

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

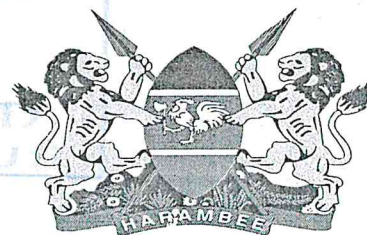
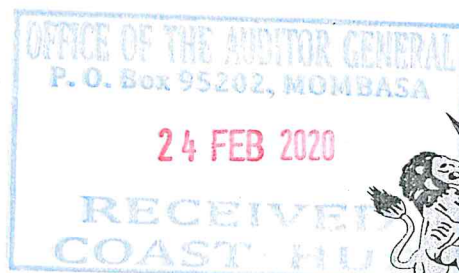
THE NATIONAL ASSEMBLY	
DATE: 15 FEB 2022	DAY: Tuesday
ON	
TABLED BY:	LDM
CLERK-AT THE TABLE:	Gr. Chebet

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND –
MVITA CONSTITUENCY**

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

NATIONAL ASSEMBLY RECEIVED
03 JAN 2022
DEPUTY CLERK P.O. Box 41342 - 00100, NAIROBI

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MVITA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -MVITA
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2019

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MVITA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	1
II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE	4
III. STATEMENT OF NGCDF COMMITTEE MANAGEMENT RESPONSUBILITIES.....	7
IV.STATEMENT OF RECEIPTS AND PAYMENTS	8
V. STATEMENT OF ASSETS AND LIABILITIES.....	9
VI. STATEMENT OF CASH FLOW	10
VII. SUMMARY STATEMENT OF APPROPRIATION:RECURRENT AND DEVELOPMENT COMBINED.....	11
VII.BUDGET EXECUTION BY PROGRAMMES AND SUB PROGRAMMES AND SUB-PROGRAMMES.....	12
IX. SIGNIFICANT ACCOUNTING POLICIES.....	16
X. NOTES TO THE FINANCIAL STATEMENTS.....	20



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MVITA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

Core Values

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

(b) Key Management

The NG-CDF MVITA Constituency day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

(c) Fiduciary Management

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

No	Designation	Name
1.	Fund Account Manager	MONICA MWAI
2.	Sub-County Accountant	JULIUS MUGAMBI
3.	Chairman NG-CDFC	OMAR SHARRIFF
4.	Member NG-CDFC	DR. JAMAL ALI

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of NG-CDF -MVITA Constituency. The reports and recommendation of ARMC when adopted by the NG-CDF 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 MVITA Constituency Headquarters

P.O. Box 43258-80100
MOMBASA House
Majengo,Behind Sega Market
Mombasa, KENYA

*NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MVITA CONSTITUENCY*

Reports and Financial Statements

For the year ended June 30, 2019

(f) NG-CDF Mvita Constituency Contacts

Telephone: (254) 721862644

E-mail: cdfmvita@ngcdf.go.ke

Website: www.ngcdf.go.ke

(g) NG-CDF Mvita Constituency Bankers

1. Equity Bank of Kenya
Digo road
P.O. Box 60000
Mombasa, Kenya

(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 CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

