12/2024

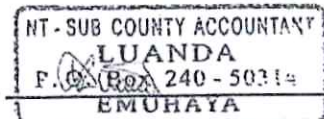
2024 and signed by:



Chairperson NG-CDF
 Committee
 Name: HANNINGTON
 OLUKAKA



Fund Accountant Manager
 Name: JUSTUS NOO



National Sub-County
 Accountant
 Name: AGNES KISEMBE

ICPAK M/NO:8815

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

10. Statement of Assets and Liabilities as at 30th June, 2024

	Note	2023/2024	2022/2023
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	11A	51,360,245	11,178,751
Cash Balances (cash at hand)	11B	-	-
Total Cash and Cash Equivalents		51,360,245	11,178,751
Accounts Receivable			
Outstanding Imprests	12	-	-
TOTAL FINANCIAL ASSETS		51,360,245	11,178,751
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	13	-	-
Gratuity	14	-	-
NET FINANCIAL SSETS		51,360,245	11,178,751
REPRESENTED BY			
Fund balance b/fwd 1st July...	15	11,178,751	18,983,370
Prior year adjustments	16	-	-
Surplus/Defict for the year		40,181,494	(7,804,620)
NET FINANCIAL POSITION		51,360,245	11,178,750

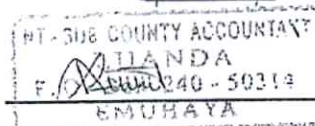
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on 3/12/2024 2024 and signed by:



Chairperson NG-CDF
Committee
Name: HNNINGTON
OLUKAKA



Fund Accountant Manager
Name: JUSTUS NOO



National Sub-County
Accountant
Name: AGNES KISEMBE

ICPAK M/NO:8815

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

11. Statement Of Cash Flows for the Year Ended 30th June 2024

	Notes	2023/2024	2022/2023
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	220,487,603	76,846,599
Other Receipts	3	-	-
		220,487,603	76,846,599
Payments for operating activities			
Compensation of Employees	4	5,977,414	1,845,306
Committee expenses	5	3,495,900	1,984,947
Use of goods and services	6	6,274,925	4,719,019
Transfers to Other Government Units	7	71,701,380	15,050,907
Other grants and transfers	8	85,811,139	60,211,797
Other Payments	10	6,738,850	839,243
		179,999,608	84,651,219
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Prior year Adjustments	16	-	-
Net Adjustments			
Net cash flow from operating activities		40,487,995	(7,804,620)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(306,501)	-
Net cash flows from Investing Activities		(306,501)	-
NET INCREASE IN CASH AND CASH EQUIVALENT			
Cash and cash equivalent at BEGINNING of the year	11	11,178,750	18,983,370
Cash and cash equivalent at END of the year		51,360,244	11,178,750

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

12. Summary Statement of Appropriation for The Year Ended 30th June 2024

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
		a	b				
	2023/2024	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2023/2024	2023/2024		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts							
Transfers from NG-CDF Board	184,057,793	11,178,751	100,087,603	295,324,147	231,666,354	63,657,793	78.4%
Proceeds from Sale of Assets				-	-	-	0.0%
Other Receipts				-	-	-	0.0%
TOTAL RECEIPTS	184,057,793	11,178,751	100,087,603	295,324,147	231,666,354	63,657,793	78.4%
PAYMENTS							
Compensation of Employees	5,213,649	-	2,951,244	8,164,893	5,977,414	2,187,479	73.2%
Committee expenses	2,544,200	206,386	1,143,946	3,894,532	3,713,468	181,064	95.4%
Use of goods and services	8,054,714	373,749	2,639,302	11,067,765	6,057,357	5,010,408	54.7%
Transfers to Other Government Units	79,875,654	6,568,616	62,119,428	148,563,698	71,701,380	76,862,318	48.3%
Other grants and transfers	83,369,576	30,000	26,707,891	110,107,467	85,811,139	24,296,328	77.9%
Acquisition of Assets	-	-	1,786,942	1,786,942	306,501	1,480,441	17.2%
Other Payments	5,000,000	4,000,000	2,738,850	11,738,850	6,738,850	5,000,000	57.4%
Funds pending approval**				-			
TOTAL	184,057,793	11,178,751	100,087,603	295,324,147	180,306,109	115,018,038	61.1%

**Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.


Explanatory Notes.

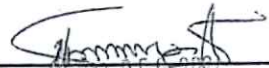
National Government Constituencies Development Fund (NGCDF)
 Luanda Constituency
 Annual Report and Financial Statements for The Year Ended June 30, 2024

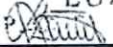
Explanatory Notes.

