



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS Laid	
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REPORT

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
KAJIADO NORTH CONSTITUENCY**

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





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -KAJIADO
NORTH 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)

KAJIADO NORTH 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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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)

KAJIADO NORTH CONSTITUENCY

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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 KAJIADO NORTH 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 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Edwin Karani Wachira
2.	Sub-County Accountant	Lucy Njenga
3.	Chairman NGCDFC	Simon Gatheru
4.	Member NGCDFC	Julius Suyianga

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -KAJIADO NORTH 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 KAJIADO NORTH Constituency Headquarters

P.O. Box 78-00208
Ngong Dcc Compound
Ngong Hills
KENYA



(f) NGCDF KAJIADO NORTH Constituency Contacts

Telephone: (254) 0727943846
E-mail: ngcdfkajiadonorth@cdf.go.ke
Website: www.ngcdfgo.ke

(g) NGCDF KAJIADO NORTH Constituency Bankers

Equity Bank
Ngong Branch
P.O. Box 170-00208

(h) Independent Auditors

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

(i) Principal Legal Adviser

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



II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE**Annual Constituency Allocation**

I am pleased to present the financial statements for Kajiado North Constituency for the financial year ended 30th June 2019. During the year, the Constituency was allocated a total of Kshs. 109,040,875.52.

On receipt of the above allocations, Kajiado North National Government Constituencies Development Fund Committee (NGCDFC) pursuant to the provisions of the National Government CDF Act 2015, as amended in 2016, met and allocated funds to various projects with reference to the priorities of the public participation meetings held across the Constituency. It is noteworthy that during the FY 2018/2019, we received 49.5% of the normal Constituency funding equivalent to Kshs 54,000,000 and these funds were then disbursed to earmarked projects.

Sector Prioritization

During the year, a total of Kshs 26,289,671 went to transfers to other government units- Primary schools, secondary schools and tertiary institutions compared to an allocation of Kshs 38,341,420 allocated during the FY 2017/2018. The Committee also allocated Kshs 71,063,679 to other grants and transfers which consists of Bursary, security, sports, environment, emergency and others compared to an allocation of Kshs 50,138,807.86 in the FY 2017/2018. Other allocations during the FY 2018/2019 include Kshs 373,847 towards the NG-CDF office Renovation and Kshs 1,500,000 for Ngong Law courts and a total of 9,813,678.57 allocated towards administrative costs as well as the NGCDFC monitoring and evaluation programmes.

Sectoral Analysis of Funding

Over the past 6 years, the Constituency has received a total of Kshs 547,956,733.06 which were subsequently disbursed to various projects in such sectors as education, water, health, roads and bridges, energy, agriculture, security etc in addition to the statutory bursary, emergency, sports, environment, administration and monitoring & evaluation votes. The funding has benefitted 186 projects and the breakdown in terms of the number of projects funded in these leading sectors over the last six years is as hereunder provided;

Number of Projects per Sectors FY2012/13-2018/19(In Key Sectors)

Sector	2018/2019	2017/18	2016/17	2015/16	2014/15	2013/14	Total
Primary Schools	3	11	4	8	12	2	40
Secondary Schools	11	9	3	10	10	7	50
ECD Centres	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Tertiary Institutions	2	NIL	1	2	NIL	1	6
Health	NIL	NIL	NIL	Nil	Nil	3	3
Water	NIL	NIL	NIL	Nil	Nil	2	2
Security	8	8	6	6	15	6	49
Roads	NIL	Nil	Nil	7	11	7	25
Others	2	5	Nil	2	Nil	2	11
Total No Funded	26	33	14	35	48	30	186

Source: Kajiado North NGCDF Records (2019)

It is therefore notable that within the education sector, secondary schools have realized the highest number of projects funded in the Constituency followed by secondary schools and finally tertiary institutions. Overall, the ranking based on highest number projects funded over the period is has secondary schools as the leading sector followed by security, primary and finally roads. The sectoral analysis in terms of total funding to the



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KAJIADO NORTH CONSTITUENCY**

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respective sectors over the last 6 years is as hereunder provided;

Sectoral Analysis FY2013/14-2018/19 (6 Years)

No	Financial Year	Amount Allocated	Education	Water	Roads	Agric	Security	Health	others
1.	2013/2014	67,115,807.00	35.30	5.2	6.3	Nil	12	7.7	2.3
2.	2014/2015	99,010,692.00	31.8	11.90	7.5	NIL	24.6	Nil	
3.	2015/2016	104,082,462.00	35.30	0	8.20	Nil	18.7	Nil	2
4.	2016/2017	81,896,551.72	8.82	Nil	Nil	Nil	47.85	Nil	Nil
5.	2017/2018	86,810,344.82	39.05	NIL	NIL	NIL	12.7	NIL	8
6.	2018/2019	109,040,875.52	23.2	NIL	NIL	NIL	32.5	NIL	1.7
Average % Allocations			173.5	17.10	22		148.35	7.7	14

Source: Kajiado North NGCDF Records (2019)

From the above, it is evident that the leading sectors over the period are education and security at an average percentage allocation of 23.20%, and 32.5% respectively.

