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REPORT


OF

THE AUDITOR-GENERAL

ON

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

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

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 30 SEP 2021	DAY: Thursday
TABLED BY:	LOM
CLERK-AT THE-TABLE:	James Giondo



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY

24 SEP 2021

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -LANG'ATA
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)

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 30 SEP 2021	DAY: THURSDAY
TABLED BY:	LOM
CLERK-AT THE TABLE:	James Giondo

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
LANG'ATA 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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Improve the living standards of communities in Lang'ata constituency by successfully implementing National Government Constituency Development fund that will ensure secure environment with quality education, and social economic wellbeing of the people.

Mission

1. Partner with local and international organizations to support and strengthen National Government Constituency Development Funds to implement quality sustainable projects in the Constituency
2. Maximize on Community participation process anchored in the 2010 constitution to generate community synergy and enhance support and sustainability

Core Values

1. Integrity in all operations
2. Fund Accountability,
3. Equality and prosperity.
4. Youth, women and people with disability empowerment and involvement
5. Partnership
6. Transparency

(b) Key Management

The NGCDF LANG'ATA 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	Phyliss Chibayi
2.	Sub-County Accountant	Michael M. Munene
3.	Chairman NGCDFC	David K. Muchai
4.	Member NGCDFC	Donnie Langat

(d) Fiduciary Oversight Arrangements

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

P.O. Box 34833-00100
Langata NG-CDF office
Wilson (DCC Compound)
Nairobi, KENYA

(f) NGCDF LANG'ATA Constituency Contacts

Telephone: (254)722557112
E-mail: info@langatangcdf.go.ke
Website: www.langatangcdf.go.ke

(g) NGCDF LANG'ATA Constituency Bankers

1. Bank Name: Equity bank
Branch: Nairobi west
Account Name: LANGATA NG -- CDF
Account Number: 1280262114687
Address: 75104 Nairobi

(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

Total allocation for LANG'ATA NG - CDF for financial year 2018/2019 was **kshs 109,040,875.52**, an increase from 98,189,655.17 disbursed in financial years 2017/2018. The increase in funds allocation for the financial year under review resulted in more project implementation hence a positive impact to the constituents.

Table 1.1: Showing allocation on comparative basis

Financial year	Allocation	Disbursement within the Financial year	Difference
2018/19	109,040,875.52	109,040,875.52	0
2017/18	98,189,655.17	82,074,132.91	16,115,517.26 (16.4%)
Difference	10,851,220.35 (+)		

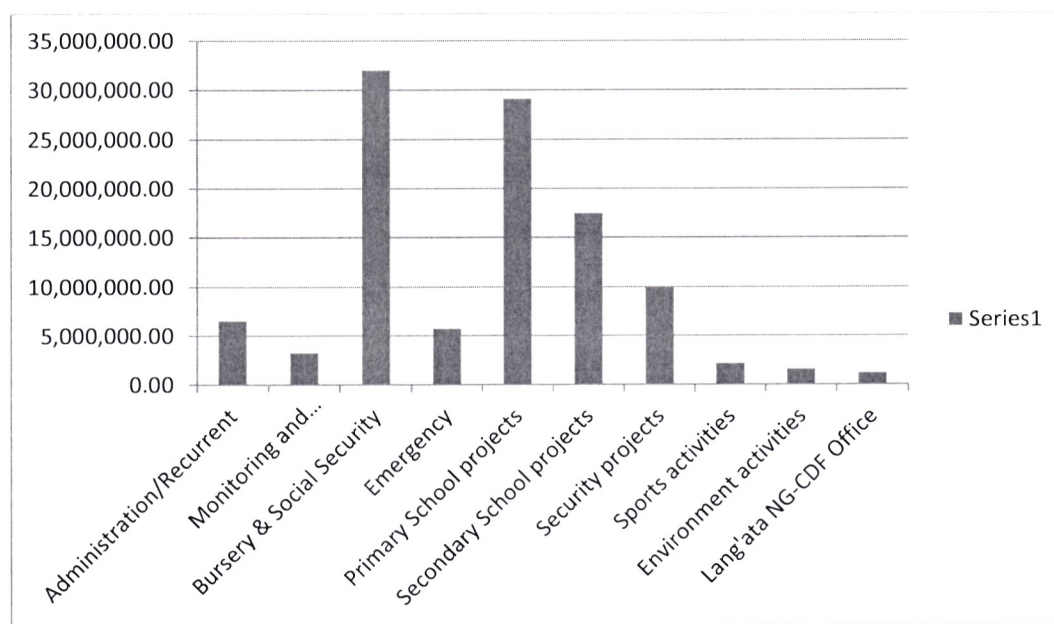
On vote allocation, Lang'ata NG-CDF allocated Kshs. 32,000,000.00 (29.35%) to bursary. However, bursary received an additional Kshs. 2,677,027.00 owing to the part reallocation of the ICT Hub funds, bringing it to Kshs. 34,677,027.00 making it the highest. Besides ensuring that there is a 100% transition to form one, the committee is keen on ensuring that youths with school fees challenges are assisted or given a boost in the right direction.