- (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. 11,178,750.52 as at 1st July, 2023 plus amount owing to the constituency as at 30th June 2023 of Ksh. 98,587,602 during the year under review.
 (c) The utilization difference of Ksh. 115,018,038 is the closing cashbook balance of Ksh. 51,360,245 as at 30th June, 2024 plus the amount owing to the Constituency as at 30th June, 2024 of Ksh. 63,657,793.01

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	115,018,038
Less undisbursed funds receivable from the Board as at 30th June 2024	63,657,793
Sub totals	51,360,245
Add Accounts payable	
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2023/2024	51,360,245


 Hannington Olukaka
 Chairman Luanda NG-CDF
 Committee


 Justus Nbo
 Fund Accountant Manager


 NT - SUB COUNTY ACCOUNTANT
 LUANDA
 Agnes-Kisembe
 National Sub-County
 Accountant

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

13. Budget Execution By Sectors And Projects For The Year Ended 30th June 2024

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	5,213,649		2,951,244	8,164,893	5,977,414	2,187,479
1.2 Committee allowances	1,644,200	206,386	(12,386)	1,838,200	1,838,200	-
1.3 Use of goods and services	3,663,860	(297,498)	2,317,019	5,683,381	4,908,362	775,019
Sub-total	10,521,709	(91,112)	5,255,877	15,686,474	12,723,976	2,962,498
2.0 Monitoring and evaluation						
2.1 Capacity building	1,000,000	671,247	483,112	2,154,359	769,555	1,384,804
2.2 Committee allowances	900,000		497,439	1,397,439	1,337,800	59,639
2.3 Use of goods and services	3,390,854		(160,829)	3,230,025	379,440	2,850,585
Sub-total	5,290,854	671,247	819,722	6,781,823	2,486,795	4,295,028
3.0 Constituency Oversight Committee (Itemize as per budget)			658,893	658,893	537,468	121,425
Sub-total						

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
			658,893	658,893	537,468	121,425
4.0 Emergency						
		-		-		-
Ebulonga primary		-			2,000,000	
Emmatsi primary		-			500,000	
Ebulonga primary		-			500,000	
Ebukuya primary		-			500,000	
Itabalia primary		-			500,000	
Khumuseno primary		-			500,000	
Emmatsi primary		-			1,000,000	
						-
						-
Sub-total	9,229,569	-	7,245,496	16,475,065	5,500,000	10,975,065
5.0 Bursary and Social Security						
				-		-
5.1 Secondary Schools	43,500,000		(8,303,797)	35,196,203	40,225,519	(5,029,316)
5.2 Tertiary Institutions	9,500,000		3,360,943	12,860,943	8,818,694	4,042,249
Bursary Special Institutions	500,000		500,000	500,000	335,000	165,000
NG-CDFC Social Security Programmes			4,200,000	4,200,000	4,215,279	(15,279)

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Programme/Sub-programme	Original Budget Kshs	Adjustments		Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
ESIEMBERO PRIMARY	7,500,000	-	-	7,500,000	7,500,000	-
ELUKHAMBI PRIMARY	1,000,000			1,000,000	-	1,000,000
EBULAKO PRIMARY	7,500,000			7,500,000	7,500,000	-
MULWANDA PRIMARY	3,000,000			3,000,000	-	3,000,000
ESIUTUTU PRIMARY	2,000,000			2,000,000	2,000,000	-
ESIBEYE PRIMARY	8,000,000			8,000,000		8,000,000
MULWAKHI PRIMARY	2,000,000			2,000,000		-
EBUSAMBA PRIMARY	2,000,000			2,000,000	2,000,000	2,000,000
OCHWORE PRIMARY	2,000,000			2,000,000		2,000,000
ELUKHAMBI PRIMARY	1,200,000			1,200,000		1,200,000
EBUSYUBWI PRIMARY	891,530			891,530	669,246	222,284
KHUMUSENO PRIMARY	2,000,000			2,000,000		2,000,000
EBUMBAYI PRIMARY	3,892,158			3,892,158		3,892,158
JSS FUNDED BY NG-CDF						
EBBIBA PRIMARY	1,500,000			1,500,000	-	1,500,000
WALUKA PRIMARY	1,500,000			1,500,000	-	1,500,000
EMUHAYA PRIMARY	1,500,000			1,500,000	-	1,500,000
EMUKHUYA PRIMARY	1,500,000			1,500,000	-	1,500,000
ITABALIA PRIMARY	1,195,983			1,195,983	-	1,195,983

National Government Constituencies Development Fund (NGCDF)
 Luanda Constituency
 Annual Report and Financial Statements for The Year Ended June 30, 2024

