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TABLED BY: LDM	THE AUDITOR-GENERAL	
CLERK-AT THE-TABLE: Benson		

ON

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

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

Revised Template 30th June 2019



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30034 - 00100, NAIROBI
REGISTRY

14 MAY 2020

RECEIVED



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

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
MAKUENI CONSTITUENCY**

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

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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

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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 Makueni 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:

<u>No.</u>	<u>Designation</u>	<u>Name</u>
1.	A.I.E holder	Daniel Maluki
2.	Sub-County Accountant	Julius Muchohi
3.	Chairman NGCDFC	Titus Munuve
4.	Member NGCDFC	Esther Nzula

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF – Makueni 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) NG-CDF Makueni Constituency Headquarters

P.O. Box 409-90300
Next to Huduma Centre
Wote, Makueni

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)

MAKUENI CONSTITUENCY

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For the year ended June 30, 2019

(f) NG-CDF Makueni Constituency Contacts

Telephone: (254) 720 792 224
E-mail: dmaluki@ngcdf.go.ke
Website: www.makueningcdf.go.ke

(g) NG-CDF Makueni Constituency Bankers

The Cooperative Bank of Kenya
A/C No. 01120539316700
Wote Branch
P.O. Box 537- 90300
Tel: 020259465
Mobile: 0732 520 845, 0708223372
Wote, Makueni
Email: wotebr@co-opbank.co.ke

(h) Independent Auditors

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

(i) Principal Legal Adviser

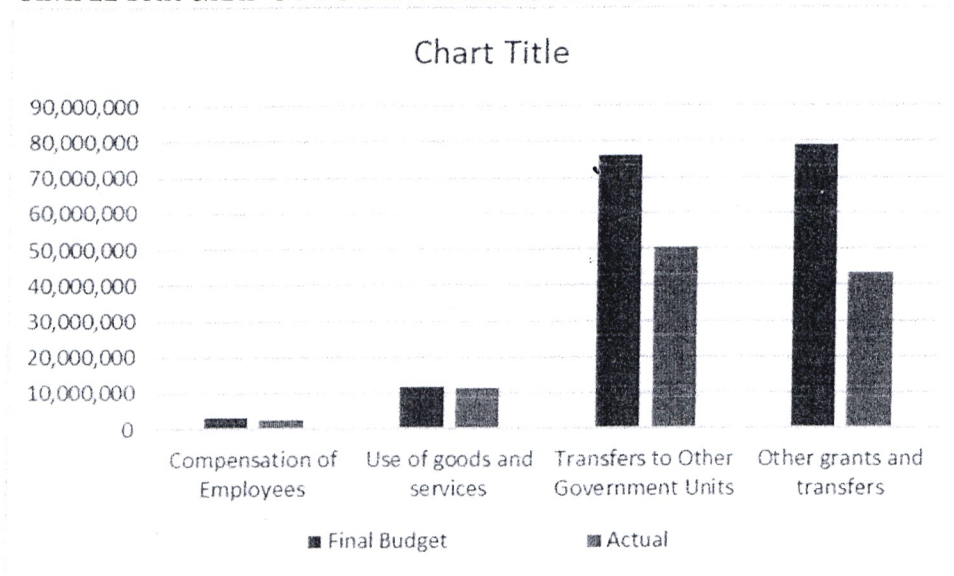
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
MAKUENI CONSTITUENCY
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II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

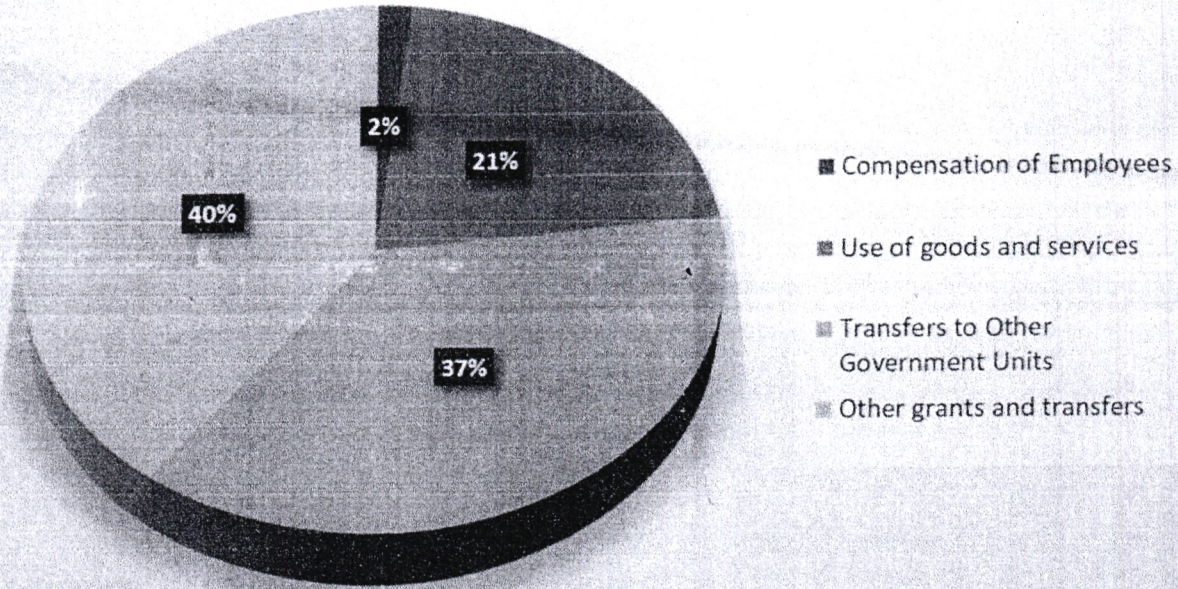
Expense item	Final Budget	Actual
Compensation of Employees	3,355,586	2,512,274
Use of goods and services	11,897,676	11,506,853
Transfers to Other Government Units	76,431,797	50,253,222
Other grants and transfers	79,056,457	41,898,786