The Committee allocated other sectors as follows; Primary School projects Kshs. 29,110,817.51, Secondary school projects Kshs. 17,450,000.00 and Security projects Kshs. 9,950,000.00.

Table 1.2: Showing votes allocation and comparison with the previous financial year.

Financial year	Primary School	Secondary School	Security
2018/19	29,110,817.51	17,450,000.00	9,950,000.00.
2017/18	25,428,600.00	5,048,275.87	12,450,000.00
Difference	3,682,217.51	12,401,724.13	(2,500,000.00)

Figure 1.1: Showing specific sector funds distribution



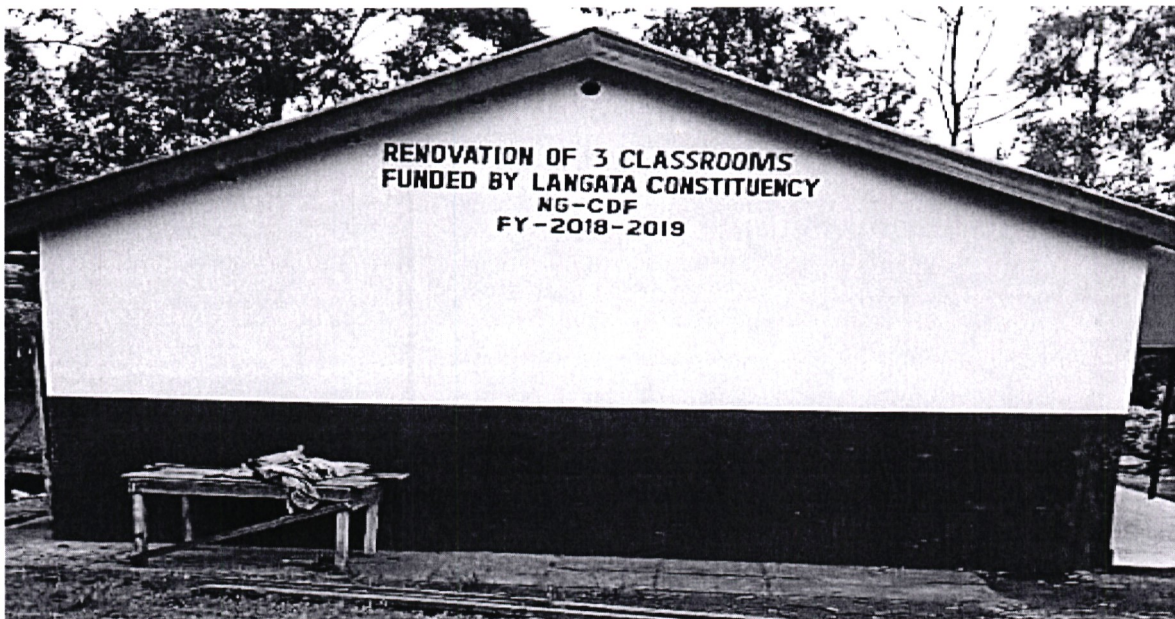
Key achievements

1. The level of transparency on bursary issuance was high, and to this, complaints were handled in a professional manner.
2. Skill based courses idea was embraced and constituency youth were empowered through driving, hairdressing, tailoring, plumbing and electrical courses.
3. Lang'ata NG-CDF managed to do a facelift in most of the schools through renovation. This enhanced learning of pupils and also it was staff's morale booster.
4. Supply of lockers and chairs to primary schools improved the learning environment for pupils who used to sit on dilapidated ones.