The NG-CDF (Amendment) Act 2016 introduced a major shift in the scope of projects eligible to be funded. Under this Act only projects falling within the functions of the National Government as outlined in the Constitution of Kenya 2010 will be funded. This effectively means that the Fund has since been concentrating primarily on education, security, sports and environment sectors as well as other national government residual functions. During the FY 2018/2019, the Committee undertook to expedite the disbursement of funds to earmarked projects in accordance with the provisions of the NGCDF Act, 2015, as amended in 2016, and the requirements of the Annual Performance Contract. The disbursements saw the implementation of approved project activities across the Constituency. As at the close of the fiscal year 2018/2019 on 30th June 2019, the funds due to projects was Kshs 63,587,883.48 but only 17,115,883.48 was disbursed to projects and the overall funds utilization and absorption rate was low.. This is due to the long process of approval for purchases of land.

Achievements and Major Undertakings

During the year, the Committee disbursed a total of Kshs 27,121,572 as bursary to needy students in secondary, tertiary institutions and this benefitted a total of 1,556 students. Major physical facilities funded are infrastructure such as classrooms, administration blocks, laboratories, dormitories, toilets and equipping of laboratories. The continued funding towards the education sector in the Constituency has contributed to increased enrolment in primary, secondary and tertiary institutions whilst increasing retention and transition rates while equally reducing the burden of education for low income families. Another major project undertaken during the year is the Purchase of land for police and Chiefs camps and building for the same



