


REPUBLIC OF KENYA



 THE NATIONAL ASSEMBLY PARLIAMENT BUILDING REPORT	
DATE: 21 OCT 2021	DAY: Thursday
TABLED BY:	LOMP
CLERK-AT THE-TABLE:	Maina Warjiku

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – KITUI CENTRAL CONSTITUENCY**

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



THE
 UNITED STATES OF AMERICA
 DEPARTMENT OF JUSTICE
 FEDERAL BUREAU OF INVESTIGATION

NAME _____ _____ _____	DATE _____ _____ _____
TITLE _____ _____ _____	OFFICE _____ _____ _____
STREET ADDRESS _____ _____ _____	CITY _____ _____ _____
STATE _____ _____ _____	ZIP CODE _____ _____ _____

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –KITUI
CENTRAL CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) KITUI
CENTRAL 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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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)
KITUI CENTRAL 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 KITUI CENTRAL 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	Josephine Mutua
2.	Sub-County Accountant	Paul Nyoro
3.	Chairman NGCDFC	Boniface Kithita
4.	Member NGCDFC	Rose Mbula

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF –KITUI CENTRAL 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 KITUI CENTRAL Constituency Headquarters

P.O. Box 732-90200
Near Deputy County Commissioners office
Off Kwa Ngindu Road
Kitui.

KITUI CENTRAL Constituency Contacts

Telephone: (254) 0734909303
E-mail: cdfkituicentral@ngcdf.go.ke
Website: www.go.ke

(f) NGCDF KITUI CENTRAL Constituency Bankers

1. National Bank of Kenya
Kitui Branch
Account No. 01001052093400
P.O. Box 166,
Kitui.

(g) Independent Auditors

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

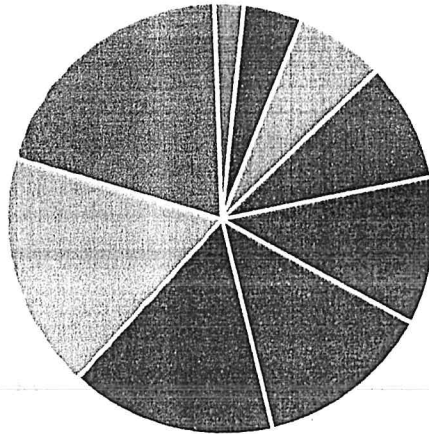
(h) Principal Legal Adviser

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

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

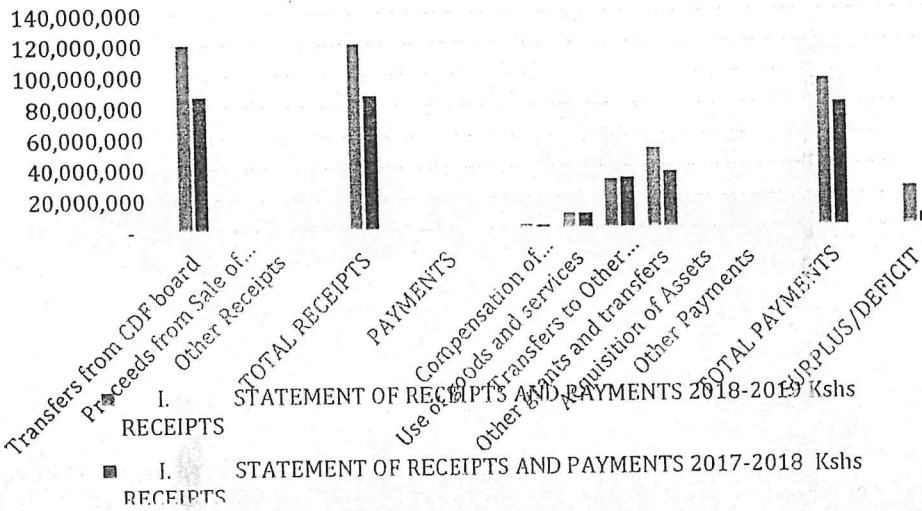
II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