Lang'ata NG-CDF gallery



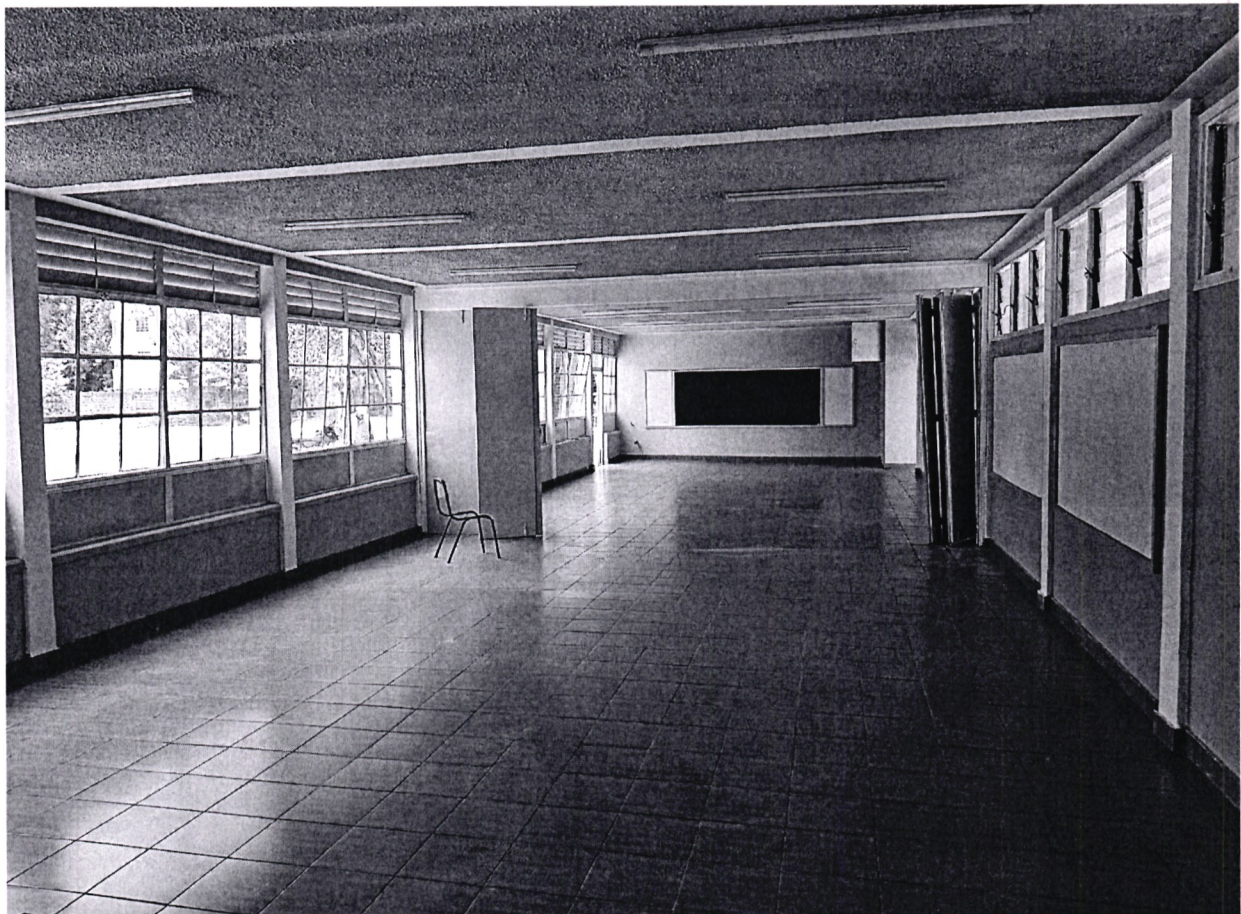
Ngong Forest Primary School – Before renovation



Ngong Forest Primary School – After renovation



Madaraka Primary School – Before renovation



Madaraka Primary School – After Renovation

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



Madaraka Primary School



Lang'ata Barracks Primary School

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

LANG'ATA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Emerging issues:-

1. Arising from the impact so far created at the grassroots level and the high expectation from the local community there is need for the Government to consider an increase of the NG-CDF kitty.
2. Due heavy responsibility bestowed to the CDFC, NG - CDF board should enhance the allowance to be commensurate to the duties.
3. Due to shortage of land, implementation of new projects such as police posts, chief's camps and schools is a challenge, in this case, the NGCDFB should allow usage of containers.

Implementation challenges.

1. Delay in disbursement of NG - CDF funds. The Board with relevant bodies should strive to release funds to the NG - CDFC in the first quarter of each financial year. It will also be helpful if the funds are released latest before the end of the second quarter of every financial year.
2. The NG - CDF relies fully on ministerial technical departments for support in areas of Bill of Quantities, technical design and supervision of projects, delays normally occur as the personnel involved are not under direct control of NG - CDFC. The national NG - CDF Board should have its own technical experts within her structures for uniformity.
3. Some projects may require a long span of implementation creating a big variance between initial budget and actual cost during implementation. The national NG - CDF Board needs to be flexible on financing of such projects.

We humbly look forward to working very closely with the National Government Constituencies Development Fund Board with a view to enhancing accountability and efficiency in the management of the fund.



David K. Muchai
CHAIRMAN NG-CDF COMMITTEE



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-LANG'ATA 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-LANG'ATA Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-LANG'ATA 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-LANG'ATA 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-LANG'ATA Constituency financial statements were approved and signed by the Accounting Officer on _____ 2019.



Fund Account Manager
Name: Phylliss Chibayi



Sub-County Accountant
Name: Michael Muchoki Munene
ICPAK Member Number: 9557

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - LANGATA 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 - Langata Constituency set out on pages 10 to 38, 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 - Langata 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 the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Presentation of the Financial Statements

The statement of assets and liabilities as at 30 June, 2019 reflects total financial assets of Kshs.41,674,597 and nil total financial liabilities. However, the statement incorrectly reflects net financial position of Kshs.41,674,597 as net liabilities, contrary to the guidelines issued by the Public Sector Accounting Standards Board.