Programme/Sub-programme	Original Budget Kshs	Adjustments		Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
EBWIRANYI PRIMARY	1,500,000			1,500,000	-	1,500,000
JSS FUNDED BY MOE						
EBBIBA PRIMARY	1,500,000			1,500,000	-	1,500,000
WALUKA PRIMARY	1,500,000			1,500,000	-	1,500,000
EMUHAYA PRIMARY	1,500,000			1,500,000	-	1,500,000
EMUKHUYA PRIMARY	1,500,000			1,500,000	-	1,500,000
ITABALIA PRIMARY	1,195,983			1,195,983	-	1,195,983
EBWIRANYI PRIMARY	1,500,000			1,500,000	-	1,500,000
KAYILA PRIMARY		1,750,000		1,750,000	1,750,000	-
MUMBOHA PRIMARY		898,105		898,105	898,105	-
ESIEMBERO PRIMARY			7,500,000	7,500,000	7,500,000	-
ESSONGOLO PRIMARY			2,000,000	2,000,000	2,000,000	-
EMMATSI PRIMARY			2,000,000	2,000,000	2,000,000	-
ESIANDUMBA PRIMARY			3,000,000	3,000,000	3,000,000	-
ESIAMARWI PRIMARY			2,000,000	2,000,000	2,000,000	-
ESIRABE PRIMARY			2,000,000	2,000,000	2,000,000	-
MULWANDA PRIMARY			500,000	500,000	500,000	-
WEMILABI PRIMARY			800,000	800,000	800,000	-
ESIBEMBE PRIMARY			1,200,000	1,200,000	1,200,000	-

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Programme/Sub-programme	Original Budget Kshs	Adjustments		Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
EKAMANJI PRIMARY			2,000,000	2,000,000	2,000,000	-
Sub-total	60,375,654	2,648,105	23,000,000	86,023,759	45,317,351	40,706,408
9.0 Secondary Schools Projects						
9.1 EBUSIRALO SECONDARY	7,000,000	-		7,000,000		7,000,000
9.2 IRUMBI SECONDARY	7,500,000	-		7,500,000	7,500,000	-
9.3 MUMBOHA SECONDARY	5,000,000	-		5,000,000	-	5,000,000
EBUSILARO SECONDARY			1,800,000	1,800,000	1,800,000	-
IBUBI GIRLS			3,500,000	3,500,000	3,000,000	500,000
HOBUNAKA GIRLS			4,000,000	4,000,000		4,000,000
MUMBOHA SECONDARY			6,594,668	6,594,668	1,163,518	5,431,150
ESIBEMBE SECONDARY			1,500,000	1,500,000	1,500,000	-
ESIANDUMBA SECONDARY			7,600,000	7,600,000		7,600,000
IRUMBI SECONDARY			7,500,000	7,500,000	7,500,000	-
MUMBOHA SECONDARY			5,500,000	5,500,000		5,500,000
EBUSSAMBA SECONDARY		1,650,000		1,650,000	1,650,000	-
ESIBEYE SECONDARY		2,270,511		2,270,511	2,270,511	-

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
ESIANDUMBA SECONDARY			1,124,760	1,124,760		1,124,760
Sub-total	19,500,000	3,920,511	39,119,428	62,539,939	26,384,029	36,155,910
10.0 Tertiary institutions Projects (List all the Projects)						
Sub-total						
11.0 Security Projects						
EKWANDA POLICE STATION	2,000,000	-	-	2,000,000	2,000,000	-
IBOONA CHIEF OFFICE	2,670,000	30,000		2,700,000	2,700,000	-
EBUHANDO CHIESF OFFICE	2,700,000			2,700,000	-	2,700,000
LUANDA POLICE STATION	4,100,000			4,100,000	-	4,100,000
LUANDA POLICE STATION			400,000	400,000	400,000	-
EMUSENJELI CHIEF			2,000,000	2,000,000	2,000,000	-

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Programme/Sub-programme	Original Budget Kshs	Adjustments		Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
EKWANDA POLICE STATION			7,000,000	7,000,000	7,000,000	-
LUANDA DCC			500,000	500,000	500,000	-
EKWANDA CHIEFS			2,000,000	2,000,000	2,000,000	-
EBUSUNDI CHIEFS			2,000,000	2,000,000	2,000,000	-
Sub-total	11,470,000	30,000	13,900,000	25,400,000	18,600,000	6,800,000
12.0 Acquisition of assets						-
12.1 Motor Vehicles (including motorbikes)				-		-
12.2 Construction of CDF office			1,786,942	1,786,942	306,501	1,480,441
12.3 Purchase of furniture and equipment				-		-
12.4 Purchase of computers				-		-
12.5 Purchase of land				-		-
Sub-total	-	3,485,481	3,485,481	306,501	3,178,980	-
13.0 Others						-
13.1 Strategic Plan			1,738,850	1,738,850	1,738,850	-

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
13.2 Innovation Hub			-	-		-
13.3 REREC(MWILALA,MWIBO NA AND WEMILABI WARD)	5,000,000	4,000,000	1,000,000	10,000,000	5,000,000	5,000,000
Sub-total	5,000,000	4,000,000	2,738,850	11,738,850	6,738,850	5,000,000
14.0 Unallocated Funds						
AIA						
Pmc						
Funds pending approval**						
Sub-total	184,057,793	11,178,751	100,087,603	295,324,147	180,306,109	115,018,038
Total						

(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. This statement totals should time to totals of statement in schedule 12

14. 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;

- Receivables that include imprests
- Payables that include 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. Recognition of Receipts

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

a. 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.

b. Proceeds from the Sale of Assets

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

c. Other receipts

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

d. 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.

e. 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.