SIMPLE BAR GRAP OF BUDGET AGAINST ACTUAL PERFORMANCE



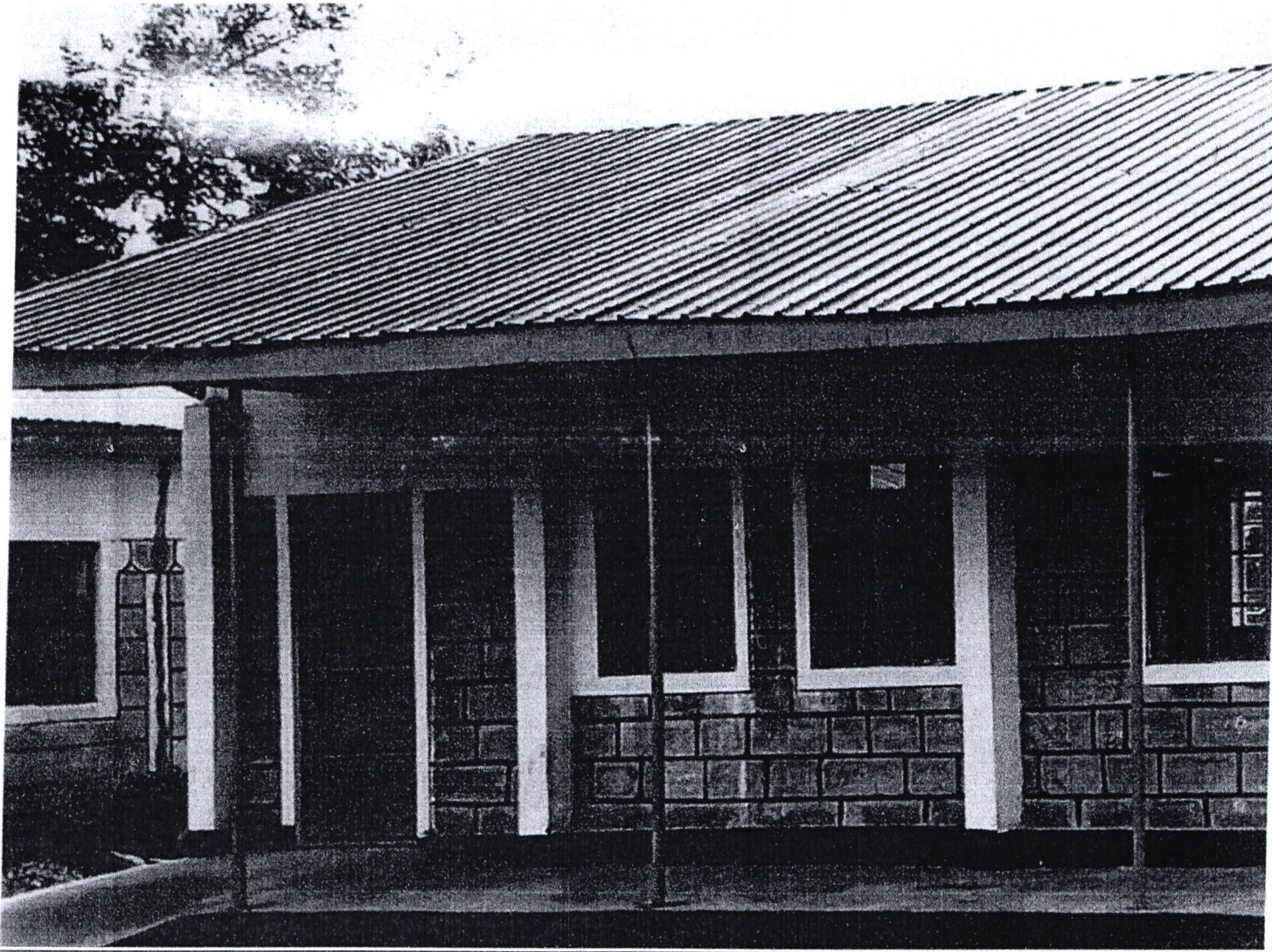
NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
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Reports and Financial Statements
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A PIE CHART SHOWING ACTUAL PERFORMANCE ON
COMPARABLE BASIS



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

PROJECT NAME: SERENA WILLIAMS MATOONI SECONDARY SCHOOL CLASSROOMS



We have finished the construction of spacious classrooms at Serena Williams Matooni Secondary school. Students no longer congest in the few classrooms. This has enhanced improved learning and better performance in national exams.

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
MAKUENI CONSTITUENCY
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PROJECT NAME: MWAANI BOYS HIGH SCHOOL

A modern Dining Hall at Mwaani Boys High School has enabled students to dine in a safe, hygienic environment. They no longer dine under trees.



EMERGING ISSUES RELATED TO MAKUENI NG-CDF

1. The rapidly increasing population in the constituency demanding for more expenditure on projects eg more classrooms
2. Declining sources of income for constituents leading to more needy students for bursary

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

4. The rapid rate of inflation. This leads to more expenditure on projects than previously projected

EMERGING ISSUES RELATED TO MAKUENI NG-CDF

5. The rapidly increasing population in the constituency demanding for more expenditure on projects eg more classrooms
6. Declining sources of income for constituents leading to more needy students for bursary
7. Increasing emergency cases due to heavy rainfall and frequent wind storms
8. The rapid rate of inflation. This leads to more expenditure on projects than previously projected

IMPLEMENTATION CHALLENGES

- I. Lack of knowledge on the part of PMCs on procurement procedures and guidelines. Makueni NG-CDF is conducting frequent PMC training in all the wards to enhance skills for the PMCs.
- II. Inadequate funds for emergency projects. Most emergency cases are left unfunded because the available funds are not sufficient to meet the increasing emergency cases due to heavy rainfall and frequent wind storms.