The Budget performance is graphically highlighted below

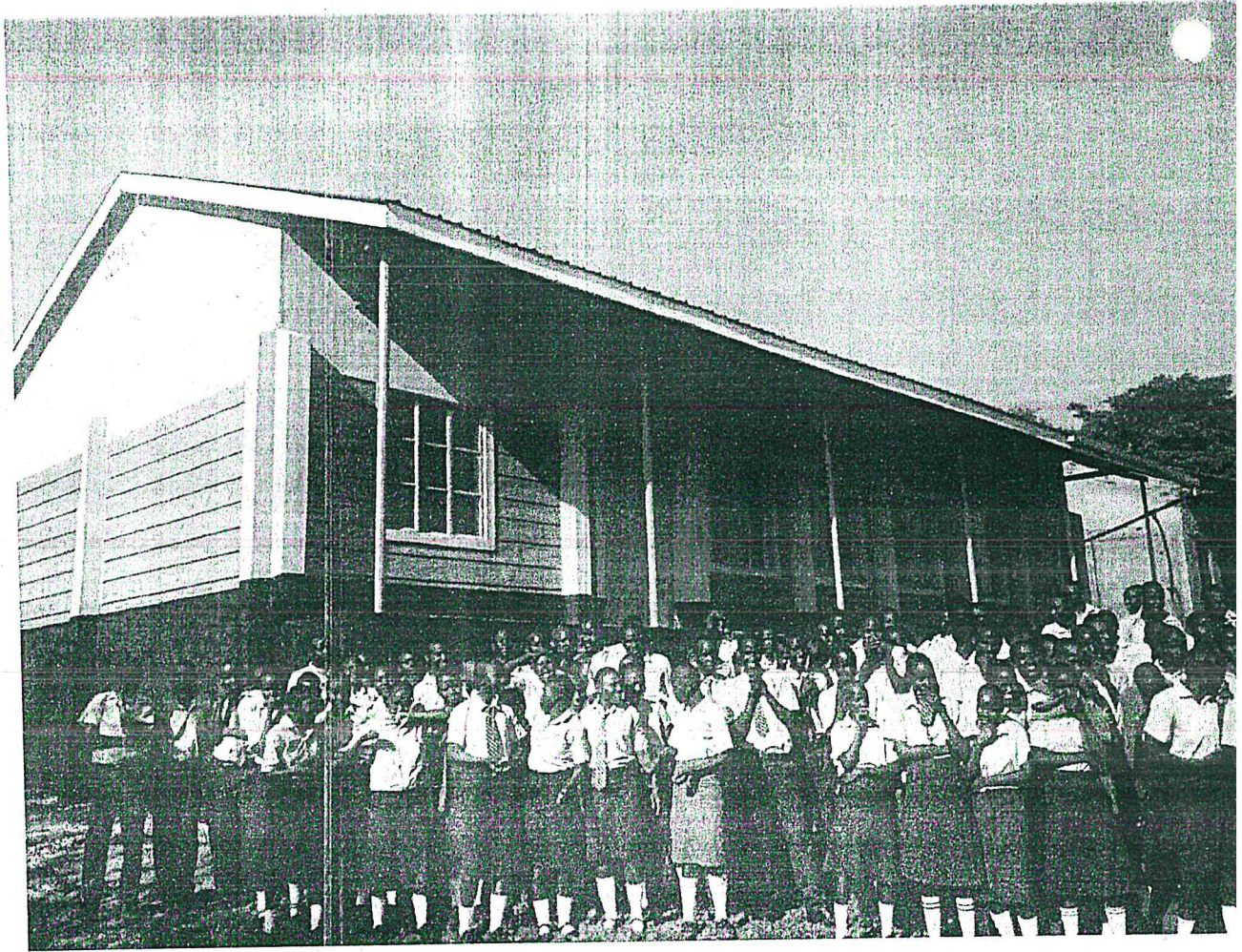


- Transfers from CDF board-AIEs' Received
- Other Receipts
- TOTAL RECEIPTS
- PAYMENTS
- Compensation of employees
- Transfers to Other Government Units
- Acquisition of Assets
- Proceeds from Sale of Assets
- Use of goods and services
- Other grants and transfers
- Other Payments
- TOTAL PAYMENTS
- SURPLUS/DEFICIT