2. Unpresented Bursary Cheques

The statement of receipts and payments for the year under review reflects an expenditure of Kshs.54,872,300 under other grants and other payments. The amount includes

Kshs.27,844,000 issued as bursaries to secondary schools. However, cheques with a total amount of Kshs.1,951,000 were not presented for payment without any satisfactory explanation. As a result, the validity of payments totaling to Kshs.1,951,000 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 (NG-CDF) - Langata 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 for the year under review, indicates that NG-CDF- Langata Constituency had budgeted to receive and spend Kshs.165,048,358 from the National Government Constituencies Development Fund Board. However, the actual expenditure during the year totalled to Kshs.123,373,760 resulting in an under expenditure of Kshs.41,674,598 or 25% of the total receipts.

Further, out of the Kshs.151,468,082 development budget, only Kshs.115,607,592 was spent resulting in an under expenditure of Kshs.35,860,490 or 24% of the development budget.

The under expenditure is an indication that some approved projects and programmes were not fully implemented which in turn impacted negatively on efficient and effective delivery of services to the constituents.

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 sections 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. Unoccupied Silanga Chief's Camp

Examination of contract documents revealed that Langata NG-CDF awarded a contract to a local construction company to construct a Chief's camp at Undugu Grounds, Silanga at contract sum of Kshs.11,306,435 in the year 2013/2014. Although the building was completed in September, 2016, the Chiefs Camp is yet to be taken over by the administration.

Further, audit Inspection undertaken on 16 January, 2020 revealed that the premise was not connected with electricity and water and was not occupied by the current chief who resides in a rented apartment.

In addition, the window panes had been vandalized, since the land had not been surveyed and fenced off to reduce misuse and the risk of encroachment and grabbing.

Consequently, value for money on construction of the Chief's Office has not been realized.

2. Inadequacies in the Construction of an Ablution Block at Langata Barracks Primary School

Examination of contract documents revealed that Langata NG-CDF contracted a construction company to construct an eighteen (18) door ablution block at a contract sum of Kshs.4,150,000. The works started 28 November, 2018 and were due for completion on 13 February, 2019. However, an audit inspection undertaken on 16 January, 2020 revealed that the block had no piped water for cisterns and urinals and the overhead tank was leaking causing the ceiling to fall off.

Further, the general gradient of the toilet floor incline towards the inside instead of outwards leading to flooding. The water closet and toilet cisterns were also faulty and not in use making the whole ablution block unusable.

In the circumstances, value for money on construction of the eighteen (18) door ablution block cannot be ascertained.

3. Poor Workmanship on Renovation Works at Langata West Primary School

Langata NG-CDF contracted a local company to renovate floors and roofs for seven (7) classrooms at a contract sum of Kshs.3,000,000. The works started on 28 August, 2019 and were due for completion on 1 October, 2019. However, an audit inspection undertaken on 16 January, 2020 at the school revealed that, although the classrooms were in use, some door frame's molding had chipped off. Further, the classroom doors were opening inwards instead of outwards as required by classroom standards and best practices/guidelines from the Ministry of Education.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

In preparing the financial statements, Management is responsible for assessing the ability of National Government Constituencies Development Fund – Langata Constituency to sustain services, disclosing and 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 to cease operations.

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

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

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the 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 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 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 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

17 September, 2021

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

LANG'ATA 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	125,156,393	82,074,138
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	33,000	-
TOTAL RECEIPTS		125,189,393	82,074,138
PAYMENTS			
Compensation of employees	4	3,144,560	2,076,966
Use of goods and services	5	4,621,608	5,335,645
Transfers to Other Government Units	6	57,235,292	12,232,105
Other grants and transfers	7	54,872,300	26,055,211
Acquisition of Assets	8	-	24,000
Other Payments	9	3,500,000	
TOTAL PAYMENTS		123,373,760	45,723,927
SURPLUS/DEFICIT		1,815,633	36,350,211

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LANG'ATA Constituency financial statements were approved on 20th Sept 2019 and signed by:



Fund Account Manager
Name: Phylliss Chibayi



Sub-County Accountant
Name: Michael Munene Muchoki
ICPAK Member Number: 9557

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

LANG'ATA CONSTITUENCY

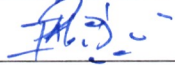
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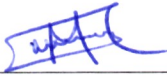
For the year ended June 30, 2019

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	41,674,597	39,858,965
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		41,674,597	39,858,965
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		41,674,597	39,858,965
FINANCIAL LIABILITES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
NET FINANCIAL ASSETS		<u>41,674,597</u>	<u>39,858,965</u>
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	39,858,965	3,508,754
Surplus/Defict for the year		1,815,633	36,350,211
Prior year adjustments	14	-	-
NET LIABILITIES		<u>41,674,597</u>	<u>39,858,965</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LANG'ATA Constituency financial statements were approved on 20th sept 2019 and signed by:



Fund Account Manager
Name: Phyliss Chibayi



Sub-County Accountant
Name: Michael Munene Muchoki
ICPAK Member Number: 9557

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**LANG'ATA 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
			Kshs	Kshs
Receipts				
Transfers from CDF Board	1		125,156,393	82,074,138
Other Receipts	3		33,000	-
Total Receipts			125,189,393	82,074,138
Payments				
Compensation of Employees	4		3,144,560	2,076,966
Use of goods and services	5		4,621,608	5,335,645
Transfers to Other Government Units	6		57,235,292	12,232,105
Other grants and transfers	7		54,872,300	26,055,211
Other Payments	9		3,500,000	-
Total Payments			123,373,760	45,699,927
Total Receipts Less Total Payments			1,815,633	36,374,211
Adjusted for:				
Outstanding Imprest	11	-		
Retention	12A	-		
Gratuity Payable	12B	-		
Prior Year adjustment	14	-		
Net Adjustments			-	-
Net cash flow from operating activities			1,815,633	36,374,211
CASHFLOW FROM INVESTING ACTIVITIES				
Proceeds from Sale of Assets	2		-	-
Acquisition of Assets	8			(24,000)
Net cash flows from Investing Activities			-	(24,000)
NET INCREASE IN CASH AND CASH EQUIVALENT			1,815,633	36,350,211
Cash and cash equivalent at BEGINNING of the year	13		39,858,965	3,508,754
Cash and cash equivalent at END of the year			41,674,597	39,858,965

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LANG'ATA Constituency financial statements were approved on 20th Sept 2019 and signed by:


Fund Account Manager
Name: Phyllis Chibayi


Sub-County Accountant
Name: Michael Munene Muchoki
ICPAK Member Number: 9557

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LANG'ATA CONSTITUENCY

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	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 CDF Board	109,040,876	55,974,482	165,015,358	165,015,357	0	100.0%
Proceeds from Sale of Assets			-		-	
Other Receipts		33,000	33,000	33,000	-	100.0%
TOTAL RECEIPTS	109,040,876	56,007,482	165,048,358	165,048,357	0	100.0%
PAYMENTS						
Compensation of Employees	3,050,760	2,017,539	5,068,299	3,144,560	1,923,739	62.0%
Use of goods and services	6,762,919	1,749,058	8,511,976	4,621,608	3,890,368	54.3%
Transfers to Other Government Units	46,560,818	20,674,476	67,235,293	57,235,292	10,000,001	85.1%
Other grants and transfers	51,469,811	28,066,410	79,536,221	54,872,300	24,663,921	69.0%
Acquisition of Assets	1,196,568		1,196,568	-	1,196,568	0.0%
Other Payments		3,500,000	3,500,000	3,500,000	-	
TOTAL	109,040,876	56,007,482	165,048,358	123,373,760	41,674,598	74.8%

i. *The difference between the original and the final budget was brought about by the opening cashbook balance of Kshs.39,858,964.67 and an amount of ksh 16,115,517.33 which was part of 2017/2018 allocation but received during the financial year 2018/2019. These funds were available for utilization during the financial year under review and thus the difference in the budget.*

The NGCDF-LANG'ATA Constituency financial statements were approved on 20th Sept. 2019 and signed by:



Fund Account Manager
Name: Phylliss Chibayi



Sub-County Accountant
Name: Michael Munene Muchoki
ICPAK Member Number: 9557

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LANG'ATA CONSTITUENCY

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

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2018/2019 Kshs	Adjustments 2018/2019 Kshs	Final Budget 2018/2019 Kshs	Actual on comparable basis 2018/2019 Kshs	Budget utilization difference 2018/2019 Kshs
1.0 Administration					
Employees' Salaries	2,947,560	1,957,339	4,904,899	3,092,960	1,811,939
NHIF	69,600	40,600	110,200	34,800	75,400
NSSF	33,600	19,600	53,200	16,800	36,400
Goods and Services	2,251,693	833,000	3,084,693	2,430,108	654,585
Committee Expenses	1,240,000	478,058	1,718,058	1,068,000	650,058
Sub-Total	6,542,453	3,328,596	9,871,049	6,642,668	3,228,381
2.0 Monitoring and Evaluation					
Goods and Services	971,226	-	971,226	204,000	767,226
Committee Expenses	1,100,000	438,000	1,538,000	688,000	850,000
Capacity Building of NG-CDFs/PMCs	1,200,000		1,200,000	231,500	968,500
Sub-Total	3,271,226	438,000	3,709,226	1,123,500	2,585,726
3.0 Emergency					
Emergency	5,738,993	4,711,949	10,450,942	7,253,800	3,197,142
Emergencies					
Sub-Total	5,738,993	4,711,949	10,450,942	7,253,800	3,197,142
4.0 Bursary and Social Security Programme					
Bursary Secondary Schools	12,000,000		12,000,000	7,613,414	4,386,586
Bursary Tertiary Schools	18,800,000		18,800,000	11,000,000	7,800,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LANG'ATA CONSTITUENCY