The constituency usually seeks support from other government and non-governmental entities to fund all or some of the emergency cases not factored by Makueni NG-CDF.

- III. Delay in disbursement of funds from the board leading to delayed project implementation. The board should ensure that funds reach the constituency in time.

Sign



Titus K. Munuve

CHAIRMAN NG-CDF COMMITTEE

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
MAKUENI 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 the Public Sector Accounting Standards Board of Kenya from time to time.

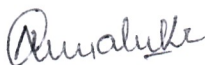
The Accounting Officer in charge of the NGCDF-Makueni Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. 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-Makueni 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-Makueni 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.

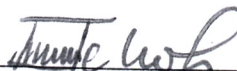
The Accounting Officer in charge of the NGCDF-Makueni Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible 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-Makueni Constituency financial statements were approved and signed by the Accounting Officer on 30 June 2019.



Fund Account Manager
Name: Daniel Maluki

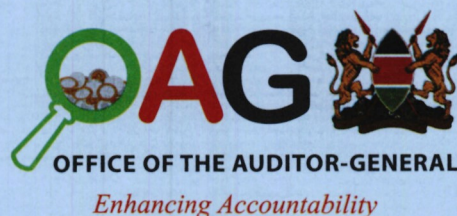


Sub-County Accountant
Name: Julius Muchohi
ICPAK Member Number:

7897

REPUBLIC OF KENYA

Telephone: +254(20) 3214000
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 - MAKUENI 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 - Makueni Constituency set out on pages 10 to 45, 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 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, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Makueni Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

1.1. Variance between Comparative Balance and the Audited Balance

Note 15.1 to the financial statements, reflects a nil comparative balance for pending accounts payable which differs from the prior year's audited balance of Kshs.448,931.

1.2. Misstated Bank Balances

The statement of assets and liabilities and Note 10A to the financial statements reflect bank balances of Kshs.9,994,831. Review of the bank reconciliation statements revealed that as at 31 January, 2019, the unrepresented cheques amounted to Kshs.8,286,179 and dated as far back as 2015. However, the June 2019 bank reconciliation statement

reflected unpresented cheques totalling Kshs.2,903,457 resulting into an unaccounted for stale cheques balance of Kshs.5,382,722.

In the circumstances, the accuracy of the financial statements could not be confirmed.

2. Unsupported Committee Expenses

The statement of receipts and payments and Note 5 to the financial statements reflect use of goods and services amounting to Kshs.11,506,853. However, expenditure amounting to Kshs.1,715,900 on other committee expenses and allowances was not supported.

In the circumstances, the accuracy and validity of the expenditure amounting to Kshs.1,715,900 on committee expenses could not be confirmed.

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

Key Audit Matters

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

Other Matter

Budget Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual receipts on a comparable basis of Kshs.177,159,916 and Kshs.117,619,041 respectively resulting to underfunding of Kshs.59,540,875 or 34% of the budget. Similarly, the Fund expended Kshs.107,624,210 against an approved budget of Kshs.177,159,916 resulting to an under-expenditure of Kshs.69,535,706 or 39% of the budget.

The under-funding and under-expenditure affected the planned activities and projects which may have impacted negatively on service delivery for the constituents of Makueni.

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. Delayed Implementation of Projects

The statement of receipts and payments and Note 6 to the financial statements reflect transfers of Kshs.50,253,222 to other government units. However, the projects implementation status report as at 30 June, 2019 indicated that implementation of twenty-one (21) projects with a combined budget of Kshs.16,740,287 was yet to start.

Delayed implementation of projects negatively affects service delivery and may lead to cost escalations.

2. Audit Inspection of Projects

Audit inspection of four (4) projects in February, 2020, revealed the following anomalies:

Project Beneficiary and Details	Cost (Kshs.)	Observations
Mbuvo Police Post- wall plastering, flooring, painting and building of a pit latrine	500,000	Compete but not in use albeit having been funded as an emergency.
Muusini Secondary School - Construction of a dining hall plastering, wiring, flooring and painting works	1,000,000	Contract agreement, PMC appointment, progress reports and certificate of completion were not availed; Glazing of window panes, flooring and painting works with an estimated cost of Kshs.424,920 not done as per the bills of quantities; and Evidence of poor workmanship of the fitted doors.
Muambani Secondary School- Completion of a dining hall	1,500,000	Report on bids evaluation, contract agreement, and PMC appointment not availed; Flooring, Plastering, Painting and Fitting of Glazing provided in the Bills of Quantities were not done.
Mbeletu Secondary School - Construction of a dormitory: foundation, walling and roofing	1,600,000	Structural drawings, Bills of Quantities and inspection reports were not availed.
Total	4,600,000	

In the circumstances, it was not possible to confirm whether the constituents of Makueni obtained value for money from the projects.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall 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 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 sustain its services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless Management is aware of 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 Fund's 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 non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to 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

11 November, 2021

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

V. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018-2019	2017-2018
		Kshs	Kshs
RECEIPTS			
Transfers from NG-CDF board	1	104,284,483	72,632,519
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		104,284,483	72,632,519
PAYMENTS			
Compensation of employees	4	2,512,274	1,137,320
Use of goods and services	5	11,506,853	14,403,663
Transfers to Other Government Units	6	50,253,222	25,053,713
Other grants and transfers	7	41,860,209	26,919,756
Acquisition of Assets	8	1,491,652	-
Other Payments	9	-	-
TOTAL PAYMENTS		107,624,210	67,514,452
SURPLUS/DEFICIT		(3,339,727)	5,118,067