STATEMENT OF RECEIPTS AND PAYMENTS



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





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KITUI CENTRAL CONSTITUENCY**

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

Some of the challenges we faced during project implementation was community being misinformed about what the NGCDF Act says about the management of the fund, the projects which we are required to fund and also their role in implementation and to counteract this we have embraced a culture of thorough capacity building of the community members that is the project management committees before and even during the implementation process

Sign 

CHAIRMAN NGCDF COMMITTEE

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KITUI CENTRAL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

III. 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 by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-KITUI CENTRAL 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-KITUI CENTRAL 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 NGCDF KITUICENTRAL 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-KITUI CENTRAL Constituency further confirms the completeness of the accounting records maintained for the NGCDF-KITUI CENTRAL 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-KITUI CENTRAL Constituency confirms that the entity has complied fully with applicable Government Regulations 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-KITUI CENTRAL Constituency financial statements were approved and signed by the Accounting Officer on 25/09/2019 2019.



Fund Account Manager
Name: Josephine Mutua

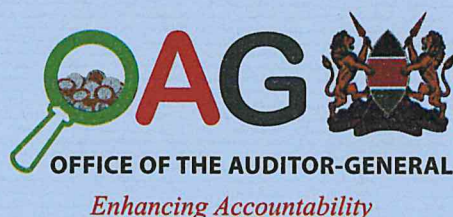


Sub-County Accountant
Name: Paul Nyoro
ICPAK Member Number:20402



REPUBLIC OF KENYA

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E-mail: 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 - KITUI CENTRAL CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund (NGCDF) - Kitui Central Constituency set out on pages 12 to 42, which comprise the statement of assets and liabilities as at 30 June, 2019, statement of receipts and payments, statement of cash flows and the 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, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kitui Central 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.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituency Development Fund - Kitui Central 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 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 summary statement of appropriation: recurrent and development combined reflects full funding of the Fund budget for the year of Kshs.128,271,003. However, only Kshs.95,453,442 was utilized resulting to an underperformance of Kshs.32,817,561 or 26% of the budget.

No satisfactory explanation has been rendered for the underperformance and the measures put in place to avoid recurrence.

Consequently, the constituents of Kitui Central may not have realized the benefits expected from full implementation of projects planned for the year.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis of Conclusion

1. Projects Implementation

The project implementation status report as at 30 June, 2019 reflects eighty (80) projects with funding of Kshs.110,530,646 at various stages of implementation. Review revealed the following unsatisfactory observations: -

1.1 Delays in Implementing Projects

Only fifty-one (51) of the total projects were completed during the year leaving out fourteen (14) and fifteen (15) projects as ongoing and not started with funding allocation of Kshs.12,205,943 and Kshs.20,636,948 respectively. Consequently, the constituents were denied the benefits that would have accrued with the full implementation of the planned projects.

In view of the foregoing, it was not possible to confirm whether public resources were used in an effective manner.

1.2 Unsatisfactory Implementation of Projects

The statement of receipts and payments reflects transfers to other government units of Kshs.31,600,000 and as disclosed under Note 6 to the financial statements. The following unsatisfactory matters were noted on project implementation.

1.2.1 Omitted Fittings at Kwa Muema Secondary School

Included in the amount is Kshs.1,500,000 being disbursement to Kwa Muema Secondary School towards construction of a kitchen and dining hall. However, the specifications of the construction on the ground differed from those in bill of quantities (BQ). The BQ reflected fitting of two (2) steel doors at a unit cost of Kshs.15,000 and ten (10) windows and seals at a unit cost of Kshs.6,000. However, only one (1) steel door and eight (8) windows were fitted.

No explanation was rendered for the unauthorized variations and subsequent payments.

Consequently, utilization and value for money from the expenditure Kshs.1,500,000 could not be confirmed.

1.2.2 Omitted Works at Mutune Primary School

Included in the transfers to other government units amount is Kshs.1,200,000 disbursed to Mutune Primary School project management committee (PMC) for rehabilitation of eight (8) classrooms. However, physical verification of the project on 25 February, 2020 revealed that the floors were not rehabilitated despite the budgetary allocation of Kshs.67,200 as per the awarded BQs. No explanation was rendered for failure to rehabilitate the floors.