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

Bursary Special Schools					-				
Social Security Programmes -NHIF	1,200,000				1,200,000		600,000		600,000
Bursaries		8,630,586			8,630,586		8,630,586		-
Sub-Total	32,000,000	8,630,586			40,630,586		27,844,000		12,786,586
5.0 Sports									
Constituency Sports Tournament	2,180,818		1,963,793		4,144,611		1,963,000		2,181,611
Constituency Sports Tournament									
	2,180,818		1,963,793		4,144,611		1,963,000		2,181,611
6.0 Environment									
Langata high school water harvesting project	240,000				240,000		-		240,000
Karen C Secondary school water harvesting project	240,000				240,000		-		240,000
Langata barracks high school water harvesting project	240,000				240,000		-		240,000
Highrise primary school water harvesting project	240,000				240,000		-		240,000
Mugumoini chiefs camp water harvesting project	240,000				240,000		-		240,000
Kongoni primary tree planting project	50,000				50,000		-		50,000
Madaraka primary tree planting project	50,000				50,000		-		50,000
Langata Road primary tree planting project	50,000				50,000		-		50,000
Uhuru Gardens primary tree planting project	50,000				50,000		-		50,000
Ngei primary tree planting project	50,000				50,000		-		50,000
Langata West primary tree planting project	50,000				50,000		-		50,000
Karen C primary tree planting project	50,000				50,000		-		50,000
St Marys primary tree planting project	50,000				50,000		-		0,000
constituency tree planting activities		1,963,793			1,963,793		1,963,000		793
Sub-Total	1,600,000	1,963,793			3,563,793		1,963,000		1,600,793
7.0 Primary School Projects									
Madaraka Primary School	1,500,000		3,000,000		4,500,000		4,500,000		-
Karen C primary School	2,900,000		2,713,100		5,613,100		5,613,100		-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LANG'ATA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

Langata West Primary School	5,000,000	2,713,100	7,713,100	7,713,100	-
Ngei Primary Sch	900,000	1,350,000	2,250,000	2,250,000	-
Kongoni Primary School	5,650,000	1,350,000	7,000,000	7,000,000	-
Ngong Forest Primary School	3,000,000		3,000,000	3,000,000	-
Langata Barracks Primary School	3,080,818	4,150,000	7,230,818	7,230,817	1
St mary's Karen Primary School	5,350,000	100,000	5,450,000	5,450,000	-
Uhuru Gardens Primary School	500,000	200,000	700,000	700,000	-
Langata Road Primary School	500,000	200,000	700,000	700,000	-
Highrise Primary School	730,000		730,000	730,000	-
Sub-Total	29,110,818	15,776,200	44,887,018	44,887,017	1
8.0 Secondary School Projects					
Langata High School	3,950,000		3,950,000	3,950,000	-
Madaraka Mixed Secondary School	10,000,000		10,000,000	-	10,000,000
Karen C Secondary School	3,500,000	3,600,000	7,100,000	7,100,000	-
Langata Barracks Secondary School		1,298,276	1,298,276	1,298,275	1
Sub-Total	17,450,000	4,898,276	22,348,276	12,348,275	10,000,001
9.0 Tertiary institutions projects					
					-
					-
10.0 Security Projects					
Langata DCC Office	7,950,000	7,500,000	15,450,000	11,500,000	3,950,000
Nairobi West Prison	2,000,000	2,150,000	4,150,000	4,150,000	-
Langata Police Station		200,000	200,000	198,500	1,500
Silanga Chiefs Camp		946,289	946,289	-	946,289
	9,950,000	10,796,289	20,746,289	15,848,500	4,897,789
11.0 Acquisitions of Assets					
NG- CDF office	1,196,568		1,196,568	-	1,196,568
12.0 Others					
					-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LANG'ATA CONSTITUENCY

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

Strategic Plan		3,500,000	3,500,000	3,500,000	-
ICT Hubs					
Sub-Total		3,500,000	3,500,000	3,500,000	-
GRAND TOTAL	109,040,876	56,007,482	165,048,358	123,373,760	41,674,598

(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-LANG'ATA 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 Equity bank Nairobi west 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.

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. 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) –
LANG'ATA 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....A855900	1		5,500,000.00
AIE NO....A892837	2		37,905,172.00
AIE NO....A896986	3		38,668,965.90
AIE NO....B005059	1	11,379,310.35	
AIE NO....B005379	2	4,736,206.90	
AIE NO....B030089	3	10,000,000.00	
AIE NO....B030476	4	12,000,000.00	
AIE NO....B006423	5	8,000,000.00	
AIE NO....A724456	6	11,000,000.00	
AIE NO....B047022	7	13,000,000.00	
AIE NO....B047594	8	55,040,875.50	
TOTAL		125,156,393	82,074,138

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) –
LANG'ATA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2018-2019	2017-2018
	Kshs	Kshs
Interest Received		
Rents		
Receipts from Sale of tender documents	33,000	
Other Receipts Not Classified Elsewhere		
Total	33,000	0

4. COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	2,299,200	1,621,846
Basic wages of casual labour		
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance		
Other personnel payments	410,000	
Employer Contribution to NSSF	33,600	23,600
Gratuity – paid	401,760	431,520
- accrued		
Total	3,144,560	2,076,966