MVITA CONSTITUENCY

Reports and Financial Statements

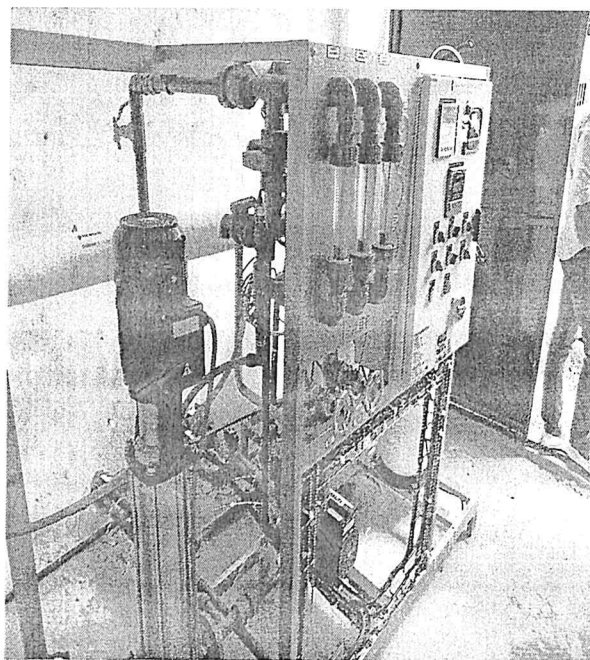
For the year ended June 30, 2019

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Mvita constituency is an electoral constituency in Kenya. It's one of six constituencies in Mombasa county . It has eleven location and it holds five county assembly wards namely old Town(mji wa kale)Tudor, Tononoka, Shimanzi and Majengo Wards. The entire constituency is located within the municipality area and an island; many people come from neighbouring constituencies to work during the day while they live outside the constituency, as a result showing a higher number of registered voters compared to population. The Constituency was established for the 1988 elections.

We are glad to present to you financial statements for National Government Constituency Development Fund Mvita for year ending 30th June 2019. We have managed to complete quite a number of projects which were on going as well as start new ones. Most of the projects funded were mainly in education sector to meet 100% transition .We have so far received half of the total allocation of funds and we are hoping to receive and consume the balance of it in the next few months.

The NG -CDF MVITA has purchased a water purifier to Allidina Visram High School which produces 500 litres of fresh water per hour and this has minimized the cost of purchasing fresh water from vendors.



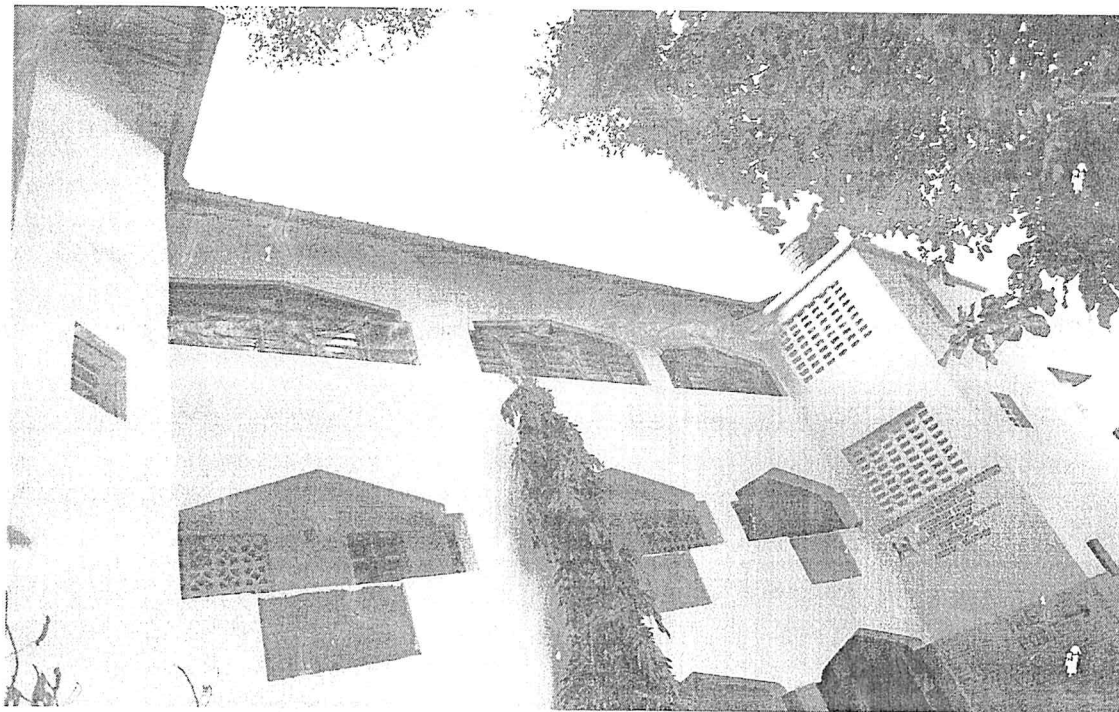
Reverse osmosis plant at Allidina Visram

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MVITA CONSTITUENCY***

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

Construction of a modern football ball pitch at Ronald Ngala Primary. The project will benefit the school and entire community in sport activity the project is still on going.

