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REPORT

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
KABETE CONSTITUENCY**

 THE NATIONAL ASSEMBLY PAPERS & AIDS	
FOR THE YEAR ENDED 30 JUNE, 2019	
DATE: 11 NOV 2021	
TABLED BY:	WATHI WAKNAGE
CLERK-AT THE-TABLE:	J. G. M. M. M.



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -KABETE CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

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



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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KABETE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Core Values

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

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	ISABELLA N MWANGI
2.	Sub-County Accountant	BENARD HEHU
3.	Chairman NGCDFC	PAUL KINYANJUI GITAU
4.	Member NGCDFC	N/A

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF KABETE Constituency Headquarters

P.O. Box 515-000614, WANGIGE
WANGIGE HEALTH CENTRE COMPOUND
WANGIGE

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KABETE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

(f) NGCDF KABETE Constituency Contacts

Telephone: (254) 0722297710
E-mail:kabetecdf@gmail.com
Website: kabeteconstituency.co.ke

(g) NGCDF KABETE Constituency Bankers

1. FAMILY BANK
KIKUYU BRANCH
P.O. Box 74145-00200
NAIROBI

(h) Independent Auditors

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

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

II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

These are the unaudited financial statements for Kabete Constituency for the year ended 30th June 2019. During the year the constituency was allocated **Ksh 109,040,875.00**.

During the financial year, the constituency received Ksh 163,825,359.00 which is the full allocation for the year and a half allocation and balances for the previous year.

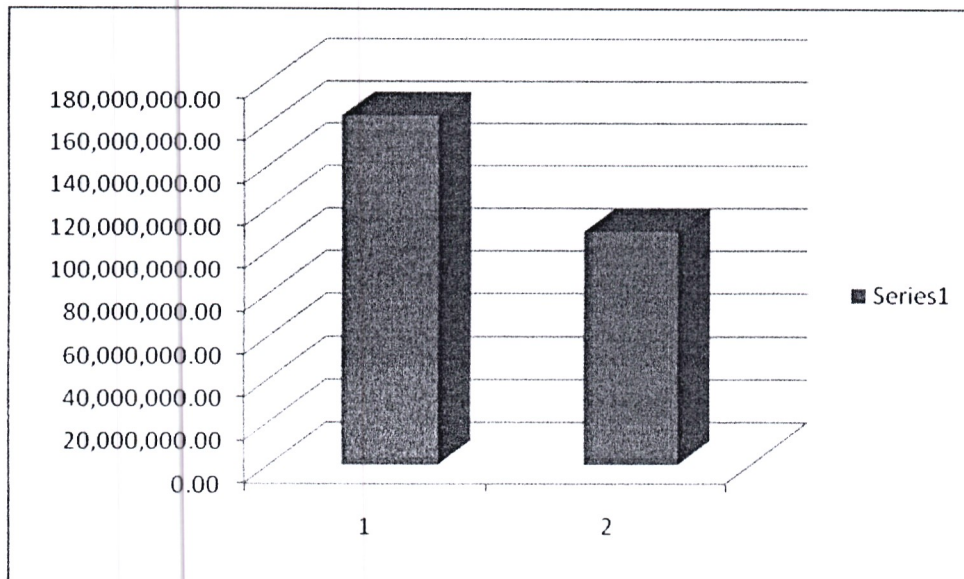


Figure 1 shows the funds received within the financial year

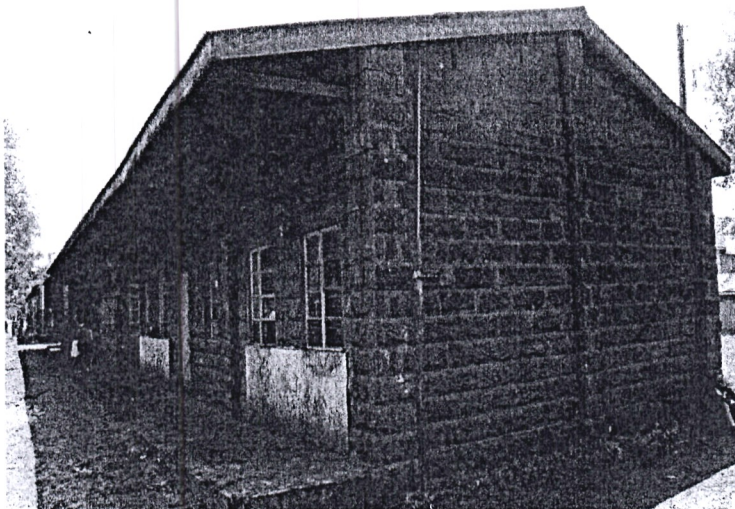
Figure 2 shows the allocation to the constituency for the year