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Makueni Constituency financial statements were approved on June 30 2019 and signed by:



Fund Account Manager
Name: Daniel Maluki



Sub-County Accountant

Name: Julius Muchohi

ICPAK Member Number: 2897

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)

MAKUENI CONSTITUENCY

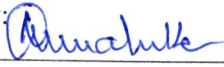
Reports and Financial Statements

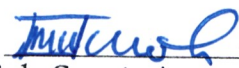
For the year ended June 30, 2019

VI. 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	9,994,831	11,916,158
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		9,994,831	11,916,158
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		9,994,831	11,916,158
FINANCIAL LIABILITES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
NET FINANCIAL ASSETS		9,994,831	11,916,158
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	11,916,158	6,798,091
Surplus/Defict for the year		(3,339,727)	5,118,067
Prior year adjustments	14	1,418,400	-
NET FINANCIAL POSITION		9,994,831	11,916,158

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Makueni Constituency financial statements were approved on June 30 2019 and signed by:


 Fund Account Manager
 Name: Daniel Maluki
 ICPAK Member Number:

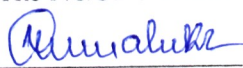

 Sub-County Accountant
 Name: Julius Muchohi

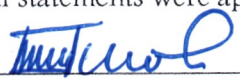
NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
MAKUENI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

VII. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from CDF Board	1	104,284,483	72,632,519
Other Receipts	3		
Total Receipts		104,284,483	72,632,519
Payments			
Compensation of Employees	4	2,512,274	1,137,320
Use of goods and services	5	11,506,853	14,403,663
Transfers to Other Government Units	6	50,253,222	25,053,713
Other grants and transfers	7	41,860,209	26,919,756
Other Payments	9	-	-
Total Payments		106,132,558	67,514,452
Total Receipts Less Total Payments		(1,848,075)	5,118,067
Adjusted for:			
Outstanding Imprest	11	-	-
Retention	12A	-	-
Gratuity Payable	12B	-	-
Prior Year adjustment	14	1,418,400	-
Net Adjustments		1,418,400	-
Net cash flow from operating activities		(429,675)	5,118,067
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	1,491,652	-
Net cash flows from Investing Activities		(1,491,652)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(1,921,327)	5,118,067
Cash and cash equivalent at BEGINNING of the year	13	11,916,158	6,798,091
Cash and cash equivalent at END of the year		9,994,831	11,916,158

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Makueni Constituency financial statements were approved on June 30 2019 and signed by:


Fund Account Manager
Name: Daniel Maluki


Sub-County Accountant
Name: Julius Muchohi
ICPAK Member Number: 7897

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

VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from NG-CDF Board	109,040,876	66,700,641	175,741,516	116,200,641	59,540,876	66.1%
Proceeds from Sale of Assets	-	-	-	-	-	0.0%
Other Receipts	-	1,418,400	1,418,400	1,418,400	-	0.0%
TOTAL RECEIPTS	109,040,876	68,119,041	177,159,916	117,619,041	59,540,876	66.4%
PAYMENTS						
Compensation of Employees	2,672,395	683,191	3,355,586	2,512,274	843,312	74.9%
Use of goods and services	7,141,284	4,756,392	11,897,676	11,506,853	390,823	96.7%
Transfers to Other Government Units	56,866,349	19,565,448	76,431,797	50,253,222	26,178,575	65.7%
Other grants and transfers	42,360,847	36,695,610	79,056,457	41,860,209	37,157,671	53.0%
Acquisition of Assets	-	5,000,000	5,000,000	1,491,652	3,546,925	0.0%
Other Payments	-	1,418,400	1,418,400	-	1,418,400	
TOTAL	109,040,876	68,119,041	177,159,916	107,624,210	69,535,706	60.7%

(a) *Commentary on underutilization*

- i. *Compensation of employees: The entity engaged fewer employees than it had projected*
- ii. *Transfer to other government units: Due to piece meal disbursement of funds from the board*
- iii. *Other grants and transfers: Due to piece meal disbursement of funds from the board*

(Changes between the original and final budget are as a result of reallocations within the budget)

The NGCDF-Makueni Constituency financial statements were approved on June 30 2019 and signed by:

[Signature]
Fund Account Manager
Name: Daniel Maluki

[Signature]
Sub-County Accountant
Name: Julius Muchohi
ICPAK Member Number: *7897*

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – MAKUENI CONSTITUENCY

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

IX.

BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustment	Final Budget	Actual on comparable basis	Budget utilization difference
	2018/2019 Kshs	Kshs	2018/2019 Kshs	30/06/2019 Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,672,395	683,191	3,355,586	2,512,274	843,312
1.2 Committee allowances	1,200,000		1,200,000	860,833	339,167
1.3 Use of goods and services	2,670,057	1,567,108	4,237,165	2,509,626	1,727,539
2.0 Monitoring and evaluation					
2.1 Capacity building	1,400,000	1,000,000	2,400,000	1,516,000	884,000
2.2 Committee allowances	1,200,000	1,000,000	2,200,000	1,000,000	1,200,000
2.3 Use of goods and services	671,226		671,226	3,512,274	
ICT Hub			4,677,027		4,677,027
Strategic plan		4,677,027	2,000,000	2,000,000	0
3.0 Emergency	5,738,993	568,966	6,307,959	3,450,000	2,857,959
4.0 Bursary and Social Security					
4.1 Primary Schools	-				
4.2 Secondary Schools	17,000,000	12,277,178	29,277,178	17,047,785	12,229,393