Ng-cdf Mvita has constructed two classrooms and a school hall at Sharriff Nassir secondary school. This has enable the school to admit 100% transition



Challenges.

- Some of the challenges we have encountered are delay in receipt of funds from the NG-CDF Board, delay in receipt of bill of quantities from Regional Works Officers and issues of land ownership for new projects.
- Change of activity from the Pmc as a result in delay of funds at the time we have received fund the pmc have changed their mind to another project.
- Lack of Land –this has been the greatest challenge since the constituency is small and available land is expensive and privately owned hence NG CDF cannot put up a new constructions. This has seen some projects fail to take off.
- PMCS capacity –the CDF Act has tasked Pmcs the duty to implement projects but their capacity is wanting,even though CDFC is trying to overcome it by frequent training, it is still a challenge.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MVITA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

- Little funding-needs for the people are so many yet funds are little especially on bursaries hence very small amount of money is given to beneficiaries.

Sign



CHAIRMAN NG-CDF COMMITTEE

100

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

MVITA 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, 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.

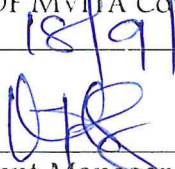
The Accounting Officer in charge of the NG-CDF-MVITA Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year ended on June 30, 2019. This responsibility 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 fund's; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

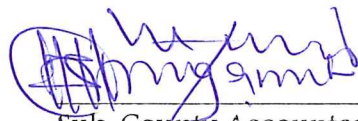
The Accounting Officer in charge of the NG-CDF-MVITA Constituency accepts responsibility for the fund's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the Fund'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-MVITA Constituency further confirms the completeness of the accounting records maintained for the *Funds*, which have been relied upon in the preparation of the fund's financial statements.

The Accounting Officer in charge of the NG-CDF MVITA Constituency confirms that the fund has complied fully with applicable Government Regulations and the terms of external financing covenants and that the 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 funds 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

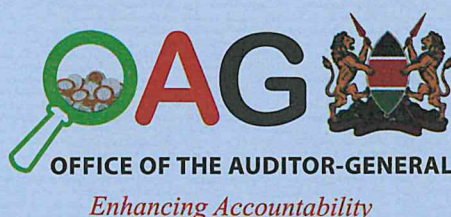
The NG-CDF MVITA Constituency financial statements were approved and signed by the Accounting Officer on 18/9/2019.


Fund Account Manager
Name: Monica Mwai

 25569
Sub-County Accountant
Name: Julius Mgambi
ICPAK Member Number:

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
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NAIROBI

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Constituencies Development Fund – Mvita Constituency set out on pages 8 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 effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund – Mvita 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 National Government Constituencies Development Fund Act No.30 of 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Prior Year Matters

1.1. Accuracy of the Financial Statements

As reported in 2017/2018, the statement of assets and liabilities reflected comparative fund balance of Kshs.41,973,049 as at 01 July, 2016. However, the opening fund balance was at variance with audited closing balance for the year 2015/2016 of Kshs.52,703,219.28, resulting to unreconciled and unexplained variance of Kshs.10,730,170.28. In addition, the statement of cash flows reflected cash and cash equivalents balance of Kshs.41,973,050.38 as at 01 July, 2016 while the 2015/2016 audited accounts reflected cash and cash equivalents balance of Kshs.52,703,219.54

as at 30 June, 2016, resulting to unreconciled and unexplained variance of Kshs.10,730,169.16.

In the circumstances, the accuracy and completeness of the fund balance brought forward of Kshs.16,431,097 and the cash and cash equivalents balance of Kshs.34,629,174 as at 30 June, 2019 could not be confirmed.

1.2. Inaccurate Bank Balances

As previously reported, the statement of assets and liabilities reflected bank balances of Kshs.34,629,174 as at 30 June, 2019 (2017/2018 – Kshs.16,431,097). Included in the bank reconciliation statement in the year 2017/2018 were casting errors amounting to Kshs.114,770 dating all the way back to the year 2012. However, the figure is included in the Fund's expenditure returns as at 30 June, 2019 and as cashbook adjustments made in March, 2019. However, no Journal entries were availed to explain or support the adjustments.