The funds were allocated to the various projects with reference to the project proposal that was informed by public participation meetings held across the constituency. The biggest share went to refurbishment of primary schools, followed by secondary schools and security taking up a smaller percentage.

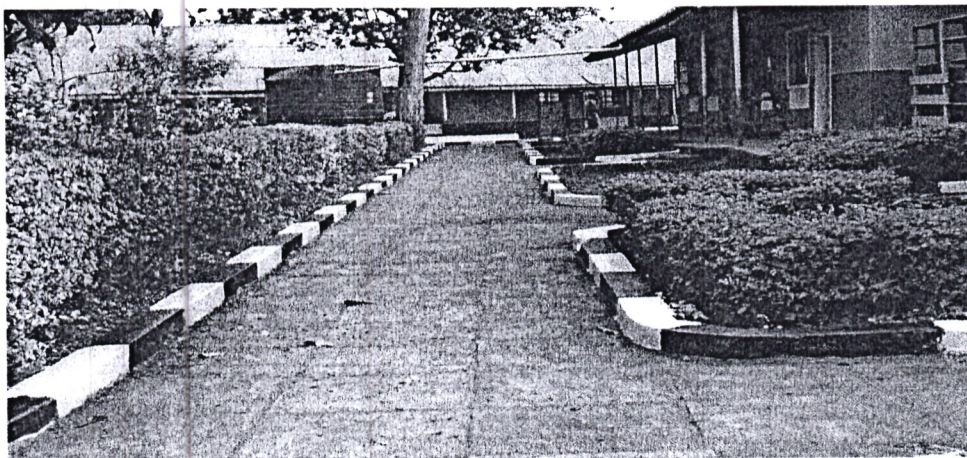
The successful projects within the year are three primary schools that were fully refurbished by plastering (internal & external walls), tiling the floors, fixing ceiling boards in the classrooms, making clear walking pathways and painting the entire school.

The photo of Wangige primary school before and after the refurbishment is hereby attached to clearly show the different picture that the refurbishment works are giving to the school.

The committee intends to carry out similar refurbishments in each of the 26 public primary schools in the constituency.



Wangige primary school: Before refurbishment



Wangige primary school: after refurbishment

The constituency also came up with a strategic plan and had a successful launch of the same.

CHALLENGES EXPERIENCED

The main challenges experienced within the financial year resulted from the labour contracting method that the committee was using to implement projects. This was voted by the public as a cheaper and more efficient method of implementation of projects. But after using it for some time, the committee realised that's it a very tiring exercise requiring close supervision. The scope of the works cannot also be determined before the work starts and the PMC,S keep on increasing the scope of works mid way through the project, thus projects are ongoing for long periods of time. The committee resolved in an NG CDFC meeting that in the new financial year, the method of implementation would change to full or partial contracting.

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

BUDGETARY APPROPRIATION

The overall budget utilisation in the financial year ended 30th June 2019 stood **at 88%**.