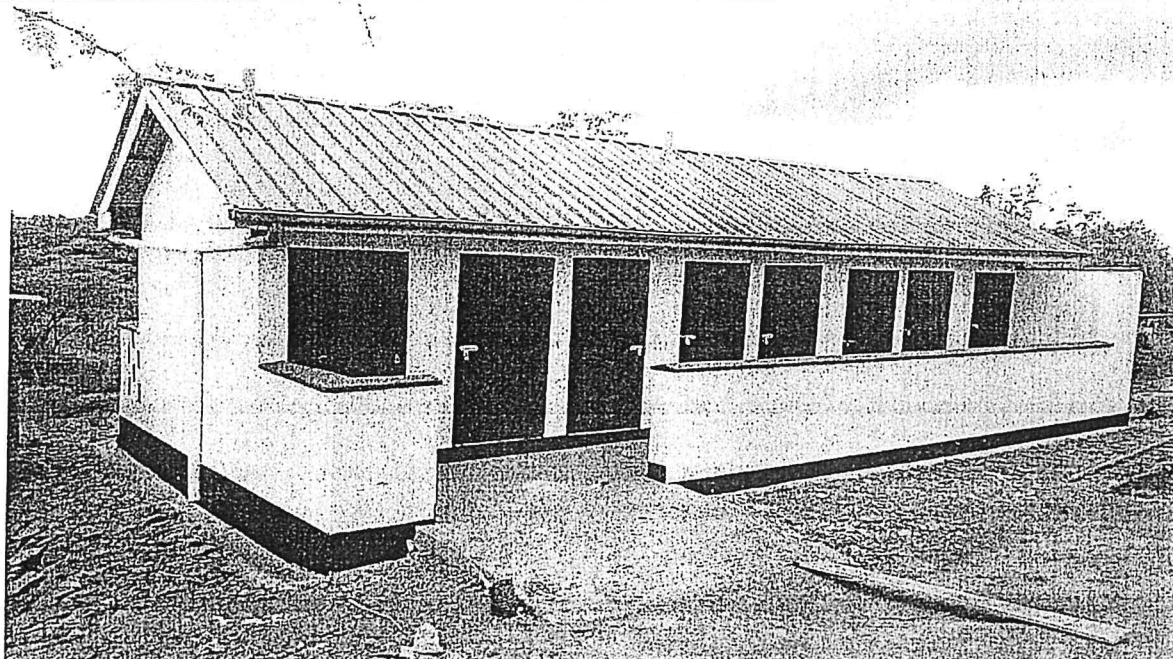


Fig 1: Construction of Sixteen door Pit Latrine at Nkaimurunya Primary School

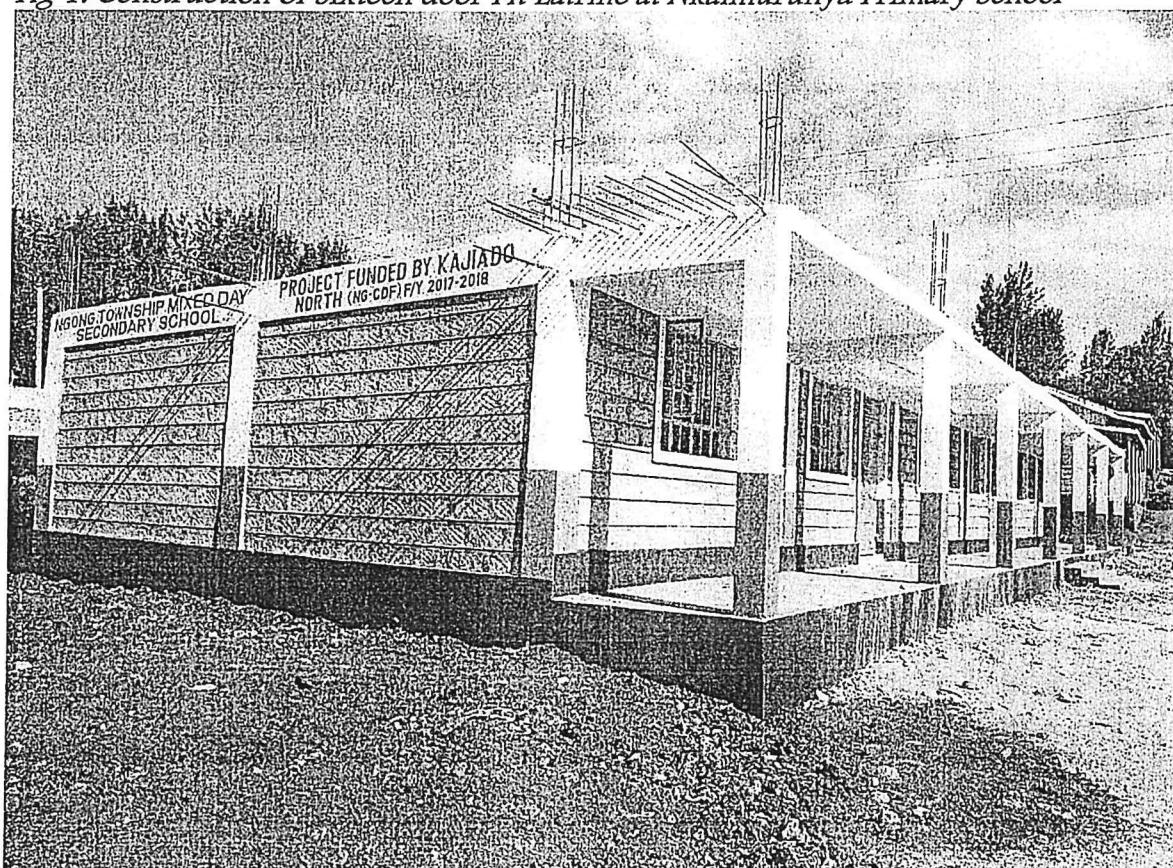
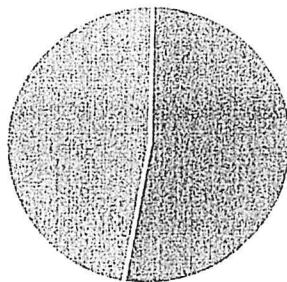


Fig 2: Construction of three classrooms with a suspended floor slab at Ngong Township Secondary school



FY 2018/2019 ALLOCATION AGAINST FY 2017/2018
ALLOCATION



■ 2018/2019 ■ 2017/2018

Key

- 1- FY 2018/2019 Allocation (Ksh.109,040,876)
- 2- FY 2017/2018 Allocation (Ksh. 98,189,655)

This shows an improvement as compared to the last financial year

IMPLEMENTATION CHALLENGES

Some projects delayed due to the late disbursement of these funds i.e. the First Disbursement of kshs 10,000,000.00 from the Board came in January 2019 followed by a total of kshs 44,000,000.00 by the end of 30th June 2019. We hope that this will improve to enable us do the projects in time.

The approval of some 2018/19 projects were delayed due the fact that the funds were for purchase of land and which required long processes in terms of valuations, agreement negotiations and transfers. Delays in the Approval of re-allocations of funds resulted in the implementation of projects.

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

Sign



CHAIRMAN NGCDF COMMITTEE



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KAJIADO NORTH CONSTITUENCY

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III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF-KAJIADO NORTH 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, 20-. 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-KAJIADO NORTH 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 charge of the NGCDF-KAJIADO NORTH 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-KAJIADO NORTH 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-KAJIADO NORTH Constituency financial statements were approved and signed by the Accounting Officer on 14th DECEMBER 2019.

Fund Account Manager

Name: Edwin Karani Wachira

FUND ACCOUNT MANAGER
NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND
KAJIADO NORTH CONSTITUENCY
P.O. BOX 72-00208 NGONG HILLS
dfkajiadenorth@ngcdf.go.ke

Sub-County Accountant

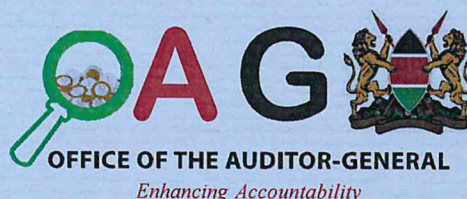
Name: Lucy Njenga

ICPAK Member Number: 11287



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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KAJIADO NORTH 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 - Kajiado North Constituency set out on pages 10 to 33, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kajiado North 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 Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Discrepancies in the Financial Statements

The statement of receipts and payments reflects use of goods and services opening balance of Kshs.6,920,595 against the audited closing balance for the previous year totalling Kshs.6,717,361, resulting to an unreconciled difference of Kshs.203,234.

Further, the statement reflects an opening balance totalling Kshs.60,183,559 under other grants and transfers against a closing audited balance totalling Kshs.58,456,243 for the previous year resulting to unreconciled variance of Kshs.1,727,316.