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – MAKUENI CONSTITUENCY
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4.4 Special schools						155,000	
4.5 Social Security							
5.0 Sports	2,180,818	1,436,207	3,617,025			2,137,000	1,480,025
6.0 Environment	2,180,818	227,586	2,408,404			2,297,250	111,154
Sub total	47,174,525	33,521,933	80,696,459			50,253,222	800,000
AIC Mandoi Day And Boarding Primary School	800,000		800,000				
Athiani Primary School	400,000		400,000				400,000
Iiani Primary School – Mavindini	500,000		500,000				
Ilumani Primary School	600,000		600,000				
Itaa Primary for the Mentally Handcapped	1,000,000		1,000,000				1,000,000
Kamuithi Primary School	100,000		100,000				100,000
Kanzokeani Primary School	300,000		300,000				300,000
Kathonzweni Aic Boarding Primary School	800,000		800,000				
Kawala Primary School	500,000		500,000				
Kiangini Day/ Boarding Primary School	700,000		700,000				
Kimuumo Primary School	300,000		300,000				
Kingutheni Primary School	400,000		400,000				400,000
Kithaayoni Primary School	395,057		395,057.32				

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – MAKUENI CONSTITUENCY
Reports and Financial Statements
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Kingutheni Primary School	400,000	400,000	400,000	400,000
Kithaayoni Primary School	395,057	395,057.32		
Kithaayoni Primary School	500,000	500,000	500,000	500,000
Kithatha Primary School	400,000	400,000	400,000	400,000
Kitumbai Primary School	100,000	100,000	100,000	100,000
Kiumoni Primary School	400,000	400,000		
Kiunduani Primary School	500,000	500,000		
Kivandini Primary School	500,000	500,000		
Kwa Kilomo Primary School	600,000	600,000		
KwaMbiti Pri Sch	700,000	700,000		700,000
KwaMutumia Primary School	400,000	400,000		
KwaWaema Primary School	700,000	700,000		
Kwakalui Primary School	400,000	400,000		
Malooi Primary School	500,000	500,000		500,000
Matulani Primary School	400,000	400,000		
Maviaume Primary School	600,000	600,000		600,000
Mayuu Primary School	500,000	500,000		500,000
Mikauni Primary School	500,000	500,000		
Mikisi Primary School	100,000	100,000		100,000

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – MAKUENI CONSTITUENCY
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Munyuni Primary School	700,000			700,000		
Muthwani Primary School	400,000			400,000		400,000
Muambani Primary School	500,000			500,000		
Ndovea Primary School	400,000			400,000		400,000
Ngosini Primary School	300,000			300,000		
Senda Primary School	400,000			400,000		
St.Johns Malivani Primary School	423,764			423,764		
Ukokolani Primary School	400,000			400,000		400,000
Ungatani Primary School	100,000			100,000		100,000
Unoa Primary School	600,000			600,000		
Utithini Primary School	400,000			400,000		
Waimu Primary School	400,000			400,000		400,000
Yiuma Primary School	500,000			500,000		500,000
Yoani Primary School	500,000			500,000		
Total Primary Schools	24,118,822	13,885,716	36,004,538	23,675,963	12,328,575	
ACK Kiteei Secondary School	300,000			300,000		
Kaasya Sec Sch	500,000			500,000		500,000
Kalaani Secondary Sch	500,000			500,000		
Kalamba Secondary School	400,000			400,000		

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – MAKUENI CONSTITUENCY
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Kaasya Sec Sch	500,000		500,000	500,000
Kalaani Secondary Sch	500,000		500,000	500,000
Kalamba Secondary School	400,000		400,000	
Kaliini Mixed Day And Boarding Secondary School	1,000,000		1,000,000	
Kambi Boys High School	500,000		500,000	
Kanthiitu Secondary School	500,000		500,000	
Katangini Secondary School	500,000		500,000	500,000
Kathamboni Secondary School	500,000		500,000	500,000
Kathonzweni Girls Sec Sch	500,000		500,000	500,000
Katithi Secondary School	1,000,000		1,000,000	1,000,000
Kavuthu Sec Sch	500,000		500,000	
Kiangini Girls Secondary School	647,527.85		647,527.85	
Kimuumo Secondary School	1,000,000		1,000,000	
Kithoni Secondary School	500,000		500,000	500,000
Kitise Secondary School	1,200,000		1,200,000	1,200,000
Kyangwasi Secondary School	300,000		300,000	300,000
Kyumbuni Secondary School	700,000		700,000	700,000
Mandoi Secondary school	500,000		500,000	500,000
Manooni Secondary School	500,000		500,000	

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – MAKUENI CONSTITUENCY
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Mbeletu Secondary School	1,600,000			1,600,000	
Mbuthani secondary school	700,000			700,000	
Muambani Secondary Sch	1,500,000			1,500,000	
Mukameni Boys Secondary School	500,000			500,000	500,000
Munathi Secondary School	500,000			500,000	
Muthyoi Secondary School	1,000,000			1,000,000	1,000,000
Muusini Secondary School	1,000,000			1,000,000	
Mwaani Boys sec sch	900,000			900,000	900,000
Mwaani Girls High School	1,000,000			1,000,000	1,000,000
Nduumoni Secondary School	1,000,000			1,000,000	
Ngoto Boys Secondary School	1,000,000			1,000,000	1,000,000
Nthangu mixed secondary school	1,000,000			1,000,000	
Senda Secondary School	1,000,000			1,000,000	
Serena Williams Matooni Secondary School	900,000			900,000	900,000
Serena Williams Wee Sec Sch	700,000			700,000	
St. Francis Manzani Secondary School	700,000			700,000	
St. Joseph Ikaasu Secondary School	500,000			500,000	
St. Jude Girls Secondary School	500,000			500,000	500,000
St. Peter Athiani Secondary School	500,000			500,000	