5. Recognition of payments

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

a) Compensation of Employees

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

b) 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.

c) Acquisition of Fixed Assets

The payment on the 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)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

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

6. 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.

7. 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 an insignificant risk of changes in value. Bank account balances include amounts held at various commercial banks at the end of the financial year.

8. 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.

9. Accounts Payable

For 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 the fulfilment of obligations by the contractor and holding deposits on behalf of third parties. Gratuity earned 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 the National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

10. 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.

11. 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 the NGCDF Act, 2015

12. 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 xx June 2024 for the period 1st July 2024 to 30th June 2024 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.

13. Comparative Figures

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

14. 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 2024.

15. Prior Period 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

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

occurred before the earliest prior period presented, restate 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.

16. 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.

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2023/2024	2022/2023
NGCDF Board	Kshs	Kshs
B185299		7,000,000
B185686		21,000,000
B225115		5,000,000
B202006		12,000,000
B2205962		12,000,000
A888905		19,846,599
B213154	1,100,000	
B214126	9,400,000	
B214643	73,187,603	
B214811	40,000,000	
B225115	30,000,000	
B226112	30,000,000	
B226476	30,000,000	
B233613	6,800,000	
TOTAL	220,487,603	76,846,599

2. Proceeds From Sale of Assets

	2023/2024	2022/2023
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)	-	-
Total	-	-

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

3. Other Receipts

	2023/2024	2022/2023
	Kshs	Kshs
Interest Received	-	-
Rent	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs account	-	-
Other Receipts Not Classified Elsewhere (<i>specify</i>)	-	-
Total	-	-

4. Compensation Of Employees

	2023/2024	2022/2023
	Kshs	Kshs
NG-CDFC Basic staff salaries	4,250,890	1,826,694
Personal allowances paid as part of salary		
House allowance	209,016	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	1,000,000	-
Employer Contributions Compulsory national social security schemes	436,580	18,612
Employer Contributions Compulsory Housing levy	74,928	-
Employer contributions to National Industrial Training Authority	6,000	-
TOTAL	5,977,414	1,845,306

5. Committee Expenses

	2023/2024	2022/2023
	Kshs	Kshs
A.NG CDFC		
Sitting allowance	1,337,800	1,502,386
Other committee expenses	1,838,200	482,561
Sub-total	3,176,000	1,984,947

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

B. Oversight Committee Expenses		
Members allowance	319,900	-
Other committee expenses	-	-
Sub-total	319,900	-
TOTAL(A+B)	3,495,900	1,984,947

6. Use of Goods and services

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Utilities, supplies and services	101,053	98,580
Communication, supplies and services	217,568	877,700
Domestic travel and subsistence	799,812	414,000
Printing, advertising and information supplies & services	1,552,546	-
Rentals of produced assets	-	-
Training expenses	769,555	754,850
Hospitality supplies and services	596,245	118,060
Insurance costs	341,266	338,735
Specialised materials and services	-	-
Office and general supplies and services	657,782	747,290
Fuel , oil & lubricants	195,000	877,700
Other operating expenses	739,658	354,104
Bank Charges	120,000	-
Routine maintenance - vehicles and other transport equipment	184,440	88,000
Routine maintenance- other assets	-	50,000
TOTAL	6,274,925	4,719,019

7. Transfer To Other Government Units

Description	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Transfers to Primary Schools	45,317,351	520,000
Transfers to Secondary Schools	26,384,029	14,530,907
Transfers to Tertiary Institutions	-	
TOTAL	71,701,380	15,050,907

8. Other Grants and Other transfers

	2023/2024	2022/2023
	Kshs	Kshs
Bursary - Secondary (see attached list)	40,225,519	49,303,797
Bursary -Tertiary (see attached list)	8,818,694	9,708,000
Bursary- Special Schools	335,000	-
Bursary- Education support programmes	2,993,900	-
Social Security programmes (NHIF)	4,215,279	
Security Projects (see attached list)	18,600,000	500,000
Sports Projects (see attached list)	2,999,250	-
Environment Projects (see attached list)	2,123,497	100,000
Emergency Projects (see attached list)	5,500,000	600,000
Roads Projects	-	-
TOTAL	85,811,139	60,211,797

9. Acquisition Of Assets

	2023/2024	2022/2023
	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	306,501	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment		-
Acquisition of Land	-	-
Acquisition Intangible Assets		-
Total	306,501	-

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

10. Other Payments

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Luanda NGCDF Office		
Strategic Plan	1,738,850	-
Others (<i>specify</i>)	-	261,150
		578,093
Total	1,738,850	839,243

11. Cash and Cash Equivalents

Name of Bank and Account No.	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
11A: Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank Luanda NG-CDF No. 1120261446995</i>	51,360,245	11,178,751
<i>Operation account pending closure (Indicate name & account no.)</i>	-	-
<i>Name of Bank, account No. (Deposit)</i>	-	-
Sub Total	51,360,245	11,178,751
11B: Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations (<i>Specify</i>)	-	-
Total	51,360,245	11,178,751

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

12. Outstanding Imprests

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

13. Retention

	<i>2023/2024</i>	<i>2022/2023</i>
	<i>KShs</i>	<i>KShs</i>
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	-	-

Retentions aging analysis.