Sign-----Chairman NGCDF Committee

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KABETE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

II. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-KABETE Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-KABETE Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-KABETE Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

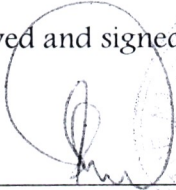
Approval of the financial statements

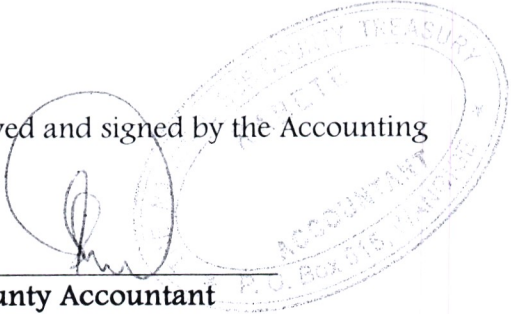
The NGCDF-KABETE Constituency financial statements were approved and signed by the Accounting

Officer on **16/09/2019**,
KABETE NG - CDF

16 SEP 2019

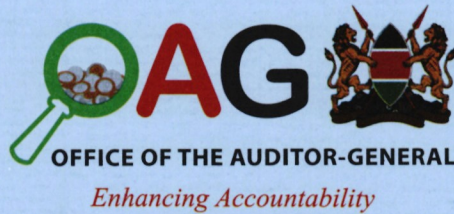
Fund Account Manager
Name: ISABELLA N MWANGI
P. O. Box 515 - 00614, WANGIGE


Sub-County Accountant
Name: BENARD HEHU
ICPAK Member Number: 14229



REPUBLIC OF KENYA

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kabete Constituency set out on pages 8 to 36, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows, summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kabete Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unsupported Bursaries to Needy Students

Disclosed in Note 7 to the financial statements under other grants and transfers are payments of Kshs.16,606,450, Kshs.12,400,850 and Kshs.1,510,000 for bursary-secondary schools, bursary-tertiary institutions and bursary-special schools, respectively. However, the disbursements were not supported with acknowledgement letters or receipts from the schools and institutions to confirm receipt of the bursaries.

Consequently, it was not possible to ascertain whether the bursaries paid were properly accounted for, and reached the intended beneficiaries.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kabete Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.177,329,158 and Kshs.177,319,158 respectively resulting to an under-funding of Kshs.10,000 of the budget. Similarly, the Fund spent Kshs.157,162,581 against an approved budget of Kshs.177,329,158 resulting to an under-expenditure of Kshs.20,166,576 or 11% of the budget. The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the residents of Kabete Constituency

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that, nothing 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. Transfer to Other Government Entities

1.1 Unjustified Procurement Method for Unsupervised Works in Primary Schools

Disclosed under Note 6 to the financial statements on transfers to other government units is an amount of Kshs.88,455,172 in respect of expenditure on transfers to primary schools, which includes disbursements totalling Kshs.73,946,207 to nineteen (19) projects during the year ended 30 June, 2019.

However, procurement of the works was through request for quotation method instead of open national tendering process yet the value of works exceeded Kshs.3,000,000 threshold prescribed under class C of the public procurement where the CDF entities fall. The procurement was therefore done in contravention of section 96 of the Public Procurement and Asset Disposal Act, 2015 and Legal Notice No. 106 of 2013. Further, scrutiny of the project files revealed that local artisans and parents without any supervision by the Constituency Development Fund Committee, and the County Public Works Office implemented the works.

In the circumstances, it was not possible to confirm the regularity of the expenditure and whether the Fund obtained value-for-money on the expenditure of Kshs.73,946,207 during the year ended 30 June, 2019.

1.2 Unjustified Procurement Method-Construction of Classrooms in a Secondary School

Disclosed in Note 6 to the financial statements under transfer to other government entities expenditure of Kshs.108,974,138 is an amount of Kshs.20,518,966 in respect of transfer to secondary schools, out of which a total of Kshs.9,000,000 was disbursed to Uthiru Day Secondary School for construction of classrooms.

However, procurement of the works was through restricted tendering method instead of open national tendering process yet the value of works exceeded Kshs.4,000,000 threshold prescribed under class C of the public procurement where the CDF entities fall, contrary to Section 96 of the Public Procurement and Asset Disposal Act, 2015.