Consequently, it was not possible to confirm full utilization and value for money from the Kshs.67,200 allocated for floor works.

2. Award to an Ineligible Tenderer

The statement of receipts and payments reflects other grants and transfers of Kshs.51,336,745 and as disclosed under Note 7 to the financial statements. Included in the transfers to security projects amount is Kshs.1,600,000 disbursed to PMC for the construction of six (6) police staff houses at Katulani Police Divisional headquarters. A review of the procurement records revealed that, the contract was awarded on 18 September, 2018 to a contractor whose tax compliance certificate and annual practicing license had expired on 27 November, 2017 and 30 June, 2017 respectively as at date of award. The awarded contractor was not eligible as per Section 55 (c) and (f), of the Public Procurement and Assets Disposal Act, 2015.

In the circumstances, the Management breached the law.

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 OVERALL GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 the Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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

27 September, 2021


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KITUI CENTRAL CONSTITUENCY**

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


IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019 Kshs	2017 - 2018 Kshs
RECEIPTS			
Transfers from NGCDF board	1	120,420,186	86,810,345
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	=	=
TOTAL RECEIPTS		120,420,186	86,810,345
PAYMENTS			
Compensation of employees	4	2,792,020	1,996,672
Use of goods and services	5	9,724,677	9,316,124
Transfers to Other Government Units	6	31,600,000	32,100,000
Other grants and transfers	7	51,336,745	36,179,706
Acquisition of Assets	8	-	-
Other Payments	9	=	=
TOTAL PAYMENTS		95,453,442	79,592,502
SURPLUS/(DEFICIT)		<u>24,966,744</u>	<u>7,217,843</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KITUI CENTRAL Constituency financial statements were approved on 25/09/2019 2019 and signed by:



Fund Account Manager
Name: Josephine Mutua



Sub-County Accountant
Name: Paul Nyoro
ICPAK Member Number:20402




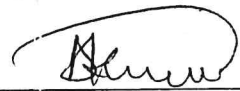
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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Reports and Financial Statements
For the year ended June 30, 2019**

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	32,817,561	7,850,817
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		32,817,561	7,850,817
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		32,817,561	7,850,817
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		=	
NET FINANCIAL ASSETS		32,817,561	7,850,817
REPRESENTED BY			
Fund balance b/fwd	13	7,850,817	632,975
Surplus/Deficit for the year		24,966,744	7,217,843
Prior year adjustments	14		
NET FINANCIAL POSITION		32,817,561	7,850,817

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KITUI CENTRAL Constituency financial statements were approved on 25/09/2019 2019 and signed by:


Fund Account Manager
Name: Josephine Mutua


Sub-County Accountant
Name: Paul Nyoro
ICPAK Member Number: 20402


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KITUI CENTRAL CONSTITUENCY**

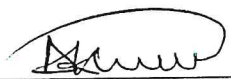
**Reports and Financial Statements
For the year ended June 30, 2019**

VI. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from NGCDF Board	1	120,420,186	86,810,345
Other Receipts	3	=	=
Total receipts		120,420,186	86,810,345
Payments			
Compensation of Employees	4	2,792,020	1,996,672
Use of goods and services	5	9,724,677	9,316,124
Transfers to Other Government Units	6	31,600,000	32,100,000
Other grants and transfers	7	51,336,745	36,179,706
Other Payments	9	-	-
Total payments		(95,453,442)	(79,592,502)
Total Receipts Less Total Payments		24,966,744	7,217,843
Adjusted for:			
Outstanding imprest	11	-	-
Retention Payable	12A	-	-
Gratuity Payable	12B	-	-
Prior year adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		24,966,744	7,217,843
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		24,966,744	7,217,843
Cash and cash equivalent at BEGINNING of the year	13	7,850,817	632,975
Cash and cash equivalent at END of the year		<u>32,817,561</u>	<u>7,850,817</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KITUI CENTRAL Constituency financial statements were approved on 25/09 2019 and signed by:


Fund Account Manager
Name: Josephine Mutua


Sub-County Accountant
Name: Paul Nyoro
ICPAK Member Number:20402

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

VII. 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	19,230,127	128,271,003	128,271,003	0	100%
Proceeds from Sale of Assets						
Other Receipts						
PAYMENTS						
Compensation of Employees	2,923,200	500,000	3,423,200	2,792,020	631,180	81.6%
Use of goods and services	6,890,479	2,874,955	9,765,433	9,724,677	40,756	99.6%
Transfers to Other Government Units	42,450,000	2,150,000	44,600,000	31,600,000	13,000,000	70.9%
Other grants and transfers	56,777,197	8,205,172	64,982,369	51,336,745	13,645,624	79.0%
Acquisition of Assets		5,500,000	5,500,000		5,500,000	0%
Other Payments						
TOTALS	109,040,876	19,230,127	128,271,003	95,453,442	32,817,561	74.4%

- i. The budget utilization for all the payments was below 90% because Kshs 55,040,875 funds were received just before the end of the financial year.
- ii. Acquisition of Assets-Authority to dispose the old motor vehicle and Purchase a new one was granted by the NGCDF Board just before the end of the financial year.
- iii. The difference between original budget(Kshs 109,040,876 and the Actual expenditure (Kshs 128,271,003) was as a result of bal B/F of Kshs 7,850,817 and Kshs 11,379,310 meant for financial year 2017-2018 but were disbursed this Financial year.

The NGCDF-KITUI CENTRAL Constituency financial statements were approved on 25/07/2019 and signed by:



Fund Account Manager
Name: Josephine Mutua



Sub-County Accountant
Name: Paul Nyoro
ICPAK Member Number:20402

III. 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	2,923,200	500,000	3,423,200	2,792,020	631,180
1.2 Committee allowances	409,047.8	1,000,000	4,390,478.80	4,300,000	478.80
1.3 Use of goods and services	1,000,000	394,138	1,394,138	1,474,100	20,000
2.0 Monitoring and evaluation					
2.1 Capacity building	800,000	-	800,000	800,000	-
2.2 Committee allowances	1,471,226.27	1,380,817	1,871,226.27	1,851,226.27	20,226.27
2.3 Use of goods and services	1,000,000	100,000	1,100,000	1,100,000	-
3.0 Emergency					
3.1 Primary Schools	2,000,000	568,965.52	2,568,965.52	1,200,000	478.80
3.2 Secondary schools	2,000,000	-	500,000	-	-
3.3 Tertiary institutions	500,000	-	1,238,993.45	370,000	-
3.4 Security projects	1,238,993.45				
4.0 Bursary and Social Security					
4.1 Primary Schools	-				

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
Reports and Financial Statements
For the year ended June 30, 2019

Programme/Sub Programme	Original Budget 2018/2019	Adjustments	Total Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
4.2 Secondary Schools	30,664,306.43	3982758.62	34,647,065.05	33,398,245	1,248,820
4.3 Tertiary Institutions	7,000,000.00		7,000,000	6,215,000	785,000
4.4 Universities					
4.5 Social Security	500,000.00		500,000	-	
5.0 Environment					
Kyaka River Sand Dam	650,000.00		650,000	-	650,000
Mbooni River Sand Dam	600,000.00		600,000	-	600,000
Kanzi River Sand Dam	586,948.42		586,948.42	-	586,948.42
Ngumbwa Primary school	100,000.00		100,000	100,000	-
Kitundu Primary School	100,000.00		100,000	100,000	-
Kitimui Primary School	100,000.00		100,000	100,000	-
Ulonzo Primary School		100,000.00	100,000	100,000	-
Kwa Kame Primary School		125,862.07	125,862.07	125,862.07	-
6.0 sports					
6.1	2,136,948.42	227,586.20	2,364,534.62	227,700	2,136,834.62
6.2					
6.3					
7.0 Primary Schools Projects (List all the Projects)					
Kyangunga Primary School	1,200,000.00		1,200,000	1,200,000	-
Kathungi Primary School	1,200,000.00		1,200,000	1,200,000	-