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
LANG'ATA 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	1,464,217	1,350,000
Electricity	15,500	42,525
Water & sewerage charges		
Office rent		
Communication, supplies and services		
Domestic travel and subsistence	140,500	155,000
Printing, advertising and information supplies & services	151,960	147,000
Rentals of produced assets		
Training expenses	435,500	1,050,000
Hospitality supplies and services		
Other committee expenses		
Committee allowance	1,100,000	1,980,000
Insurance costs		
Specialized materials and services	174,000	
Office and general supplies and services	200,000	597,920
Fuel , oil & lubricants		
Other operating expenses	882,486	
Bank service commission and charges	57,445	13,200
Security operations		
Routine maintenance - vehicles and other transport equipment		
Routine maintenance- other assets		
TOTAL	4,621,608.00	5,335,645.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Transfers to Primary schools	44,887,017	10,082,105
Transfers to Secondary schools	12,348,275	2,150,000
Transfers to Tertiary institutions		
TVET		
TOTAL	57,235,292	12,232,105

8. OTHER GRANTS AND OTHER PAYMENTS

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Bursary -Secondary	27,844,000	11,444,200
Bursary -Tertiary		10,000,000
Bursary-Special schools		
Mocks & CAT		
Security	15,848,500	4,185,029
Sports	1,963,000	
Environment	1,963,000	
Emergency Projects	7,253,800	425,982
TOTAL	54,872,300	26,055,211

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. ACQUISITION OF ASSETS

Non Financial Assets	2018-2019	2017 - 2018
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles	-	-
Purchase of office furniture and fittings	-	10,000
Purchase of computers ,printers and other IT equipments	-	-
Purchase of photocopier	-	-
Purchase of other office equipments	-	14,000
Purchase of soft ware	-	-
Acquisition of Land	-	-
TOTAL	-	24,000

10. OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Strategic plan	3,500,000	
ICT Hub		
	3,500,000	0

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	Account Number	2018-2019	2017 - 2018
		Kshs (30/6/2019)	Kshs (30/6/2018)
<i>EQUITY BANK LIMITED, LANGATA NG-CDF</i>	<i>A/C no.1280262114687</i>	41,674,597	39,858,965
		41,674,597	39,858,965
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		-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
LANG'ATA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

		2018 - 2019	2017 - 2018
		Kshs	Kshs
Supplier/Contractor	PV No.		
TOTAL			

12B. STAFF GRATUITY OUTSTANDING

		2018 - 2019	2017 - 2018
		Kshs	Kshs
Supplier/Contractor	PV No.		
TOTAL			

13. BALANCES BROUGHT FORWARD

	2018 - 2019	2017 - 2018
	Kshs (1/7/2018)	Kshs (1/7/2017)
Bank accounts	39,858,965	3,508,754
Cash in hand		
Imprest		
TOTAL	39,858,965	3,508,754

14. PRIOR YEAR ADJUSTMENTS

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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	2018 - 2019	2017 - 2018
Bank accounts	Kshs	Kshs
Cash in hand		-
Imprest		-
TOTAL		-

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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	-	-
TOTAL	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

	2018-2019	2017 - 2018
	Kshs	Kshs
NGCDFC Staff	-	-
Others (specify)	-	-
TOTAL	-	-

15.3: UNUTILIZED FUND (See Annex 3)

	2018-2019	2017 - 2018
	Kshs	Kshs
Compensation of employees	1,083,949	2,017,539
Use of goods and services	3,890,368	5,216,058
Amounts due to other Government entities	10,000,001	18,674,476
Amounts due to other grants and other transfers	24,663,921	25,389,383
Acquisition of assets	1,196,568	
Others (<i>specify</i>)		4,677,027
TOTAL	40,834,808	55,974,482

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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)	30,598,786	15,816,345
TOTAL	30,598,786	15,816,345