As a result, the regularity and value of money of the expenditure of Kshs.9,000,000 incurred on the project during the year ended 30 June, 2019 could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal control, risk management and overall governance were operating

effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

18 October, 2021

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KABETE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

STATEMENT OF RECEIPTS AND PAYMENTS

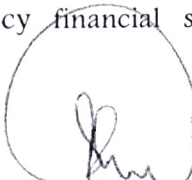
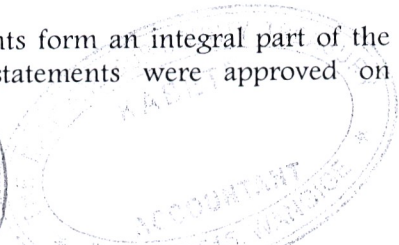
	NOTE	2018/2019	2017/2018
		KSHS	KSHS
RECEIPTS			
Transfer from NG-CDF board	1	163,825,359.00	44,905,172.00
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	10,000.00	0
Total Receipts		163,835,359.00	44,905,172.00
PAYMENTS			
Compensation of employees	4	1,962,044.00	1,367,205.00
Use of goods and services	5	8,696,769.00	3,669,632.00
Transfers to Other Government Units	6	108,974,138.00	8,800,000.00
Other grants and transfers	7	34,029,630.00	23,205,509.00
Acquisition of Assets	8	0	0
Other Payments	9	3,500,000.00	0
TOTAL PAYMENTS		157,162,581.00	37,042,346.00
SURPLUS/(DEFICIT)		<u>6,672,778.00</u>	<u>7,862,826.00</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KABETE Constituency financial statements were approved on **16/09/2019** and signed by:

FUND ACCOUNT MANAGER
KABETE NG-CDF

Fund Account Manager
Name: ISABELLA N MWANGI

Tel: 0722 297 710
P. O. Box 515 - 00614, WANGIGE

Sub-County Accountant
Name: BENARD HEHU
ICPAK Member Number: 14229

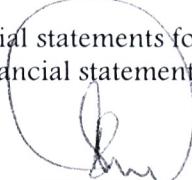
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KABETE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019 Kshs	2017-2018 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	20,166,577.00	13,493,799.00
Cash Balances (cash at hand)	10B	0	0
Total Cash and Cash Equivalents		20,166,577.00	13,493,799.00
Current Receivables			
Outstanding Imprests	11	0	0
TOTAL FINANCIAL ASSETS		20,166,577.00	13,493,799.00
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	0	0
Gratuity	12B	0	0
TOTAL FINANCIAL LIABILITES		0	0
NET FINANCIAL ASSETS		20,166,577.00	13,493,799.00
REPRESENTED BY			
Fund balance b/fwd	13	13,493,799.00	5,630,974.00
Surplus/Deficit for the year		6,672,778.00	7,862,825.00
Prior year adjustments	14		
NET FINANCIAL POSITION		20,166,577.00	13,493,799.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KABETE Constituency financial statements were approved on 16/09/2019 and signed by:

16/09/2019
Fund Account Manager
Name: ISABELLA N MWANGI
P. O. Box 515 - 20114 WANGIGE


Sub-County Accountant
Name: BENARD HEHU

ICPAK Member Number: 14229

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KABETE CONSTITUENCY

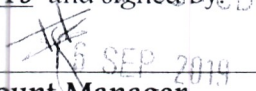
Reports and Financial Statements


For the year ended June 30, 2019

VI. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from NGCDF Board	1	163,825,359.00	44,905,172.00
Other Receipts	3	<u>10,000.00</u>	<u>0</u>
Total receipts		163,835,359.00	44,905,172.00
Payments			
Compensation of Employees	4	1,962,044.00	1,367,206.00
Use of goods and services	5	8,696,769.00	3,669,632.00
Transfers to Other Government Units	6	108,974,138.00	8,800,000.00
Other grants and transfers	7	34,029,630.00	23,205,509.00
Other Payments	9	3,500,000.00	0
Total payments		157,162,581.00	37,042,347.00
Total Receipts Less Total Payments		6,672,778.00	7,862,825.00
Net cash flow from operating activities		6,672,778.00	7,862,825.00
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	9	0	0
Net cash flows from Investing Activities		0	0
NET INCREASE IN CASH AND CASH EQUIVALENT		6,672,778.00	7,862,825.00
Cash and cash equivalent at BEGINNING of the year	13	13,493,799.00	5,630,974.00
Cash and cash equivalent at END of the year		<u>20,166,577.00</u>	<u>13,493,799.00</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KABETE Constituency financial statements were approved on 16/09/2019 and signed by:


Fund Account Manager
Name: ISABELLA N MWANGI


Sub-County Accountant
Name: BENARD HEHU
ICPAK Member Number: 14229

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

II. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	109,040,876	68,278,282.00	177,319,158.00	177,319,158.00		100%
Proceeds from Sale of Assets						
Other Receipts(AIA)		10,000.00	10,000.00			
TOTAL RECEIPTS	109,040,876.00	68,288,282.00	177,329,158.00	177,319,158.00	10,000.00	100%
PAYMENTS						
Compensation of Employees	3,000,000.00	1,812,251.00	4,812,251.00	1962,044.00	2,850,207.00	40.8%
Use of goods and services	6,812,451.00	3,607,827.00	10,420,278.00	8,696,769.00	1,723,508.00	83.5%
Transfers to Other Government Units	57,200,000.00	51,774,138.00	108,974,138.00	108,974,138.00	-	100%
Other grants and transfers	38,028,425.00	7,584,066.00	45,612,491.00	34,029,630.00	11,582,861.00	74.6%
Acquisition of Assets	4,000,000.00	-	4,000,000.00	0	4,000,000.00	0%
Other Payments	0	3,500,000.00	3,500,000.00	3,500,000.00	0	100%
Not Allocated(AIA)		10,000.00	10,000.00		10,000.00	0%
TOTALS	109,040,876.00	68,288,282.00	177,329,158.00	157,162,581.00	20,166,576.00	88.6%

- (a) .
- i. *On other grants and transfers one project (Kingeero police post) got a delay in the implementation stage ie developing a BQ. it will be implemented in the next financial year.*
 - ii. *The under utilisation on Compensation of employees is due to the fact that the gratuities for the staff that were budgeted for were not paid out in within the year (The contracts will expire in the next financial year)*

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

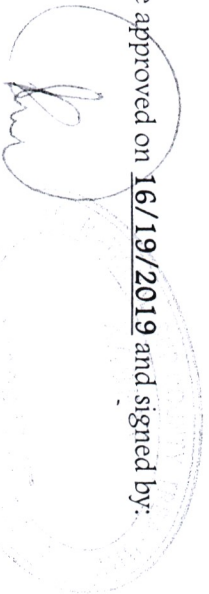
iii. *On the acquisition of assets, the provided funds were for construction of a NGCDF office. The NG CDFC however requested for an authority to re allocate these funds to complete ongoing projects. The authority to re allocate was still pending at the close of the financial year.*

The NGCDF-KABETE Constituency financial statements were approved on 16/19/2019 and signed by:

15
~~16~~ 2019

**Fund Account Manager
Name: ISABELLA N MWANGI**

**Sub-County Accountant
Name: BENARD HEHU
ICPAK Member Number: 14229**



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

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2018/2019 Kshs	Adjustments Kshs	Final Budget 2018/2019 Kshs	Actual on comparable basis 30/06/2019 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	3,000,000.00	564,746.30	3,564,746.30	1,962,044.00	1,602,702.3
1.2 Committee allowances	1,764,970.00	1,247,504.90	3,012,474.90	2,928,500.00	83,984.90
1.3 Use of goods and services	1,777,480.00		1,777,480.00	1,362,543.00	414,937.00
2.0 Monitoring and evaluation					
2.1 Capacity building	1,500,000.00	2,683,511.30	4,183,511.30	3,386,840.00	796,671.3
2.2 Committee allowances	1,000,000.00	582,939.20	1,582,939.20	1,500,000.00	82,939.20
2.3 Use of goods and services	770,000.00	504,138.00	1,274,138.00	1,035,253.43	238,884.60
3.0 Emergency	5,738,993.00	0	5,738,993.00	0	5,738,993.00
3.1 Primary Schools	40,200,000.00	48,255,169.5	88,455,172.00	88,455,172.00	0
3.2 Secondary schools	17,000,000.00	3,518,965.50	20,518,965.50	20,518,965.50	0
3.3 Tertiary institutions	0				
3.4 Security projects	2,000,000.00		2,000,000.00	0	2,000,000.00
4.0 Bursary and Social Security					
4.1 Special Schools	2,260,218.00		2,260,218.00	2,260,218.00	0
4.2 Secondary Schools	15,000,000.00	3,944,890.40	18,944,890.4	18,103,257.47	841,222.93
4.3 Tertiary Institutions	5,000,000.00		5,000,000.00	5,000,000.00	0
4.4 Universities	5,000,000.00		5,000,000.00	5,000,000.00	0
4.5 Social Security	0				
5.0 Sports	1,514,607.00	1,740,206.90	3,254,813.90	1,776,120.00	1,478,693.90
5.1					
5.2					
5.3					