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

St. Francis Manzani Secondary School	700,000				700,000		
St. Joseph Ikaasu Secondary School	500,000				500,000		
St. Jude Girls Secondary School	500,000				500,000		500,000
St. Peter Athiani Secondary School	500,000				500,000		
St. Peter Claver's Secondary School – Kithuki	500,000				500,000		
St. Theresa Secondary School – Muuani	500,000				500,000		
Total Secondary Schools Projects	32,247,528	5,529,732	37,777,260	24,077,259	13,700,001		
KMTC Makueni	2,500,000		2,500,000	2,500,000			
10.0 Security Projects							
Assistant Chiefs Office Kikumini	400,000						
Assistant Chiefs Office Yeekanga	600,000						
Chiefs Office Mavindini	300,000						
Kathonzweni Deputy County Commissioner Office	500,000						
Kathonzweni Divisional Police H/Q	500,000						
Kithuki Chiefs Office	500,000						
Kwa Kathoka Police Post	300,000						
Makueni Police Station	500,000						

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

11.1 Motor Vehicles (including motorbikes)		5,000,000	5,000,000		5,000,000
11.2 Construction of CDF office			1,418,400.37		
11.3 Purchase of furniture and equipment		863,260	863,261		863,261
11.4 Purchase of computers					
11.5 Purchase of land					
12.0 Others		1,418,400			1,310,280.37
12.2 Innovation Hub					
Total	109,040,875	68,119,041	177,159,916	107,624,210	69,535,706

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the Entity's budgets which are programme based.)

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

X. 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-Makueni Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

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

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized 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 CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
MAKUENI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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. 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 CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
MAKUENI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

XI. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	AIE NO	2018-2019	2017 - 2018
		Kshs	Kshs
Normal Allocation	B005252	49,784,483	
	B030271	10,000,000	
	B006437	6,000,000	
	B047027	7,500,000	
	B030490	20,000,000	
	B724468	11,000,000	
	A892597		24,729,561
	A892626		37,905,172
	A892626		4,497,786
	A855914		5,500,000
Conditional grants		-	-
Receipt from other Constituency		-	-
TOTAL		104,284,483	72,632,519

2. PROCEEDS FROM SALE OF ASSETS

Description	2018-2019	2017 – 2018
	Kshs	Kshs
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from the Sale of Office and General Equipment	-	-
TOTAL	-	-

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
MAKUENI CONSTITUENCY
Reports and Financial Statements
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3. OTHER RECEIPTS

Description		2018-2019	2017 - 2018
		Kshs	Kshs
Interest Received		-	-
Rents		-	-
Sale of Tender Documents		-	-
Other Receipts Not Classified Elsewhere		-	-
TOTAL		-	-

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. COMPENSATION OF EMPLOYEES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Basic wages of contractual employees	2,147,473	1,127,720
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	11,800	9,600
Gratuity-Paid	353,001	-
Gratuity-Accrued	-	-
TOTAL	2,512,274	1,137,320

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
MAKUENI CONSTITUENCY
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5. USE OF GOODS AND SERVICES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Utilities, supplies and services		
Electricity	17,480	
Water & sewerage charges		
Office rent		
Communication, supplies and services	9,450	12,270
Domestic travel and subsistence		
Printing, advertising and information supplies & services		
Rentals of produced assets		
Training expenses	1,516,000	2,794,200
Hospitality supplies and services		
Other committee expenses	1,073,900	6,058,374
Committee allowance	1,860,833	
Insurance costs		
Specialised materials and services		
Office and general supplies and services	2,621,550	4,967,119
Fuel , oil & lubricants	1,700,000	
Other operating expenses		
Bank service commission and charges	108,120	
Security operations		
Routine maintenance - vehicles and other transport equipment	376,520	571,700
Routine maintenance- other assets	223,000	
Strategic Plan	2,000,000	
TOTAL	11,506,853	14,403,663

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6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Transfers to Primary schools	23,675,963	14,653,713
Transfers to Secondary schools	24,077,259	10,400,000
Transfers to Tertiary institutions	2,500,000	-
TIVET	-	-
TOTAL	50,253,222	25,053,713

7. OTHER GRANTS AND TRANSFERS

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Bursary -Secondary	17,047,785	9,338,500
Bursary -Tertiary	11,273,174	5,529,100
Bursary-Special schools	155,000	-
Mocks & CAT	-	-
Security	5,500,000	8,100,000
Sports	2,137,000	300,000
Environment	2,297,250	1,302,156
Emergency Projects	3,450,000	2,350,000
TOTAL	41,860,209	26,919,756

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8. ACQUISITION OF ASSETS

<u>Non -Financial Assets</u>	2018-2019	2017 - 2018
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	1,491,652	-
Refurbishment of Buildings	-	-
Purchase of Vehicles	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles	-	-
Purchase of office furniture and fittings	-	-
Purchase of computers ,printers and other IT equipments	-	-
Purchase of photocopier	-	-
Purchase of other office equipments	-	-
Purchase of soft ware	-	-
Acquisition of Land	-	-
TOTAL	1,491,652	-

9. OTHER PAYMENTS

	-	-
	-	-
	-	-
TOTAL	-	-

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>Cooperative Bank of Kenya, Wote Branch - Makueni CDF</i>	<i>A/C no.01120539316700</i>	9,994,831	11,916,158

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10B: CASH IN HAND

	2018-2019	2017 - 2018
	Kshs (30/6/2019)	Kshs (30/6/2018)
	-	-
TOTAL	-	-

11. OUTSTANDING IMPRESTS

<i>Name of Officer</i>		<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance (30/6/2019)</i>
	Date imprest taken	Kshs	Kshs	Kshs
			-	-