NATIONAL UNIVERSITY
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 difference
Mithongo Primary School	1,000,000.00		1,000,000	1,000,000	-
Mwaha Primary School	1,000,000.00		1,000,000	-	1,000,000
ACK Kavoko Primary School	1,000,000.00		1,000,000	1,000,000	-
Sooma Primary School	1,300,000.00		1,300,000	1,300,000	-
Kwa Mukasa Primary School	1,300,000.00		1,300,000	1,300,000	-
Ithimani Primary School	1,000,000.00		1,000,000	1,000,000	-
Tiva Primary School	500,000.00		500,000	500,000	-
Unyaa Primary School	1,500,000.00		1,500,000	1,500,000	-
St Augustine Vui Primary School	1,800,000.00		1,800,000		1,800,000
Mukuku Primary School	1,300,000.00		1,300,000		1,300,000
Ngeveni Primary School	1,400,000.00		1,400,000	1,400,000	-
Nzaaya Primary School	1,300,000.00		1,300,000		1,300,000
Mwanyani Primary School	1,400,000.00		1,400,000	1,400,000	-
Mwamba Primary School	900,000.00		900,000		900,000
Miambani Primary School	1,200,000.00		1,200,000	1,200,000	-
Kwa Ukungu Primary School	1,200,000.00		1,200,000		1,200,000

NATIONAL UNIVERSITY
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 difference
Museve Primary School	1,500,000.00		1,500,000	1,500,000	-
Katia Primary School	800,000.00		800,000		800,000
Mutune Girls Primary School	1,200,000.00		1,200,000	1,200,000	-
Kavuvoni Primary School	1,000,000.00		1,000,000		1,000,000
Kaveta Primary School	1,000,000.00		1,000,000	1,000,000	1,000,000
Mutendea Primary School	1,200,000.00		1,200,000	1,200,000	-
Kitui school for the mentally handicapped Primary School	1,200,000.00		1,200,000	1,200,000	-
MULUNDI PRIMARY SCHOOL		600,000.00			
ITHOOKWE PRIMARY SCHOOL		500,000.00		600,000	
KILINGILE PRIMARY SCHOOL		1,050,000.00		500,000	
			1,050,000	1,050,000	-
9.0 Tertiary institutions Projects (List all the Projects)					
Kaumba Secondary School	2,200,000.00		2,200,000	2,200,000	-

NATIONAL POLICE SERVICE
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 difference
Mathunzini Secondary School	1,700,000.00		1,700,000	-	1,700,000
Kwa Muema Secondary School	1,500,000.00		1,500,000	1,500,000	-
Kabaa Secondary School	1,000,000.00		1,000,000		1,000,000
St Patrick Secondary School	1,000,000		1,000,000	1,000,000	-
St Andrew Ivaini Secondary School	1,000,000		1,000,000		1,000,000
Ngini Secondary School	850,000		850,000	850,000	-
St Pauls Mutula Secondary School	500,000		500,000	500,000	-
St Pauls Kasyala Secondary School	500,000		500,000	500,000	-
Katythoka Secondary School	1,000,000		1,000,000	1,000,000	-
10.0 security projects					
Kaumba Chiefs Office	700,000.00		700,000		700,000

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 difference
Mbusyani Chiefs Office	700,000.00		700,000	700,000	-
Kavuta Chiefs Office	700,000		700,000	700,000	-
Nduumoni Chiefs Office	700,000		700,000	700,000	-
Kamandio Chiefs Office	800,000		800,000		800,000
Mutula assistant Chiefs Office	250,000		250,000	250,000	-
Kwa Mutheke assistant chiefs office	250,000		250,000	250,000	-
Katulani DCC Residential house	1,500,000		1,500,000	1,500,000	-
Township Police Houses		1,600,000	1,600,000	1,600,000	-
Katulani Police Houses		1,600,000	1,600,000	1,600,000	-
12.0 Others					
Kitui Central NGCDF Fencing	3,000,000		3,000,000	-	
Kenya medical training college -Kitui Campus	1,800,000		1,800,000	1,800,000	-
Purchase of assets					
Purchase of NGCDFC		5,500,000	5,500,000	-	5,500,000

NAI, INC. FINANCIAL STATEMENTS
Reports and Financial Statements
For the year ended June 30, 2019

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
motor vehicle	2018/2019		2018/2019	50/06/2019	

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

VIII. 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-KITUI CENTRAL 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.