In addition, the statement of assets and liabilities reflects a cash and cash equivalent of Kshs.10,172,680 against the reconciled cash book balance of Kshs.10,164,680 resulting to an unreconciled variance of Kshs.7,999.

2. Improper Presentation of Net Financial Position Balance

The statement of assets and liabilities as at 30 June, 2019 reflects financial assets totalling Kshs.10,172,680 and nil liabilities. However, contrary to the guidelines issued by the Public Sector Accounting Standards Board, the sum is presented in the statement as a net liabilities instead a net financial position balance and has therefore distorted the true and fair view of the financial statements.

3. Undisclosed Project Management Committee Bank Balances

Examination of bank records indicated that the Project Management Committee bank account held an aggregate balance of Kshs.10,786,025 as at 30 June, 2019 which, however, was not included in the disclosed cash and cash equivalents balance totalling Kshs.10,172,680 reflected in the financial statements.

Consequently, the accuracy and completeness of cash and cash equivalents balance presented in the financial statements could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Kajiado North 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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Lack of Employee Contracts

The statement of receipts and payments for the year ended 30 June, 2019 reflects compensation of employees expenditure for the year totalling Kshs.1,895,120. However,

examination of personnel files revealed that the Fund had not signed any employment contracts with its employees, contrary to Section 9(2) of Employment Act, 2007.

As a result, Management has retained the employees in breach of the law.

2. Delayed Construction of a Fence at Ngong Technical and Vocational Training Institute

Expenditure records indicated that Kajiado North NG-CDF transferred Kshs.2,000,000 to Ngong Technical and Vocational Training Institute on 26 July, 2019 for construction of a fence. However, at the time of the audit in January, 2020, the project had not commenced despite the funds having been deposited in the Project Management Committee's bank Account. No explanation was provided for the delay in implementing the project that would have enhanced security at the Institute.

3. Underutilized Information Technology Centres

The expenditure records further indicated that Kshs.4,677,027 was spent on setting up Information Communication Technology (ICT) centres for use by residents in various locations of the Constituency. However, examination of records revealed that, four ICT connections were implemented at Chief's Camps, Ngong Chiefs Camp, Embulbul Chiefs Camp and Ongata Rongai Social Hall. However, there was no sitting space for internet users at three centres namely Kware Chiefs Camp, Ngong Chiefs Camp and Embulbul Chiefs Camp.

In the circumstance, the Centres were underutilized and the residents were not getting value for money on the funds spent to establish and maintain the facilities.

4. Incomplete Transfer of Land

Kajiado NG-CDF transferred Kshs.34,953,900 for purchase of three plots of land budgeted for in the 2016/2017 financial year. In the year under review, the Fund set aside Kshs.668,000 in the budget for transfer of the parcels of land but the funds were not used. As a result, ownership of the land was not transferred to the National Government CDF Board despite the process for its acquisition having been completed.

The land is therefore at risk of encroachment and further the purposes for which the funds totalling Kshs.35,621,900 were spent have not been attained.

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 public resources have not been applied lawfully and in an effective way.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the ability of National Government Constituencies Development Fund - Kajiado North Constituency 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 its 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 entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

-
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
 - Conclude on the appropriateness of the Management's use of the 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 sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease sustaining its services.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
 - Perform such other procedures as I consider necessary in the circumstances.

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

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



CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

10 January, 2022

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**KAJIADO NORTH CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2019****IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board	1	108,784,483	84,353,447
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	74,000	-
TOTAL RECEIPTS		108,858,483	84,353,447
PAYMENTS			
Compensation of employees	4	1,895,120	2,343,562
Use of goods and services	5	6,793,912	6,920,595
Transfers to Other Government Units	6	39,289,671	13,290,263
Other grants and transfers	7	51,469,168	60,183,559
Acquisition of Assets	8	-	854,990
Other Payments	9	6,426,027	-
TOTAL PAYMENTS		105,873,898	83,592,968
SURPLUS/DEFICIT		2,984,585	760,479

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KAJIADO NORTH Constituency financial statements were approved on 14th December 2019 and signed by:

Fund Account Manager
Name: Edwin Karani Wachira

FUND ACCOUNT MANAGER
NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND
KAJIADO NORTH CONSTITUENCY
P.O. BOX 72-00208 NGONG HILLS
Email: cdfkajiadonorth@ngcdf.go.ke

Sub-County Accountant
Name: Lucy Njenga
ICPAK Member Number: 11287



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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**KAJIADO NORTH CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2019****V. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	10,172,680	7,188,096
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		10,172,680	7,188,096
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		10,172,680	7,188,096
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
NET FINANCIAL ASSETS		10,172,680	7,188,096
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	7,188,096	4,497,068
Surplus/Deficit for the year		2,984,585	760,479
Prior year adjustments	14		1,930,549
NET LIABILITIES		10,172,680	7,188,096

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KAJIADO NORTH Constituency financial statements were approved on 14th DECEMBER 2019 and signed by:

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KAJIADO NORTH 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		Ksh.	Ksh.
Transfers from CDF Board	1	108,784,483	84,353,447
Other Receipts	3	74,000	-
Total Receipts		108,858,483	84,353,447
Payments			
Compensation of Employees	4	1,895,120	2,343,562
Use of goods and services	5	6,793,912	6,920,595
Transfers to Other Government Units	6	39,689,671	13,290,263
Other grants and transfers	7	51,069,168	60,183,559
Other Payments	9	6,426,027	854,990
Total Payments		105,873,899	83,592,968
Total Receipts Less Total Payments		2,984,585	760,479
Adjusted for:			
Outstanding Imprest	11		-
Retention	12A		-
Gratuity Payable	12B		-
Prior Year adjustment	14		1,930,549
Net Adjustments		-	1,930,549
Net cash flow from operating activities		2,984,585	2,691,028
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		2,984,585	2,691,028
Cash and cash equivalent at BEGINNING of the year	13	7,188,096	4,497,068
Cash and cash equivalent at END of the year		10,172,680	7,188,096

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KAJIADO NORTH Constituency financial statements were approved on

14TH DECEMBER 2019 and signed by:

Fund Account Manager

Name: Edwin Karani Wachira

FUND ACCOUNT MANAGER
NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND
KAJIADO NORTH CONSTITUENCY
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Sub-County Accountant

Name: Lucy Njenga

ICPAK Member Number: 11287

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 CDF Board	109,040,876	61,972,579	171,013,455	115,972,579	55,040,876	68%
Proceeds from Sale of Assets		74,000	74,000	74,000	-	100%
Other Receipts						
TOTAL RECEIPTS	109,040,876	62,046,579	171,087,455	116,046,579	55,040,876	68%
PAYMENTS						
Compensation of Employees	2,714,805	918,415	3,633,220	1,895,120	1,738,100	52%
Use of goods and services	7,098,873	3,000,535	10,099,408	6,793,912	3,305,496	67%
Transfers to Other Government Units	26,289,671	28,400,000	54,689,671	39,689,671	15,000,000	73%
Other grants and transfers	71,063,679	20,678,244	91,741,923	51,069,168	40,672,755	56%
Acquisition of Assets	1,873,847	872,358	2,746,205	-	2,746,205	0%
Other Payments		8,177,027	8,177,027	6,426,027	1,751,000	79%
TOTAL	109,040,876	62,046,579	171,087,455	105,873,899	65,213,556	62%

- a) On receipts, the total receipt from NGCDF Board is 68% which is due to the proposal of Kshs. 109,040,876 and additional Kshs. 62,046,579 not yet disbursed by the Board at the closure of the last financial year and Kshs. 74,000.00 which resulted from the sale of Tender Documents that is yet to be approved by the NGCDF Board and the last year cashbook balance.
- b) The changes between the original budget and final budget are as a result of the opening cashbook balance and the funds for financial year 2017/2018 that were not yet disbursed by the Board.

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

(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

The NGCDF-KAJIADO NORTH Constituency financial statements were approved on ²⁸14 DECEMBER 2019 and signed by:

FUND ACCOUNT MANAGER
NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND
KAJIADO NORTH CONSTITUENCY
P.O. BOX 72-00208 NGONG HILLS
Email: cafkajiadonorth@ngcdf.go.ke



Fund Account Manager
Name: Edwin Karani Wachira

Sub-County Accountant
Name: Lucy Njenga
ICPAK Member Number: 11287



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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	2,714,805	918,415	3,633,220	1,895,120	1,738,100
1.2 Committee allowances	2,275,000	500,000	2,775,000	1,787,900	987,100
1.3 Use of goods and services	1,552,647	661,069	2,213,716	1,393,952	819,763
Sub-Total	6,542,452	2,079,484	8,621,936	5,076,972	3,544,964
2.0 Monitoring and evaluation					
2.1 Capacity building	1,400,000	250,000	1,650,000	1,266,250	383,750
2.2 Committee allowances	1,000,000	1,498,087	2,498,087	2,345,810	152,277
2.3 Use of goods and services	871,226	91,379	962,605		962,605
Sub-Total	3,271,226	1,839,466	5,110,692	3,612,060	1,498,632
3.0 Emergency					
3.1 Primary Schools	5,738,993	5,026,020	10,765,013	3,241,000	7,524,013
3.2 Secondary schools			-		-
3.3 Tertiary institutions			-		-
3.4 Security projects			-		
3.5 others			-		
Sub-Total	5,738,993	5,026,020	10,765,013	3,241,000	7,524,013
4.0 Bursary and Social Security					
4.1 Primary Schools					-
4.2 Secondary Schools	14,260,219		14,260,219	14,224,672	35,547