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

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization 2018/2019
6.0 Environment	1,514,607.00	1,736,210.00	3,250,817.00	1,736,210.00	1,514,607.00
6.1					
6.2					
6.3					
7.0 Primary Schools Projects (List all the Projects)					
7.1 Rukubi Primary Schools					
7.2 Nyathuna Primary School					
7.3 Kibiku Primary School					
7.4 Kanjeru Primary School					
7.5 Kamuguga Primary School					
7.6 Kahoho Primary School					
7.7 Muguga Model Primary School					
7.8 Gataara Primary School					
7.9 Nduraru Primary School					
7.10 Kibichiku Primary School					
7.11 Gathiga Primary School					
8.0 Secondary Schools Projects (List all the Projects)					
8.1 Kanyariri High School					
8.2 Kabete High School					
8.3 Uthiru Secondary School					
8.4 Mary Leakey Girls High School					
9.0 Tertiary institutions Projects (List all the Projects)					
9.1					
9.2					

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

Programme/Sub programme	Original Budget 4/18/2019	Adjustments	Final Budget 4/18/2019	Actual on comparable basis 30/06/2019	Final Allocation 2019
9.3					
9.4					
10.0 Security Projects					
10.1 Kingeero police Division					
10.2					
10.3					
11.0 Acquisition of assets					
11.1 Motor Vehicles (including motorbikes)	0				
11.2 Construction of CDF office	4,000,000.00		4,000,000.00	0	4,000,000.00
11.3 Purchase of furniture and equipment	0				
11.4 Purchase of computers	0				
11.5 Purchase of land	0				
12.0 Others					
12.1 Strategic Plan	0	3,500,000.00	3,500,000.00	3,500,000.00	0
12.2 Innovation Hub	0				
12.2 Not Allocated(AIA)		10,000.00	10,000.00	0	10,000.00
TOTALS	109,040,875.00	68,288,282.00	177,329,158.00	157,162,581.00	20,166,577.00

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

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1st July 2018 to 30th June 2019 as required by Law

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2019.

14. Errors

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

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

15. Related Party Transactions

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

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

X. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019	2017-2018
		Kshs	Kshs
NGCDF Board			
AIE NO	B005200	52,048,276.00	
AIE NO	B030062	10,000,000.00	
AIE NO	B30408	12,000,000.00	
AIE NO	B006349	8,000,000.00	
AIE NO	A699113	11,000,000.00	
AIE NO	B042750	13,000,000.00	
	B042670	2,736,207.00	
	B047546	55,040,876.00	
	A892951		37,905,172.00
	A855827		5,500,000.00
	A89279		1,500,000.00
TOTAL		163,825,359.00	44,905,172.00

2. PROCEEDS FROM SALE OF ASSETS

	2018-2019	2017-2018
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	xxx	xxx
Receipts from sale of office and general equipment	xxx	xxx
Receipts from the Sale Plant Machinery and Equipment	xxx	xxx
Total	xxx	xxx

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2018-2019	2017-2018
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from Sale of tender documents	0	0
Other Receipts Not Classified Elsewhere	10,000.00	0
Total	10,000.00	0

4. COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	1,838,564.00	994,772.00
Basic wages of casual labour	00	
Personal allowances paid as part of salary		
House allowance	0	0
Transport allowance	0	0
Leave allowance	0	0
Gratuity – paid		283,543.00
- accrued	0	
Other personnel payments	0	0
Employer contribution to NSSF	123,480.00	88,890.00
Total	1,962,044.00	1,367,205.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	Kshs	Kshs
Committee Expenses	5,775,901.00	2,321,171.00
Utilities, supplies and services	61,816.00	894,174.00
Communication, supplies and services	180,000.00	90,000.00
Domestic travel and subsistence	240,000.00	0
Printing, advertising and information supplies & services	645,000.00	0
Rentals of produced assets	0	0
Training expenses	1,033,000.00	0
Hospitality supplies and services	360,000.00	0
Insurance costs	37,910.00	39,509.00
Specialized materials and services	0	0
Office and general supplies and services	0	0
Other operating expenses-TAXES	257,042.00	324,778.00
Routine maintenance – vehicles and other transport equipment	0	0
		0
Routine maintenance – other assets	106,100.00	
Total	8,696,769.00	3,669,632.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2018-2019 Kshs	2017-2018 Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	88,455,172.00	4,200,000.00
Transfers to secondary schools (see attached list)	20,518,966.00	4,600,000.00
Transfers to tertiary institutions (see attached list)	0	0
Transfers to health institutions (see attached list)	0	0
TOTAL	108,974,138.00	8,800,000.00

7. **OTHER GRANTS AND OTHER PAYMENTS**

	2018-2019 Kshs	2017-2018 Kshs
Bursary – secondary schools (see attached list)	16,606,450.00	13,174,745.00
Bursary – tertiary institutions (see attached list)	12,400,850.00	3,851,720.00
Bursary – special schools (see attached list)	1,510,000.00	1,485,000.00
Mock & CAT (see attached list)	0	0
Security projects (see attached list)	0	0
Sports projects (see attached list)	1,776,120.00	1,506,000.00
Environment projects (see attached list)	1,736,210.00	1,500,000.00
Emergency projects (see attached list)	0	1,688,044.00
Total	34,029,630.00	23,205,509.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

KABETE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets

	2018-2019	2017-2018
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	0
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	0	0
Purchase of ICT Equipment, Software and Other ICT Assets	0	0
Purchase of Specialised Plant, Equipment and Machinery	0	0
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets	0	0
Total	0	0

9. OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Strategic plan	3,500,000.00	0
ICT Hub	0	0
	3,500,000.00	0

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
<i>FAMILY BANK ,KIKUYU BRANCH,AC 102000030692</i>	20,166,577.00	13,493,799.00
Total	20,166,577.00	13,493,799.00
10B: CASH IN HAND		
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other Locations (<i>specify</i>)	0	0
Total	20,166,577.00	13,493,799.00
<i>[Provide cash count certificates for each]</i>		

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

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
<i>Name of Officer or Institution</i>	dd/mm/yy	0	0	0
Total				0

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

12A. RETENTION

	2018 - 2019	2017-2018
	Kshs	Kshs
Supplier 1	0	0
Supplier 2	0	0
Supplier 3	0	0
Total	0	0

[Provide short appropriate explanations as necessary]

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019	2017-2018
	Kshs	Kshs
Name 1	0	0
Name 2	0	0
Name 3	0	0
Add as appropriate		
Total	0	0

[Provide short appropriate explanations as necessary]

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

13. BALANCES BROUGHT FORWARD

	2018-2019 Kshs	2017-2018 Kshs	
Bank accounts	0		0
Cash in hand	0		0
Imprest	0		0
Total	0		0

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2018-2019 Kshs	2017-2018 Kshs	
Bank accounts	0		0
Cash in hand	0		0
Imprest	0		0
Total	0		0

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

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019	2017-2018
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	0	0
	0	0

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
NGCDFC Staff	0	0
Others (<i>specify</i>)	0	0
	0	0
	0	0

15.3: UNUTILIZED FUND (See Annex 3)