12A. RETENTION

Supplier/Contractor	2018-2019	2017 - 2018
	-	-
TOTAL	-	-

13. BALANCES BROUGHT FORWARD

	2018-2019	2017 - 2018
	(1/7/2018)	(1/7/2017)
	Kshs	Kshs
Bank accounts	11,916,158	6,798,091
Cash in hand	-	-
Imprest		-
TOTAL	11,916,158	6,798,091

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14. PRIOR YEAR ADJUSTMENTS

		2018-2019	2017 - 2018
		Kshs	Kshs
Bank accounts		1,418,400	~
Cash in hand		~	~
Imprest		~	~
TOTAL		1,418,400	-

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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	-	-
TOTAL	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

	2018-2019	2017 - 2018
	Kshs	Kshs
NGCDFC Staff	-	-
Others	-	-
	-	-

15.3: UNUTILIZED FUND (See Annex 3)

	2018-2019	2017 - 2018
	Kshs	Kshs
Compensation of employees	843,312	2,683,191
Use of goods and services	4,150,706	-
Amounts due to other Government entities	26,078,575	19,565,448
Amounts due to other grants and other transfers	28,786,086	44,452,001
Acquisition of assets	5,000,000	-
Others-ICT Hub	4,677,027	-
	69,535,706	66,700,640

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15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account balances		
	1,063,018.63	28,114

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance	Comments
				2019	2018	
Construction of buildings	a	b	c	d=a-c		
Sub-Total	-	-	-	-	-	
Construction of civil works	-	-	-	-	-	
Sub-Total	-	-	-	-	-	
Supply of goods	-	-	-	-	-	
Sub-Total	-	-	-	-	-	
Supply of services	-	-	-	-	-	
Sub-Total	-	-	-	-	-	
Grand Total	-	-	-	-	-	

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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	Outstanding Balance	Comments
					2019	2018	
NGCDF Staff salary	-	a	b	c	d=a-c		
Sub-Total		-		-	-		
NGCDFC Staff gratuity	-	-	-	-	-		
Sub-Total							
Others	-	-	-	-	-		
Sub-Total							
Grand Total							

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance		Comments
		2018/19	2017/18	
Compensation of employees		843,312	2,683,191	
Use of goods & services		4,150,706		
Amounts due to other Government entities			19,565,448	
Primary school projects		12,378,575		
Secondary school projects		13,700,000		
Sub-Total		31,072,593	22,248,639	
Amounts due to other grants and other transfers			44,452,001	
Bursary Tertiary Schools		9,805,623		
Bursary Secondary Schools		13,539,673		
Security		991,652	5,440,790	
Environment		111,154	22,035,016	
Sports		1,480,025		
Emergency		2,857,959		
Sub-Total		28,786,086	44,452,001	
Acquisition of assets		5,000,000		
Others		4,677,027		
Sub-Total		38,463,113	44,452,001	
Grand Total		69,535,706	66,700,640	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f		Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost	
	(Kshs)	2017/18			(Kshs)	2018/19
Land						
Buildings and structures			1,491,652		1,491,652	
Transport equipment		3,502,650			3,502,650	
Office equipment, furniture and fittings		780,000			780,000	
ICT Equipment, Software and Other ICT Assets						
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets						
Total		4,282,650				5,774,302

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

PMC	Bank	Account number	2018/19	2017/18	
Acc Kithuki Project	.		123		0
Ack St Joseph's Maureli Sec	KCB	Kcb- 118022145	532		200
Aic Mavindini Girls	KCB	Kcb-1256212355	98269		50
Ass.Chiefs Office Yekanga	KCB	Kcb-1256212350	500		0
Assistant Chiefs Office Malivani	Equity	670173509510			45
Assistant County Commissioner's Mavindini staff house	Equity	670172121563			32
Assistant County Commissioner's Office Wote	Cooperative	1134540320500			2,000
Barazani Girls Sec Sch.	KCB	1107163907	1979.5		43
Chiefs Office Kanthuni	Cooperative	1134540284809	1000		24
Chiefs Office Mavindini		Kcb-1256212355	200		0
Chiefs Office Muusini	Cooperative	1134540284800			0
Gigiri Boys Secondary School	Equity	670272460045			0
Kaasya Primary School	KCB	1206879084			0

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Kaasya Sec Sch	Cooperative	1.13954E+12	8,923	0
Kalaani Primary School	Equity	670199827364		0
Kalaani Sec Sch				
Kalamba AP Line	Cooperative	1134540298600	863.5	345
Kaliini Mixed Day Sec Sch			64.3	56
Kaliini Primary School	KCB	1125358467		78
Kaliini Secondary School	KCB	1182020542		0
Kaluluini Primary School	Equity	670272135790		0
Kamunyolo Sub location Administration Block	Equity	670172554476		0
Katangini Secondary School	Equity	670298722463		0
Kathamboni Secondary School	Equity	670195249467	1050	789
Kathonzweni Sec Sch.			56.05	351
Kathuma Pri Sch			360	1,720.00
Kathuma Primary School	Cooperative	1117539402600		0
Kathuni Pri Sch	KCB	1527805306	243.9	1,720.00
Kavumbu Primary School	Equity	670273454227		0