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

4.3 Tertiary Institutions	13,000,000		13,000,000	13,032,000	(32,000)
4.4 Universities			-		-
4.5 Social Security			-		-
Sub-Total	27,260,219	-	27,260,219	27,256,672	3,547
5.0 Sports					
5.1 Sports	1,835,051	1,888,362	3,723,413	2,052,891	1,670,522
Sub-Total	1,835,051	1,888,362	3,723,413	2,052,891	1,670,522
6.0 Environment					
6.1 Constituency Environmental Activities	835,051	2,095,862	2,930,913	1,999,600	931,313
Sub-Total	835,051	2,095,862	2,930,913	1,999,600	931,313
7.0 Primary Schools Projects					
7.1 Nkaimurunya Primary School	600,000	1,200,000	1,800,000	1,800,000	-
7.2 Ololua Primary School	1,000,000		1,000,000	-	1,000,000
7.3 Kerapon Primary School	400,000	-	400,000	400,000	-
7.4 Arap Moi Pri		1,200,000	1,200,000	1,200,000	-
7.5 Ngong Township Primary School		1,200,000	1,200,000	1,200,000	-
7.6 Enoomatasiani Primary School		1,200,000	1,200,000	1,200,000	-
7.7 Olekasasi Primary School		1,200,000	1,200,000	1,200,000	-
7.8 Kiserian Primary School		1,100,000	1,100,000	1,100,000	-
7.9 Nalepo Primary School		1,000,000	1,000,000	1,000,000	-
7.10 Nakeel Primary sch		1,600,000	1,600,000	1,600,000	-
7.11 Ongata rongai primary school		1,200,000	1,200,000	1,200,000	-

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

7.12 Embulbul Primary school		1,200,000	1,200,000	1,200,000	
7.13 Olkeri pri sch		1,200,000	1,200,000	1,200,000	
7.14 Retention b/f	-				-
Sub-Total	2,000,000	13,300,000	15,300,000	14,300,000	1,000,000
8.0 Secondary Schools Projects					
8.1 P.C.E.A Ngong Hills Secondary School	300,000		300,000	300,000	-
8.2 Enomatasiani Girls Secondary School	982,650	1,500,000	2,482,650	2,482,650	-
8.3 Empakase Secondary School	459,060		459,060	459,060	-
8.4 Embulbul Mixed Day School	2,453,096	2,500,000	4,953,096	4,953,096	-
8.5 Enomatasiani Mixed Day Secondary School	2,500,000	2,500,000	5,000,000	5,000,000	-
8.6 P.C.E.A Upper Matasia Secondary School	560,120	1,600,000	2,160,120	2,160,120	-
8.7 Oloolua Secondary School	11,093,140	2,000,000	13,093,140	2,593,140	10,500,000
8.8 Kiserian Secondary School	1,000,000		1,000,000		1,000,000
8.9 Nkoroi Mixed Day Secondary School	1,500,000		1,500,000		1,500,000
8.10 Nakeel Secondary School	1,000,000		1,000,000		1,000,000
8.11 Catholic Dioces of Ngong		5,000,000	5,000,000	5,000,000	-
8.12 Retention b/f	-				-
Sub-Total	21,848,066	15,100,000	36,948,066	22,948,066	14,000,000
9.0 Tertiary institutions Projects					
9.1 Olekasasi Technical College	441,605		441,605	441,605	-
9.2 Ngong Technical Training Institute	2,000,000		2,000,000	2,000,000	-
9.3 Retention b/f	-	-	-	-	-

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

Sub-Total		2,441,605	-	2,441,605	2,441,605	-
10.0 Security Projects						
10.1 Lekurruki Ap's Camp	850,000		1,000,000	1,850,000	1,850,000	-
10.2 Olkeri A.P Camp	909,310		1,000,000	1,909,310	1,909,310	-
10.3 Kware Chiefs Office	391,695		1,500,000	1,891,695	1,891,695	-
10.4 Olekasasi Chiefs Camp	972,690		1,500,000	2,472,690	1,500,000	972,690
10.5 Olekasasi Police Post	3,570,670		5,000,000	8,570,670	7,000,000	1,570,670
10.6 Ngong Police Station	700,000		500,000	1,200,000	1,200,000	-
10.7 Kiserian Chiefs Camp	20,000,000			20,000,000		20,000,000
10.8 Mosoi Range Chiefs Camp	8,000,000			8,000,000		8,000,000
10.9 Kandisi Ap Camp			500,000	500,000	500,000	-
10.10 Oloika AP Camp			200,000	200,000	200,000	-
10.11 Entumuto Chiefs Camp			240,000	240,000	240,000	-
10.12 Leisser Hill Chief Camp			228,000	228,000	228,000	-
Sub-Total	35,394,365	11,668,000		47,062,365	16,519,005	30,543,360
11.0 Acquisition of assets						
11.1 Motor Vehicles	-			-		-
11.2 Construction of CDF office	373,847		872,358	1,246,205	-	1,246,205
11.3 Ngong Law Courts	1,500,000			1,500,000		1,500,000
11.4 Purchase of computers	-			-		-
11.5 Purchase of land				-		-
Sub-Total	1,873,847	872,358		2,746,205	-	2,746,205



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

12.0 Others						
12.1 Strategic Plan			3,500,000	1,749,000	1,751,000	
12.2 Innovation Hub			4,677,027	4,677,027	(0)	
12.3 TIVET			-	-	-	
12.4 Website			-	-	-	
Sub-Total	-		8,177,027	6,426,027	1,751,000	
GRAND TOTALS	109,040,876		62,046,579	105,873,899	65,213,556	

(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-KAJIADO NORTH 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.

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 KAJIADO NORTH NGCDF EQUITY BANK ACCOUNT NGONG BRANCH 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.