	<i>Insert Current FY</i>	<i>% of the total Retention</i>	<i>Insert Comparative FY</i>	<i>% of the total Retention</i>
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

14. Gratuity

	<i>2023/2024</i>	<i>2022/2023</i>
	<i>KShs</i>	<i>KShs</i>
Gratuity as at 1 st July (A)		-
Gratuity held during the year (B)	1,000,000	-
Gratuity paid during the Year (C)	1,000,000	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Gratuity aging analysis

	2023/2024	% of the total Gratuity	2022/2023	% of the total Gratuity
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

The total above should be equal to the Gratuity closing figures)

15. Fund Balance B/F

	(1 st July 2023)	(1 st July 2022)
	Kshs	Kshs
Bank accounts	11,178,751	18,983,370
Cash in hand	-	-
Imprest	-	-
Total	11,178,751	18,983,370
Less		
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	11,178,751	18,983,370

16. 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	-	-	-
Imprests	-	-	-
Retentions	-	-	-
Gratuity	-	-	-
Others (<i>specify</i>)	-	-	-
Total	-	-	-

*** The adjusted balances are not carried down on the face of the financial statement.
 (Entity to provide disclosure on the adjusted amounts)*

17. Changes In Accounts Receivable – Outstanding Imprests

	2023/2024	2022/2023
	KShs	KShs
Outstanding Imprest as at 1 st July (A)		
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Closing accounts in account receivables D= A+B-C	-	-
Net changes in accounts Receivables D - A	-	-

18. Changes In Accounts Payable – Gratuities and Retentions

	2023/2024	2022/2023
	KShs	KShs
Gratuities and Retentions as at 1 st July (A)	-	-
Gratuities and Retentions held during the year (B)	1,000,000	-
Gratuities and Retentions paid during the Year (C)	1,000,000	-
Closing account payables D= A+B-C	-	-
Net changes in accounts payables D-A	-	-

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2023/2024	2022/2023
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

Aging Analysis for Pending Accounts Payables

	2023/2024	% of the total	2023/2024	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

19.2: Pending Staff Payables (See Annex 2)

	2023/2024	2022/2023
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
Total	-	-

Aging Analysis for staff Payables

	2023/2024	% of the total	2023/2024	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

19.3: Unutilized Fund (See Annex 3)

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Compensation of employees	2,187,479	2,951,244
Committee Expense	181,064	1,797,795
Use of goods and services	5,010,408	(297,598)
Amounts due to other Government entities (see attached list)	76,862,318	54,996,523
Amounts due to other grants and other transfers (see attached list)	24,296,328	45,075,131
Acquisition of assets	1,480,441	2,632,500
Others (<i>specify</i>)	5,000,000	871,907
Funds pending approval		1,738,850
Total	115,018,038	109,766,352

19.4: PMC account balances (See Annex 5)

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
PMC account balances	11,009,336	3,984
Total	11,009,336	3,984

19.5 Related Party Transactions

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,337,800	1,502,386
Transaction with the NGCDF Board		
Receipts from the NGCDF Board during the year	220,487,603	76,846,599
Total	221,825,403	78,348,985

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

16. 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.					
Sub-Total					
Construction of civil works					
3.					
4.					
5.					
Sub-Total					
Supply of goods					
6.					
7.					
Sub-Total					
Supply of services					
8.					
Sub-Total					
Grand Total					

National Government Constituencies Development Fund (NGCDF)

Luanda Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2024	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2023-2024	2022-2023	
1.1 Compensation of employees	Payment of Staff Salaries	2,187,479	2,951,244	
1.2 Committee allowances	Payment of committee allowances	181,064	(297,598)	
1.3 Use of goods and services	payment for goods and services	5,010,408	1,797,795	
Sub-total		7,378,951	871,907	
2.0 Monitoring and evaluation				
2.1 Capacity building	Payment of capacity building services	-		
1.2 Committee allowances	Payment of committee allowances	-		
2.3 Use of goods and services	payment for goods and services	-		
Sub-total		-	-	
12.0 Oversight Committee Expenses (itemize)				
13.1 Committee allowances	Payment of allowances	-	-	
Sub-total				
4.0 Emergency				
Unutilized	Unutilized on emergency	10,975,065		
Sub-total		10,975,065		
5.0 Bursary and Social Security	1			
5.1 Secondary Schools	Payment of bursary to needy students	(4,968,816)		
5.2 Tertiary Institutions	Payment of bursary to needy	4,042,249		