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Kawala Pri Sch	Equity	6.70133E+11	1590		1,084.50
Kiambani Primary School	Equity	670196850324			1,032.00
Kiangini Girls Sec	KCB	1125388250	875.5		0
Kiangini Primary School	Equity	670292189144			0
Kiangini Pri Sch	Equity-	0670378735348	1000		0
Kiatine Primary School	Equity	670297060028			0
Kikame Athiani Sand Dam		1124242068	200		2,123.00
Kikui Primary School	Equity	670197142341			2,222.50
Kikumini Ass.Chief Adm.		1124242069	107,770		843
Kimuumo Primary School	Equity	670192883950			700
Kimuumo Sec Sch.	KCB	Kcb-1124242066	325		490
Kimuumo Secondary School	KCB	1124242066			57
Kithaathaini Primary School	KCB	1145429483			900
Kithayoni Primary School	Equity	670198720440			123
Kithumba Pri Sch	Equity	6.70197E+11	780		0
Kitise Chief's Office	Equity-	0670276530917	200		520

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Kitise Secondary School	Equity	670292886439	9000		1,000.00
Kiumoni Primary School	Cooperative	1139539499200			0
Kivandini Pri Sch		Equity- 0670276530917	1536.95		2,893.29
KMTC Makueni		670199707607	1000		2,000.00
Kwa Kathoka Police Post		670199707609	495.95		1,238.68
Kwa Kioko Sand Dam		670199707600	400		0
Kwa Kyuvi Sand Dam		670199707601			500
KwaKathoka Police Post	Equity	670292476215			200
KwaKiilu Sand Dam	Equity	670172263435			0
KwaMulwa Sand Dam	KCB	1207003212			50
KwaMungutiKathitu sand dam	Equity	670172449712			0
KwaMutumia Pri Sch		Equity- 0670262454289	195		505.55
Kwanzula Primary School	Equity	670197060588			400
Kyuasini Primary School	Equity	670199707600			234
Kyumbembe Primary School	KCB	1136514732			710

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Kyunyu Primary School	KCB	1174080280	500	36
Maa-eli Primary School	Cooperative	1139540023100		456
Makueni remand	Cooperative	1134540222100	25	
Mannu Pri Sch	KCB	Kcb-1132461419	274	
Manooni Sec Sch	KCB	1254415411	269	
Mathangathi Primary School	Equity	670263843832		
Mathemba Primary School	Equity	670272163718		
Matooni Primary School	KCB	1125325968		
Matulani Pri Sch			200	
Maumba Secondary School	Equity	670293843078		
Mbalani Pri Sch			1075.95	
Mbelethu Primary School	KCB	1136356835		
Mbuthani Sec Sch	KCB	1130509028	104.35	
Mbuvo Police Post	KCB	1207110841	11674.5	
Mbuvo Sec Sch		670294968828	2287.5	
Mikanni Pri Sch	Cooperative	1.13954E+12	66.53	
Muambani Pri Sch	Cooperative	1.13954E+12	1662.5	
Muambani Sec Sch	Cooperative	1.13954E+12	1394	
Muangeni Primary School	Equity	670270363840		
Mumbuni AP Line	Equity	670164236258		

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Mungetheele Pri Sch		1256137022	300	
Mutanda Primary School	KCB	1125241845		
Muthwani Primary School	Equity	670272214695		
Muthyoi Secondary School	KCB	1181960525		
Musini Sec Sch	Equity	6.70299E+11	1315	
Muvau Pri Sch	Equity	6.70193E+11	2701	
Mwazani Boys High School	KCB	1112473114		
Mwazani Girls	Equity	6.70023E+11	80910	
Mwanzia Chiefs Office	Equity	670397828890	500	
Ndumoni Sec School	Equity	6.70199E+11	80.7	
Ng'aa Primary School	KCB	1206635037		
Ngomano Pri sch			500	
Ngomano Primary School	Equity	670192898398	500	
Ngosini Pri Sch	Cooperative	1.11754E+12	1000	
Ngoto Boys High School	KCB	1112729135		
Ngunguuni Primary School	Cooperative	1139539669200		
Nthangu Pri Sch			216.5	
Nthangu Sec Sch			1762.75	

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Nziu AP Line	Cooperative	1134540035400		
Nziu chiefs office	Equity	670172463129		
Peter Kilu Secondary School	Cooperative	1139540283200		
Senda Sec Sch	KCB	1168391393	2270	
Serena Williams Wee Sec Sch	Cooperative	1.13954E+12	702138.5	
Sia Primary School	Equity	670199809198		
St Francis Manzani Sec Sch	Equity	6.7027E+11	854.65	
St John Malivani Pri Sch	Equity	6.70277E+11	1604	
St Jude Girls Sec Sch	Cooperative	1.13954E+12	4587.5	
St. Teresa Secondary School-Muuani	Cooperative	1139539310200	0	
Syandoo Primary School	Equity	670199798895	0	
Ukokolani Primary School	Equity	670196720580	0	
Unoa Primary School	Equity	670197060513	1053	
Utithini Pri Sch	Equity-	0670299396488	1497.5	
Wairuu Primary School	Cooperative	1139539728100	1787.05	
Yannu Tree Planting	Equity	670172264601		
Yembondo Primary School	Cooperative	1139539628400		
Yikitise Pri Sch			628	
Yinthungu Secondary School	KCB	1208256777		
			1,063,018.63	28,114

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor/ Query	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe:
MKN/NGC DF/OAG/D AR/17-18(14)	The constituency has not kept proper sports register hence sports payments cannot be verified	That a proper register has been put in place for sports records	Daniel Maluki-Fund Account Manager	Resolved	30 th March 2019
	During the year under review, stale cheques amounting to 2,700,000 especially bursary cheques had not yet written back in the cash book hence the correct bank balance could not be ascertained	That the stale cheques have been reversed accordingly and correct balance in the bank established	Julius Muchohi-District accountant	Resolved	30 th March 2019

Daniel Maluki

Fund Account Manager
 Name: Daniel Maluki

Julius Muchohi

Sub-County Accountant
 Name: Julius Muchohi
 ICPAK Member Number: 2899