11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KAJIADO NORTH 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. A855834	1		5,500,000
AIE NO. A892806	2		37,905,172
AIE NO. A892599	3		40,948,275
AIE NO. B005160	1	54,784,483	
AIE NO. B030179	2	10,000,000	
AIE NO. B030415	3	12,000,000	
AIE NO. B855025	4	8,000,000	
AIE NO. B042752	5	12,000,000	
AIE NO. B042895	6	12,000,000	
TOTAL		108,784,483	84,353,447

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	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –**KAJIADO NORTH CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2019***NOTES TO THE FINANCIAL STATEMENTS (Continued)***3. OTHER RECEPTS**

	2018-2019	2017-2018
	Kshs	Kshs
Interest Received	0	-
Rents	0	-
Receipts from Sale of tender documents	74,000	-
Other Receipts Not Classified Elsewhere	0	-
Total	74,000	-

4. COMPENSATION OF EMPLOYEES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Basic wages of contractual employees	1,895,120	1,858,626
Basic wages of casual labour	-	
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance		
Other personnel payments		
Employer contribution to NSSF	-	484,936
Gratuity-Paid	-	
Gratuity-Accrued		
TOTAL	<u>1,895,120</u>	<u>2,343,562</u>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
KAJIADO NORTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Utilities, supplies and services		398,800
Electricity	0	
Water & sewerage charges		
Office rent	0	
Communication, supplies and services		
Domestic travel and subsistence		
Printing, advertising and information supplies & services		
Rentals of produced assets		1,967,500
Training expenses	1,266,250	
Hospitality supplies and services		1,603,295
Other committee expenses		2,440,600
Committee allowance	4,133,710	0
Insurance costs	0	
Specialised materials and services		510,400
Office and general supplies and services	1,372,942	0
Fuel, oil & lubricants	0	
Other operating expenses	0	
Bank service commission and charges	21,010	
Security operations		0
Routine maintenance - vehicles and other transport equipment	0	
Routine maintenance- other assets		
TOTAL	<u>6,793,912</u>	<u>6,920,595</u>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KAJIADO NORTH CONSTITUENCY**

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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	13,900,000	0
Transfers to Secondary schools	22,948,066	13,290,263
Transfers to Tertiary institutions	2,441,605	0
TIVET		
TOTAL	39,289,671	13,290,263

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Bursary -Secondary	14,224,672	
Bursary -Tertiary	13,032,000	21,711,959
Bursary-Special schools	-	
Mocks & CAT	-	
Security	16,519,005	35,953,900
Sports	2,052,891	940,000
Environment	1,999,600	479,700
Emergency Projects	3,241,000	1,098,000
TOTAL	51,069,168	60,183,559



8. ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2018-2019	2017-2018
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	854,990.00
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
	-	-
Total	-	854,990

9. OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
ICT Hub	4,677,027	-
Strategic plan	1,749,000	-
Specify	-	-
	6,426,027	-

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	Account Number	2018-2019	2017 - 2018
		Kshs (30/6/2019)	Kshs (30/6/2018)
<i>Equity Bank, Ngong Branch Kajiado North NG-CDF</i>	A/c No. 03390263964339	10,172,680	7,188,096

10B: CASH IN HAND)

		2018-2019	2017 - 2018
		Kshs (30/6/2019)	Kshs (30/6/2018)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
TOTAL		-	-

[Provide cash count certificates for each]



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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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	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
Total				-

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

12A. RETENTION

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

[Provide short appropriate explanations as necessary]

12B. STAFF GRATUITY OUTSTANDING

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

[Provide short appropriate explanations as necessary]

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

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For the year ended June 30, 2019

13. BALANCES BROUGHT FORWARD

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	7,188,096	4,497,068
Cash in hand		-
Imprest		-
	7,188,096	4,497,068
Total	<u>7,188,096</u>	<u>4,497,068</u>
<i>[Provide short appropriate explanations as necessary]</i>		

14. PRIOR YEAR ADJUSTMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	<u>-</u>	<u>-</u>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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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	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	<u>-</u>	<u>-</u>

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
NGCDFC Staff	928,431	-
Others (<i>specify</i>)	-	-
	<u>928,431</u>	<u>-</u>

15.3: UNUTILIZED FUND (See Annex 3)

	2018-2019	2017 - 2018
	Kshs	Kshs
Compensation of employees	1,738,100	-
Use of goods and services	3,305,496	-
Amounts due to other Government entities	15,000,000	-
Amounts due to other grants and other transfers	40,672,755	-
Acquisition of assets	2,746,205	-
Others (Strategic Plan)	1,751,000	-
	<u>65,213,556</u>	<u>-</u>



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

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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)	17,628,180	11,514,420
	17,628,180	11,514,420