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2023-2024	2022-2023	
	students			
	Bursary Special Institutions	104,500		
Education support	Bursary to institutions	6,100		
	NG-CDFC Social Security Programmes	(15,279)		
Sub-total		(831,246)		
Sports				
	Payment of sports activities	3,402,502		
Sub-total		3,402,502		
Environment				
	Environment activities	3,950,007		
Sub-total		3,950,007		
8.0 Primary Schools Projects				
ESIEMBERO PRIMARY	Construction of storey building	-	7,500,000	
ESSONG'OLO PRIMARY	Construction of 2 classes	-	2,000,000	
EMMATSI PRIMARY	Construction of 2 classes	-	2,000,000	
ESIANDUMBA PRIMARY	Construction of 3 classes	-	3,000,000	
ESIAMARWI PRIMARY	Construction of 2 classes	-	2,000,000	
ESIRABE PRIMARY	Construction of 2 classes	-	2,000,000	
MULWANDA PRIMARY	Construction of toilet	-	500,000	
WEMILABI PRIMARY	Completion of admin block			

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2023-2024	2022-2023	
		-	800,000	
KAYILA PRIMARY	Construction of 2 classes	-	898,105	
MUMBOHA PRIMARY	Construction of one storey building	-	7,500,000	
ESIBEMBE SECONDARY	Construction of classes	-	1,200,000	
EKAMANJI SECONDARY	Construction of 2 classes	-	2,000,000	
ESIEMBERO PRIMARY	renovation to completion of 2 classrooms	-		
ELUKHAMBHI PRIMARY	purchase of land	1,000,000		
EBBIBA PRIMARY	construction to completion of 3 classroom	1,500,000		
WALUKA PRIMARY	construction to completion of 2 classroom	1,500,000		
EMUHAYA PRIMARY	construction to completion of 3 classroom	1,500,000		
EMUKHUYA PRIMARY	construction to completion of 3 classroom	1,500,000		
MULWANDA PRIMARY	purchase of land	3,000,000		
ESIUTUTU PRIMARY	construction to completion of 2 classroom	-		
ESIBEYE PRIMARY	construction of 1 storey	8,000,000		
EBUSAMBA PRIMARY	construction to completion of two classrooms			

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2023-2024	2022-2023	
		2,000,000		
OCHWORE PRIMARY	renovation to completion of two classrooms	2,000,000		
ELUKHAMBI PRIMARY	purchase of land	1,200,000		
ITABALIA PRIMARY	construction to completion of 2 classroom	1,195,983		
EBWIRANYI PRIMARY	construction to completion of 3 classrooms	1,500,000		
EBUSYUBWI PRIMARY	completion of 4 classrooms	222,284		
KHUMUSENO PRIMARY	construction to completion of 2 classrooms	2,000,000		
EBUMBAYI PRIMARY	field leveling	3,892,158		
EBBIBA PRIMARY	construction to completion of 3 classroom	1,500,000		
WALUKA PRIMARY	construction to completion of 2 classroom	1,500,000		
EMUHAYA PRIMARY	construction to completion of 3 classroom	1,500,000		
EMUKHUYA PRIMARY	construction to completion of 3 classroom	1,500,000		
ITABALIA PRIMARY	construction to completion of 2 classroom	1,195,983		
EBWIRANYI PRIMARY	construction to completion of 3 classrooms	1,500,000		

National Government Constituencie. evelopment Fund (NGCDF)
 Luanda Constituency
 Annual Report and Financial Statements for The Year Ended June 30, 2024

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2023-2024	2022-2023	
Sub-total		48,085,359	31,398,105	
9.0 Secondary Schools Projects				
EBUSIRALO SECONDARY	Construction of classes	7,000,000	1,800,000	
IBUBI GIRLS SECONDARY	Construction of 3 classes	500,000	3,000,000	
HOBUNAKA GIRLS	Construction of tuition block	4,000,000	4,000,000	
MUMBOHA SECONDARY	completion of 16 classes	5,000,000	6,677,334	
ESIBEMBE SECONDARY	Purchase of Land	-	1,500,000	
ESIANDUMBA SECONDARY	Construction of classrooms	7,600,000	4,346,599	
IRUMBI SECONDARY	Construction of 1 storey with classrooms	-	7,500,000	
MUMBOHA SECONDARY	Construction of classrooms	5,431,150	69,093	
MUMBOHA SECONDARY	Construction of classrooms	5,500,000		
ESIANDUMBA SECONDARY	completion of twin science lab	1,124,760		
Sub-total		36,155,910	28,893,026	
10.0 Tertiary institutions Projects (List all the Projects)				
Sub-total		-		
11.0 Security Projects				
EBUHANDO CHIESF OFFICE	Construction of admn block	2,700,000		
LUANDA POLICE STATION	Construction of admn block	4,100,000		