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.

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

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 national bank 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.

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

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 and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

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

14. 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) – KITUI
CENTRAL CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019	2017-2018
		Kshs	Kshs
NGCDF Board			
AIE NO	B30079	10,000,000.00	5,500,000
AIE NO	B030455	14,000,000.00	37,905,172
AIE NO	B006401	6,000,000.00	42,868,965.92
AIE NO	A699141	11,000,000.00	536,206.90
AIE NO	B042851	125,862.10	
AIE NO	B042777	13,000,000.00	
		55,040,876.00	
		11,253,448.00	
TOTAL		120,420,186.00	86,810,345.00

2. PROCEEDS FROM SALE OF ASSETS

	2018-2019	2017-2018
	Kshs	Kshs
186		
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		
Total		

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEPTS

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

4. COMPENSATION OF EMPLOYEES

	2018-2019 Kshs	2017-2018 Kshs
Basic wages of contractual employees	2,224,720	1,115,362.00
Basic wages of casual labour		
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance		
Gratuity – paid		881,310.00
- accrued	567,300	
Other personnel payments		
Total	2,792,020	1,996,672

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI
CENTRAL 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	5,956,313	3,925,700
Utilities, supplies and services	820,000	383,000
Communication, supplies and services	80,000	51,000
Domestic travel and subsistence	223,000	84,000
Printing, advertising and information supplies & services	275,000	59,900
Electricity	6000	4020
Training expenses	800,000	600,000
Strategic plan	-	2,992,480
Fuel, oil and lubricants	124,800	339,600
Water and sewerage charges	6367	21,128
Office and general supplies and services	860,000	479,000
Other operating expenses	328,497	94,611
Routine maintenance – vehicles and other transport equipment	86,000	218,000
Routine maintenance – other assets	150,000	30,000
Bank Charges	8,700	33,685
Total	9,724,677	9,316,124

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI
CENTRAL 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	2017-2018
	Kshs	Kshs
Transfers to primary schools	22,250,000	27,600,000
Transfers to secondary schools	7,550,000	4,500,000
Transfers to tertiary institutions	1,800,000	-
TOTAL	31,600,000	32,100,000

7. **OTHER GRANTS AND OTHER PAYMENTS**

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools	33,398,245	29,617,500
Bursary – tertiary institutions	6,615,000	140,000
Security projects	7,300,000	1,200,000
Sports projects	227,700	1,736,000
Environment projects	525,800	1,736,206
Emergency projects	3,270,000	1,750,000
Total	51,336,745	36,179,706

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI
CENTRAL 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>National bank, Account No. 01001052093400</i>	32,817,561	7,850,817
Total	32,817,561	7,850,817

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>NIL</i>				
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12A. RETENTION

	2018 - 2019 Kshs	2017-2018 Kshs
Supplier 1	-	-
Supplier 2	-	-
Supplier 3	-	-
Total	<u>-</u>	<u>-</u>

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019 Kshs	2017-2018 Kshs
Name 1	-	-
Name 2	-	-
Name 3	-	-
Add as appropriate		
Total	<u>-</u>	<u>-</u>

13. BALANCES BROUGHT FORWARD

	2018-2019 Kshs	2017-2018 Kshs
Bank accounts	7,850,817	632,975
Total	<u>7,850,817</u>	<u>632,975</u>

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

14. PRIOR YEAR ADJUSTMENTS

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI
CENTRAL 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

	2018-2019 Kshs	2017-2018 Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	<hr/>	<hr/>
	~	~

15.2: PENDING STAFF PAYABLES)

	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
	<hr/>	<hr/>
	~	~

15.3: UNUTILIZED FUND (See Annex 1)

	Kshs	Kshs
Compensation of employees	631,180	874,328
Use of goods and services	40,756	282,900
Amounts due to other Government entities (see attached list)	13,000,000	2,150,000
Amounts due to other grants and other transfers (see attached list)	13,645,624	10,422,880
Acquisition of assets	5,500,000	5,500,000
	<hr/>	<hr/>
	32,817,561	19,230,128