NATIONAL GOVERNMENT ENTITY – KAJIADO NORTH NGCDF

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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
Construction of buildings	a	b	c	d=a-c	
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 – KAJIADO NORTH NGCDF
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
		a	b	c	d=a-c	
NGCDF Staff salary						
1.						
2.						
Sub-Total						
NGCDFC Staff gratuity						
1. JOHN LEMAYIAN PELLO		190,657	1st oct 20-16	0	190,657	
2. SAMUEL J. OCHIENG		220,716	1st oct 20-16	0	220,716	
3. SALOME PARSALOI		184,344	31st August 2016	0	184,344	
4. GLADYS WAMBUI		134,351	1st nov 2017	0	134,351	
5. HEZRON KIMANI		198,363	1st oct 20-16	0	198,363	
Sub-Total		928,431			928,431	
Others (specify)						
1						
2						
Sub-Total						
Grand Total		928,431			928,431	



NATIONAL GOVERNMENT ENTITY - (KAJILADO NORTH NGCDF)
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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2018/19	2017/18	
Compensation of employees				
		1,738,100		
Sub-Total		1,738,100		
Use of goods & services				
ADM- Committee allowances		987,100		
ADM -Use of goods and services		819,763		
M&E Capacity Building		383,750		
M&E Committee Allowances		152,277		
M&E Use of goods and services		962,605		
Sub-Total		3,305,496		
Amounts due to other Government entities				
Oloolua Primary School		1,000,000		
Oloolua Secondary School		10,500,000		
Kiserian Secondary School		1,000,000		
Nkoroi Mixed Day Secondary School		1,500,000		
Nakeel Secondary School		1,000,000		
Sub-Total		15,000,000		
Amounts due to other grants and other transfers				
Olekasasi Chiefs Camp		972,690		
Olekasasi Police Post		1,570,670		



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Kiserian Chiefs Camp		20,000,000		
Mosoi Range Chiefs Camp		8,000,000		
Bursary		3,547		
Sports		1,670,522		
Environment		931,313		
Emergency		7,524,013		
Sub-Total		40,672,755		
Acquisition of assets				
Construction of CDF office		1,246,205		
Ngong Law Courts		1,500,000		
Sub-Total		2,746,205		
Others (specify)				
Strategic plan		1,751,000		
Sub-Total		1,751,000		
Grand Total		65,213,556		



NATIONAL GOVERNMENT ENTITY - KAJIADO NORTH NGCDF
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For the year ended June 30, 2019 (Kshs'000)

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	10,481,204	-	-	10,481,204
Transport equipment	4,494,676	-	-	4,494,676
Office equipment, furniture and fittings	1,806,950	-	-	1,806,950
ICT Equipment, Software and Other ICT Assets	842,500	-	-	842,500
Other Machinery and Equipment	2,850	-	-	2,850
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	17,628,180	0	0	17,628,180

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NATIONAL GOVERNMENT ENTITY - (KAJIADO NORTH NGCDF)**Reports and Financial Statements****For the year ended June 30, 2019 (Kshs'000)****ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2018**

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
OLEPOLOS AP POST	EQUITY-NGONG	0730263394274	4,496	1,500,000
OLOOLUA SECONDARY SCHOOL	EQUITY-NGONG	0730266031534	4,109,674	2,500,000
ENOOMATASIAN GIRLS SECONDARY	EQUITY-NGONG	0730264720572	291,035	3,414,420
EMPAKASE SECONDARY SCHOOL	EQUITY-ONGATA RONGAI	0610272203980	563,776	2,500,000
PCEA NGONG HILLS SEC SCH	EQUITY-NGONG	0730299981133	810,833	1,600,000
PCEA UPPER MAATASIA	EQUITY-NGONG	0730298318045	98,590	-
CATHOLIC DIOCESE NGONG TOWNSHIP OF NGONG	EQUITY-NGONG	0730277630281	324,445	-
ENOOMATASIAN MIXED DAY SECONDARY SCHOOL	EQUITY-NGONG	0730262330287	269,131	-
OLKERI PRIMARY SCHOOL	EQUITY-NGONG	0730264721312	64,122	-
OLKERI AP CAMP	EQUITY-NGONG	0730264014575	277,424	-
OLEKASASI POLICE POST	EQUITY-ONGATA RONGAI	06102644748385	1,500,500	-
OLEKASASI POLICE POST	EQUITY-ONGATA RONGAI	0610277641418	2,472,000	-
Total			10,786,025	11,514,420



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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For the year ended June 30, 2019

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)
1.	Inaccuracies in the Financial Statement.	<ul style="list-style-type: none"> - The Financial statements have been amended to reflect note 7 as grants and transfers and further tertiary and secondary bursaries are disclosed separately. - The Financial statements have been amended according to refer the statement of assets as the statement of assets and liabilities 	Kenneth Oltetia Lemein- Fund Account Manager	Resolved	
2.	Cash & Cash equivalents- bank balance of Kshs: 5,257,547 instead of Kshs: 7,188,095.90	<ul style="list-style-type: none"> - The statement of assets and liabilities has been amended to reflect the correct bank balance further Monthly Bank reconciliation statements have always been prepared and send to the NG- 	Kenneth Oltetia Lemein- Fund Account Manager	Resolved	



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KAJIADO NORTH CONSTITUENCY**

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

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)
		CDF Board for forwarding as per the attached reconciliation statements			
3.	Delay in completion of projects	- This was due to the late Disbursements of project funds by the NGCDF Board at the time of audit. However all the queried projects have been completed and are in use	Kenneth Oltetia Lemein- Fund Account Manager	Resolved	