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2023-2024	2022-2023	
Sub-total		11,800,000	-	
12.0 Acquisition of assets		-		
LUANDA Ngcdf Office -renovations		1,480,441		
Sub-total		1,480,441	-	
13.0 Others		-		
LUANDA NG CDFICT Digital Hub		-		
LUANDA constituency NG-CDF strategic plan				
Sub-total		-	-	
14.0 Unallocated Funds		-		
Funds pending approval**				
Sub-total		-	-	
Grand Total		115,018,038	109,766,353	

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	2,446,727	-	-	2,446,727
Buildings and structures	35,441,526	-	-	35,441,526
Transport equipment	6,130,000	-	-	6,130,000
Office equipment, furniture and fittings	3,875,693	-	-	3,875,693
ICT Equipment, Software and Other ICT Assets	80,000	-	-	80,000
Other Machinery and Equipment	632,000	300,000	-	932,000
Heritage and cultural assets				
Intangible assets	-	-	-	-
Total	48,605,946	-	-	48,905,946

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024
Annex 5 –PMC Bank Balances as at 30th June 2024

Name of Account	Type of Bank Account	Account No	Name of Bank and Branch	Date of opening the Bank Account	Bank Balance	Bank Balance
					2023/24	2022/23
EKWANDA SEC SCHOOL	KCB	1128110156	LUANDA		-	-
EBWALI SEC SCHOOL	EQUITY	960293389065	LUANDA		-	1,388
ESIANDUMBA SEC SCHOOL	EQUITY	1120277708325	LUANDA		-	768
EBUSAKAMI SEC SCHOOL	EQUITY	1120263155499	LUANDA		-	563
EMMATSI SEC SCHOOL	EQUITY	1120297582548	LUANDA	26/01/2010	-	622
ESIBEYE SEC SCHOOL	KCB	1135232229	LUANDA	10/06/2012	-	643
ESIRABE PRIMARY SCHOOL	EQUITY	1120279267366	LUANDA	03/11/2010	-	-
EMMATSI PRIMARY SCHOOL	EQUITY	1120297529957	LUANDA	30/10/2012	-	-
EBWIRANYI SEC SCHOOL	EQUITY	1120299458514	LUANDA	28/05/2010	-	-
EBULONGA PRIMARY CDF- JNR SEC	KCB	1309682844	LUANDA	03/09/2010	1,063	
ESIEMBERO PRIMARY SCHOOL PMC	KCB	1318370574	LUANDA	29/08/2011	606,884	
EKWANDA POLICE STATION CDF PROJECT	KCB	1320815626	LUANDA	10/03/2012	2,632,821	
LUANDA POLICE STATION PMC	KCB	1322147418	LUANDA	03/11/2010	770	
ELUKHAMBHI PRIMARY SCHOOL SAVINGS A	KCB	1102594873	LUANDA	20/05/2011	34,116	
KAYILA PRIMARY SCHOOL - CDF ACCOUNT	KCB	1111510342	LUANDA	02/04/2010	70,650	
EBUSYUBI PRIMARY SCHOOL	KCB	1127825984	LUANDA	05/05/2010	53,490	
IBUBI GIRLS SECONDARY SCHOOL-CDF	KCB	1128466872	LUANDA	05/12/2017	299,143	

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name of Account	Type of Bank Account	Account No	Name of Bank and Branch	Date of opening the Bank Account	Bank Balance	Bank Balance
					2023/24	2022/23
EKWANDA SECONDARY SCHOOL	KCB	1129094561	LUANDA	19/03/2012	817	
EMMATSI PRIMARY SCHOOL-CDF	KCB	1309822557	LUANDA	28/05/2010	409,522	
ESIBEYE SECONDARY SCHOOL-CDF ACC	KCB	1135232229	LUANDA	10/01/2024	2,870	
EBUKUYA PRIMARY SCHOOL-CDF	KCB	1128017504	LUANDA	31/01/2024	26,466	
MASENO LOCATION CHIEFS OFFICE	KCB	1320811329	LUANDA	02/04/2016	272,056	
EBULAKO PRIMARY SCHOOL-PMC	EQUITY	1120280153449	LUANDA	05/11/2022	248	
DEPUTY COUNTY COMMISSIONERS OFFICE-PMC ACCOUNY	EQUITY		LUANDA	27/02/2021	475,000	
		1120285097503	LUANDA	13/08/2019		
ITABALIA PRIMARY SCHOOL	EQUITY	1120297589695	LUANDA	05/11/2022	13,624	
IRUMBI PRIMARY SCHOOL	EQUITY	1120262246864	LUANDA	05/11/2022	4,198,598	
KHUMUSENO PRIMARY SCHOOL-CDF	EQUITY	1120262032656	LUANDA	20/02/2021	33,944	
EBUBAYI CHIEFS OFFICE	EQUITY	1120284236922	LUANDA	02/08/2016	395,000	
MUSINAKA PRIMARY SCHOOL	EQUITY	1120262361672	LUANDA	14/07/2014	43,090	
EBWALI SECONDARY SCHOOL	EQUITY	960293389065	LUANDA	05/11/2022	14,703	
ESIANDUMBA AP CAMP (CDF)	EQUITY	1120263678799	LUANDA	18/10/2018	7,290	
EBUSSAMBA SECONDARY	EQUITY	1120284426347	LUANDA	19/02/2014	5,000	