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KITUI
CENTRAL CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019
NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 3)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	1,152,407	9,494,660.50
	1,152,407	9,494,660.50

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND -KITUI CENTRAL CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND -KITUI CENTRAL CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

ANNEX 2- 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				3,600,000
Land Buildings and structures	3,600,000			3,087,000
Transport equipment	3,087,000			1,271,076
Office equipment, furniture and fittings	1,271,076			718,041
ICT Equipment, Software and Other ICT Assets	718,041			600,000
Other Machinery and Equipment	600,000			
Total	9,276,117			9,276,117

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KITUI
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ANNEX 3-PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Katyethoka Mixed Sec School	NBK	01022216251100	79,013	
Museve Primary School	NBK	01022216161000	16,375	
Ithimani Primary School	NBK	010222055006400	1,004,250	
Ngeveni Primary School	NBK	01022216144100	52,171	
St Pauls Mutula Secondary School	Co-operative bank	01139810412400	580	1,238,610.25
Mutula Assistant Chiefs office	Co-operative bank	01141810412300		272,775.25
Yakalia Primary School		01139810412200		1,150,760
Kavuti primary school	National bank	01022117821900		750,000
St Pauls Kasyala Secondary School	Co-operative bank	01139810410800		1,969,560
Kilungu primary school	National bank	01024123055100		473,000
Wii primary school	National bank	010247128673200		960,600
Ilooi primary school	National bank	01022205483000		26,250
Unyaa primary school	National bank	01022205524900		28,750
Tiva primary school	National bank	01022205503600		914,745
Ithimani primary school	National bank	01022205506400		1,201,250
AIC Katisaa primary school	National bank	01024128693000		12,385
Mulundi primary school	National bank	01022205742300		54,550
Nduumoni Primary School	National bank	01022069358200		7,250
Matunguni primary school	National bank	01022117806000		251,450
Kwa Mutheke Assistant Chiefs Office	National bank	01020205568800		182,725

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PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
			1,152,389	9,494,660.50

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Referen ce No. on the externa l audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (<i>Name and designation</i>)	Status: (<i>Resolved / Not Resolved</i>)	T a c a v y e t i t h r e
EH/AU D/NG- CDF/KI TUI C./201 7- 2018/ 13	Cash and cash equivalent-stale cheques amounting to Kshs 238,000 were not reversed and replaced in the cash book	They were reversed and replaced	Josephine(FAM)	resolved	
EH/AU D/NG- CDF/KI TUI C./201 7- 2018/ 13	Receipts-an amount of kshs 11,379,310 had not been received at the end of the financial year in question	Amount received and programmes and activities were implemented as planned	Josephine(FAM)	resolved	
EH/AU D/NG- CDF/KI TUI C./201 7- 2018/ 13	Expenditure-The fund had not spent kshs 19,230,000 according to the summary statement of appropriation	-Some Funds amounting to Kshs 11,379,310 budgeted for that financial year had not been received as at the closure of the financial year in question however they were received later and spent as budgeted . -An amount of Kshs 5,500,000 was also meant for acquisition of a Motor vehicle for the constituency and an approval to donate the old motor vehicle in order to procure a new one	Josephine(FAM)	resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	T a c k l e t t e r
		was being awaited from the NGCDF Board.			
EH/AU D/NG- CDF/KI TUI C./201 7- 2018/ 13	Project implementation status	Projects amounting to Kshs 1,200,000 for the year ended 30 th June 2018 had not been completed	Josephine(.AM)	resolved	
EH/AU D/NG- CDF/KI TUI C./201 7- 2018/ 13	Strategic plan	The NGCDFC made a decision to use the list of the firms prequalified with them for consultancy services a reason why they raised the quotations whereby the prequalified firms applied and one of them won the tender	Josephine(FAM)	resolved	
EH/AU D/NG- CDF/KI TUI C./201 7- 2018/ 13	Training allowances	Bofa Beach Resort is prequalified at the Kitui Central Sub county list of firms which offers training services	Josephine(FAM)	resolved	