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (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	
Staff Gratuity						
1. Muhammed Wandera Wanyama			Jan-20		79,050	
2. Jacinta Mumbi Nduguya			Jan-20		79,050	
3. Walter Mutai			Jan-20		131,750	
4. John Geshimo Bilha			Jan-20		158,100	
5. Cynthia Jelimo Cheserem			Jan-20		210,800	
6. Violet Ngereso Mulengeka			Jan-20		111,600	
7. Kelvin Kairu Njenga			Jan-20		69,440	
Sub-Total					839,790	
Middle Management						
1.						
2.						
3.						
Sub-Total						
Unionisable Employees						
4.						
5.						
6.						
Sub-Total						
Others (specify)						
Sub-Total						
Grand Total					839,790	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees		1,083,950	2,017,539	
Use of goods & services		3,890,368	5,216,058	
Amounts due to other Government entities				
Karen C Primary School			2,713,100	
Madaraka Primary School			3,000,000	
Langata West Primary School			2,713,100	
Uhuru Gardens Primary School			200,000	
Langata Road Primary School			200,000	
St Marys Karen Primary School			100,000	
Ngei Primary School			1,350,000	
Kongoni Primary School			1,350,000	
Karen C secondary school			1,600,000	
Langata barracks secondary school	1	1	1,298,276	
Langata barracks primary school	1	1	4,150,000	
Madaraka mixed secondary school		10,000,000		
Sub-Total		10,000,001	18,674,476	
Amounts due to other grants and other transfers				
Langata DCC office		3,950,000	7,500,000	
Langata Police office		1,500	200,000	
Silanga Chiefs Office		946,289	946,289	
Emergency		12,786,586	5,953,559	
Bursary		3,197,142	4,711,949	
Constituency sports tournament		2,181,611	1,963,793	
Constituency tree planting activities		793	1,963,793	
Nairobi West Frison			2,150,000	
Langata high school water harvesting project		240,000		
Karen C Secondary water harvesting project		240,000		
Langata barracks high water harvesting project		240,000		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Highrise primary water harvesting project		240,000		
Mugumoini chiefs c water harvesting project		240,000		
Kongoni primary tree planting project		50,000		
Madaraka primary tree planting project		50,000		
Langata Road primary tree planting project		50,000		
Uhuru Gardens primary tree planting project		50,000		
Ngei primary tree planting project		50,000		
Langata West primary tree planting project		50,000		
Karen C primary tree planting project		50,000		
St Marys primary tree planting project		50,000		
Sub-Total		24,663,921	25,389,383	
Sub-Total				
Acquisition of assets				
		1,196,568		
Others (specify)				
ICT Hubs			4,677,027.00	
Sub-Total		1,196,568	4,677,027	
Grand Total		40,834,808	55,974,482	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land				
Buildings and structures	10,926,059			10,926,059
Transport equipment				
Office equipment, furniture and fittings	2,713,560			2,713,560
ICT Equipment, Software and Other ICT Assets	1,656,319			1,656,319
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	15,295,938			15,295,938

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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

PMC	Bank	Bank Balance 2018/19	Bank Balance 2017/18
1. Highrise Primary School	EQUITY-NAIROBI WEST	592,418	4,214,036
2. Kongoni Primary School	EQUITY-NAIROBI WEST	4,132,652	714,594
3. Ngong Forest Primary School	EQUITY-NAIROBI WEST	175,061	715,137
4. Langata Road Primary School	EQUITY-NAIROBI WEST	134,280	2,174
5. Langata West Primary School	EQUITY-NAIROBI WEST	228,593	686
6. Karen C Secondary School	EQUITY-NAIROBI WEST	1,601,651	1,650
7. Karen C Primary School	EQUITY-NAIROBI WEST	1,628,396	19,040
8. Uhuru Gardens Primary School	EQUITY-NAIROBI WEST	11,837	12,057
9. Madaraka Primary School	EQUITY-NAIROBI WEST	1,236,062	2,201,728
11. Langata Dcc Office	EQUITY-NAIROBI WEST	10,216,560	159,995
12. Ngei Primary School	EQUITY-NAIROBI WEST	428,165	712,625
13. Langata Barracks Primary	EQUITY-NAIROBI WEST	941,761	900,000
14. Ngeno Estate Police Post	EQUITY-NAIROBI WEST	640	2,600,000
15. St.Marys Karen Primary School	EQUITY-NAIROBI WEST	4,863,100	413,100
14. Langata High School	EQUITY-NAIROBI WEST	84,730	2,149,525
16. Silanga Chiefs Camp	EQUITY-NAIROBI WEST	125,947	1,000,000
17. Nairobi West Prison	EQUITY-NAIROBI WEST	4,114,880	-
18. Langata Barracks Secondary school	EQUITY-NAIROBI WEST	82,055	-
Total		30,598,786	15,816,345

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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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.

Referenc e 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)
4.1.1	Budgets and Budgetary Controls- Budget utilization was at 45% of the total budget resulting to under-utilization of Kshs. 55,974,482 which is equivalent to 55%.	Delayed disbursement of funds from the NGCDF Board. The first disbursement was in March 2018 whereas the second disbursement was in April 2018 that is 3 rd and 4 th quarter respectively. The third disbursement was received in late June whose AIE was served in July.	Phyliss Chibayai-Fam	Resolved	
4.1.2	Project Implementation- non implementation of projects	The non-implementation was caused by the delay in disbursement of funds from the NG-CDF board. The projects have since been implemented.	Phyliss Chibayai-Fam	Resolved	
4.2	Construction of a modern Kitchen Madaraka Primary School- Audit was not able to confirm that works were undertaken and completed as per regulations.	Tender documents-engineer's estimate, advert, tender opening register, tender opening minutes, evaluation report, award letter, contract, project site reports and payment certificates were availed.	Phyliss Chibayai-Fam	Resolved	
4.3	Chief's Camp at Raila Village- occupation by unauthorized tenants	Lang'ata NG-CDF office has officially handed over the project to the Sub-County Commissioner's office whose main mandate as far as this project is concerned is to ensure that a chief is posted to the camp. The handover letter was availed.	Phyliss Chibayai-Fam	Resolved	