	Kshs	Kshs
Compensation of employees	2,850,207.00	1,812,251.00
Use of goods and services	1,723,508.00	3,607,827.00
Amounts due to other Government entities (see attached list)	0	51,774,138.00
Amounts due to other grants and other transfers (see attached list)	11,582,861.00	7,584,066.00
Acquisition of assets	4,000,000.00	0
Others (<i>specify</i>)	0	3,500,000.00
Unallocated (AIA)	10,000.00	0
	20,166,576.00	68,278,282.00
	20,166,576.00	68,278,282.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

KABETE CONSTITUENCY

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	19,764,219.39	9,854,829.59
	19,764,219.39	9,854,829.59

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land				
Buildings and structures				
Transport equipment				
Office equipment, furniture and fittings	3,442,363.00	0	0	3,442,363.00
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	3,442,363.00			3,442,363.00

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Rukubi Primary School	Family Bank	102000032417	1,794,182.00	
Kanjeru Primary School	Family Bank	102000032418	3,104,776.00	
Kibichiku Primary School	Family Bank	102000030789	579,269.00	25,425.00
Ndurarua Primary School	Family Bank	102000030792	921,797.89	4,197.00
Gathiga Primary School	Family Bank	102000032420	2,018,528.00	
Muguga Model Primary School	Family Bank	102000031229	3,113,970.00	181,800.00
Kahuho Primary School	Family Bank	102000030791	1,907,303.00	
Kamuguga Primary School	Family Bank	102000032419	2,054,518.00	
MaryLeakey Girls High School	Family Bank	102000032478	744,534.00	
Kabete High School	Family Bank	102000030882	1,884,123.00	71,056.00
Kanyariri High School	Family Bank	102000030881	1,070,138.00	847,050.00
Nyathuna Primary School	Family Bank	102000031941	850.00	
Kibiku Primary School	Family Bank	102000031940	570,230.00	
Total			19,764,219.3 9	

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

Reports and Financial Statements

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

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Under Utilization of budget	The under utilization was caused by delays in receiving the funds from the NG CDF Board. The constituency received Ksh 43,405,172 which is 41% of the budgeted amount. The bulk of the funds came in May 2018 and by 30 th June 2018, Ksh 37,042,574 had been utilized.	Isabella N. Mwangi –Fund Accounts Manager	Resolved	
	Project Management Committee Funds	The withdrawals from the project accounts was necessitated by the labor contracting method that the committee has been using to implement the projects cheaply and involving the locals who provide the labor.	Isabella N. Mwangi –Fund Accounts Manager	Resolved	
	Main Account	Cash withdrawn in May 2018 was for expenditure incurred from January to May 2018. All these activities were conducted earlier in the year i.e January to April when no funds had been received from the NG-CDF Board. When the funds were received in the constituency the committee authorized for the withdraws to pay for all the outstanding debts.	Isabella N. Mwangi –Fund Accounts Manager	Resolved	
	Missing Payment Vouchers	The copies of the missing	Isabella N.	Resolved	

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

Reports and Financial Statements

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		payment vouchers are now attached for your perusal	Mwangi –Fund Accounts Manager		
	Direct Procurement	Procurement for insurance was done openly by getting quotations from different companies. For the Rentokil cleaning services they are the only service provider known for now.	Isabella N. Mwangi –Fund Accounts Manager	Resolved	
	Stale Cheques	The stale cheques were mostly bursary cheques which were replaced	Isabella N. Mwangi –Fund Accounts Manager	Resolved	
	Project Management Committee Bank Balances	The copies of project management committee bank statements were provided.	Isabella N. Mwangi –Fund Accounts Manager	Resolved	
	Irregular Procurement of Projects	The process used in implementation of projects in the constituency is labor contracting. The suppliers of materials are paid after delivery notes and the laborers as summarized in the weekly labor schedule.	Isabella N. Mwangi –Fund Accounts Manager	Resolved	
	Other Grants and other Payments	The difference of Ksh.58, 965 in the bursaries schedule is being scrutinized.	Isabella N. Mwangi –Fund Accounts Manager	Resolved	
	Fixed Assets	The difference of Ksh 484,896 in the assets register was cost of the fire extinguisher package (portable extinguishers, fire alarm detection & hose reel) that were erroneously not considered in the assets list.	Isabella N. Mwangi –Fund Accounts Manager	Resolved	