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name of Account	Type of Bank Account	Account No	Name of Bank and Branch	Date of opening the Bank Account	Bank Balance	Bank Balance
					2023/24	2022/23
SCHOOL-PMC						
EMMATSI PRIMARY SCHOOL	EQUITY	1120297529947	LUANDA	08/10/2015	4,645	
EBUSYUBI ADMINISTRATION POLICE PROJECT	EQUITY	1120197891215	LUANDA	21/09/2015	4,347	
MULWANDA PRIMARY SCHOOL-CDF	EQUITY	1120263334737	LUANDA	26/09/2019	3,567	
MUKHALAKHALA AP CAMP-CDF	EQUITY	1120299453250	LUANDA	24/12/2018	3,273	
ASIONGO PRIMARY SCHOOL	EQUITY	1120264633295	LUANDA	02/04/2018	3,170	
EMMALOBA PRIMRY SCHOOL(CDF)	EQUITY	1120262751428	LUANDA	01/09/2019	2,180	
ESIANDUMBA PRIMARY SCHOOL	EQUITY	1120264382638	LUANDA	14/08/2019	1,381,268	
EMUHAYA PRIMARY SCHOOL-CDF	EQUITY	1120260490489	LUANDA	06/11/2020	1,380	
EBUSITRATSI SECONDARY SCHOOL-CDF	EQUITY	1120261705382	LUANDA	02/10/2012	1,109	
EPANGA PRIMARY SCHOOL	EQUITY	1120297573152	LUANDA	26/10/2011	1,000	
MULWAKHI PRIMARY SCHOOL	EQUITY	1120297442760	LUANDA	11/01/2011	1,000	
LUANDA TOWNSHIP CHIEFS OFFICE	EQUITY	1120299492851	LUANDA	10/08/2012	768	
ESIRABE PRIMARY SCHOOL(CDF ACC)	EQUITY	1120299908305	LUANDA	05/04/2012	696	
EBUBAYI PRIMARY SCHOOL-CDF	EQUITY	1120299444300	LUANDA	10/09/2011	600	

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name of Account	Type of Bank Account	Account No	Name of Bank and Branch	Date of opening the Bank Account	Bank Balance	Bank Balance
					2023/24	2022/23
ELUKHAMBI PRIMARY SCHOOL-CDF	EQUITY	1120297436338	LUANDA		277	
TOTAL					11,009,336	3,984

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency*

Annual Report and Financial Statements for The Year Ended June 30, 2024

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	<p>Unsupported committee expenses The statement of receipts and payments and as disclosed in note 5 to the financial statements reflects an amount of Ksh 1,984,947 in respect of committee expenses. The amount includes Ksh. 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.</p>	<p>The notices for meetings, attendance registers and signed payment schedules have since been regularised and presented for audit</p>	Resolved.	
2	<p>Unsupported other grants and transfer</p>	<p>The PMC has since recalled the</p>	Resolved.	

National Government Constituencies Development Fund (NGCDF)

Luanda Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

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)
	<p>The statement of receipts and payments and as disclosed in note 8 to the financial statements reflects other grants and transfers amount to 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 3 door pit latrine was not labelled and no renovations had been made. Further an amount of Kshs. 500,000 was transferred to</p>	<p>contractor to complete the project within three months</p>		

National Government Constituencies Development Fund (NGCDF)
Luanda Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

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)
	<p>Ebubayi chiefs office project management committee for renovation of the chiefs office. However, no renovations had been done and the bank statement 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.</p>			
3.	<p>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</p>	<p>The acknowledgment receipts and letters from beneficiary institutions have been received from the various institutions and presented for audit.</p>	Resolved.	

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

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)
	<p>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 disbursement totalling Kshs. 59,011,797 could not be confirmed.</p>			
4	<p>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</p>	<p>Cash books, bank reconciliation statements and certificates of bank balances for the individual PMC accounts have since been provided for audit.</p>	Resolved.	

National Government Constituencies Development Fund (NGCDF)

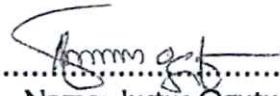
Luanda Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

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)
	<p>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.</p>			
5	<p>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</p>	<p>Training needs assessment report has since been provided to support the training.</p>	<p>Resolved.</p>	

*National Government Constituencies Development Fund (NGCDF)
Luanda Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
	Kshs. 754,850 could not be confirmed.			



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Name: Justus Ogutu Noo
Fund Account Manager.

05 DEC 2024