This is contrary to Regulation 103(1) and (2) of the Public Finance Management (National Government) Regulations, 2015 on Accounting Adjustments which states that '(1) Journal entries prepared for all adjustments shall be authorized by the accounting officer or an officer designated by him or her before posting them in a financial record (2). In all cases journal vouchers shall be supported by sufficient explanations, authorizations and documentation to facilitate accounting adjustments to be understood'.

2. Inaccurate Bank Reconciliation Statements

The bank reconciliation statement in support of the bank balance of Kshs.34,629,174 includes bank charges of Kshs.3,030 which have not been charged as expenses. The Management has not explained why bank charges were included in the bank reconciliation statement instead of treating the charges as expenses incurred in the normal course of business.

Consequently, the accuracy, and completeness of bank balance of Kshs.34,629,174 as at 30 June, 2019 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 – Mvita 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

1.0 Budgetary Controls and Performance

The summary statement of appropriation- recurrent and development reflects final receipts budget and actual on comparable basis of Kshs.187,265,187 and Kshs.124,046,373 respectively resulting to an under-funding of Kshs.63,218,814 or 34% of the budget. Similarly, the Fund spent Kshs.89,417,199 against an approved budget of Kshs.187,265,187 resulting to an under-expenditure of Kshs.97,847,987 or 52% of the budget. The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the residents of Mvita Constituency.

2.0 Projects Implementation Status

According to the projects implementation status report as at 30 June, 2019, the Fund completed nine (9) projects with total budget allocation of Kshs.16,200,000, six (6) projects with budgetary allocation of Kshs.52,500,000 were on-going while four (4) projects allocated Kshs.20,855,763 had not been started.

Consequently, projects implementation as reported did not achieve the intended performance targets and so the public was denied the intended/planned benefits. Further, this casts doubts on the efficiency and effectiveness of the Fund's projects monitoring and evaluation system.

3.0 Projects Inspection

Audit inspection of three (3) projects with total disbursements of Kshs.41,000,000 in the month of January, 2020 revealed the following state of affairs:

No.	Project Name	Project Activity	Budgetary Allocation (Kshs.)	Observation
1	Ronald Ngala Primary School	Construction of social Hall	16,000,000	Project complete but not in use due to lack of drainage system.
2	Ronald Ngala Primary School	Construction of a modern football pitch	20,000,000	Project on-going, half way complete but fencing not yet done.
3	Sparki Primary School	construction of a modern kitchen	5,000,000	Project on-going, except the floor and plastering which had not been done.
Total			41,000,000	

As a result of the idle or incomplete projects, citizens of Mvita Constituency did not realize the intended benefits. This is an indication of poor projects monitoring and evaluation. The Management should therefore put in place measures to ensure projects are implemented within the set time frames for the benefit of the residents of Mvita Constituency.

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 matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Lack of Information Technology Governance

As previously reported, the Fund had not established an approved information and technology security policy. The fund information and communication technology functional objectives and goals might have lacked strategic direction.

Consequently, the effectiveness of information and communication technology functional objectives and goals could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the Fund's 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 Fund's 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 applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on 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 to cease 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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

21 December, 2021

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
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Reports and Financial Statements

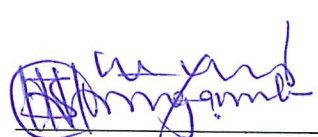
For the year ended June 30, 2019

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	107,548,276.00	73,515,516.00
Proceeds from Sale of Assets	2	-	
Other Receipts	3	<u>67,000.00</u>	<u>10,000.00</u>
TOTAL RECEIPTS		107,615,276.00	73,525,516.00
PAYMENTS			
Compensation of employees	4	2,753,149.00	2,087,787.00
Use of goods and services	5	5,475,373.00	4,177,515.00
Transfers to Other Government Units	6	48,963,520.00	45,392,240.00
Other grants and transfers	7	30,532,590.00	19,985,990.00
Acquisition of Assets	8	-	-
Other Payments	9	<u>1,692,567.00</u>	<u>-</u>
TOTAL PAYMENTS		89,417,199.00	71,643,532.00
SURPLUS/(DEFICIT)		<u>18,198,077.00</u>	<u>1,881,984.00</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MVITA Constituency financial statements were approved on 18/9/2019 and signed by:


Fund Account Manager
Name: Monica Mwai


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

2.5569

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MVITA CONSTITUENCY

Reports and Financial Statements

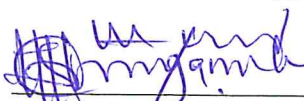
For the year ended June 30, 2019

V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019	2017-2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	34,629,174.00	16,431,097.00
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		34,629,174.00	16,431,097.00
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		34,629,174.00	16,431,097.00
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		<u>34,629,174.00</u>	<u>16,431,097.00</u>
REPRESENTED BY			
Fund balance b/fwd	13	16,431,097.00	14,549,113.00
Surplus/Defict for the year		18,198,077.00	1,881,984.00
Prior year adjustments	14		
NET FINANCIAL POSITION		34,629,174.00	16,431,097.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MVITA Constituency financial statements were approved on 18/9/2019 and signed by:

Fund Account Manager
Name: Monica Mwai


Sub-County Accountant
Name: Julius Mgambi
ICPAK Member Number: 25569



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MVITA CONSTITUENCY


Reports and Financial Statements

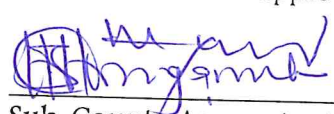
For the year ended June 30, 2019

VI. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from NGCDF Board	1	107,548,276.00	73,515,516.00
Other Receipts	3	<u>67,000.00</u>	<u>10,000.00</u>
Total receipts		107,615,276	73,525,516
Payments			
Compensation of Employees	4	2,753,149.00	2,087,787.00
Use of goods and services	5	5,475,373.00	4,177,516.00
Transfers to Other Government Units	6	48,963,520.00	45,392,240.00
Other grants and transfers	7	30,532,590.00	19,985,990.00
Other Payments	9	1,692,567	-
Total payments		(89,417,199)	(71,643,532)
Total Receipts Less Total Payments		18,198,077	1,881,984.00
Adjusted for:			
Outstanding imprest	11	-	-
Retention Payable	12A	-	-
Gratuity Payable	12B	-	-
Prior year adjustments	14	-	-
Net Adjustments			
Net cash flow from operating activities		18,198,077.00	1,881,984.00
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		18,198,077.00	1,881,984.00
Cash and cash equivalent at BEGINNING of the year	13	16,431,097.00	14,549,113.00
Cash and cash equivalent at END of the year		<u>34,629,174.00</u>	<u>16,431,097.00</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MVITA Constituency financial statements were approved on 18/9/2019 and signed by:


Fund Account Manager
Name: Monica Mwai

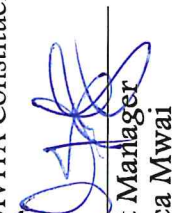
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Sub-County Accountant
Name: Julius Mgambi
ICPAK Member Number:

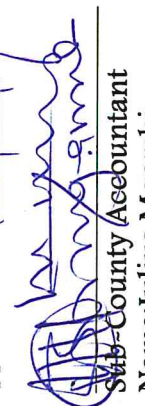
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MVITA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	109,040,876	78,157,311	187,198,187	123,979,373	63,218,814	66.2%
Proceeds from Sale of Assets						
Other Receipts(AIA)		67,000	67,000	67,000		100%
TOTAL RECEIPTS	109,040,876	78,224,311	187,265,187	124,046,373	63,218,814	
PAYMENTS						
Compensation of Employees	3,310,112	1,864,112	5,174,224	2,753,149	2,421,075	53.2%
Use of goods and services	5,987,056	3,180,196	9,167,252	5,475,373	3,691,879	59.7%
Transfers to Other Government Units	53,774,371	21,153,062	74,927,433	48,963,520	25,963,913	65.3%
Other grants and transfers	45,969,337	51,959,941	97,929,278	30,532,590	67,396,688	31.2%
Acquisition of Assets						
Other Payments				1,692,567	(1,692,567)	
Unallocated Funds		67,000	67,000		67,000	
TOTALS	109,040,876	78,224,311	187,265,187	89,417,199	97,847,987	47.8%

The NGCDF-MVITA Constituency financial statements were approved on 18/9/2019 and signed by:


Fund Account Manager
Name: Monica Mwai


Sub-County Accountant
Name: Julius Mgambi
ICPAK Member Number: R5569

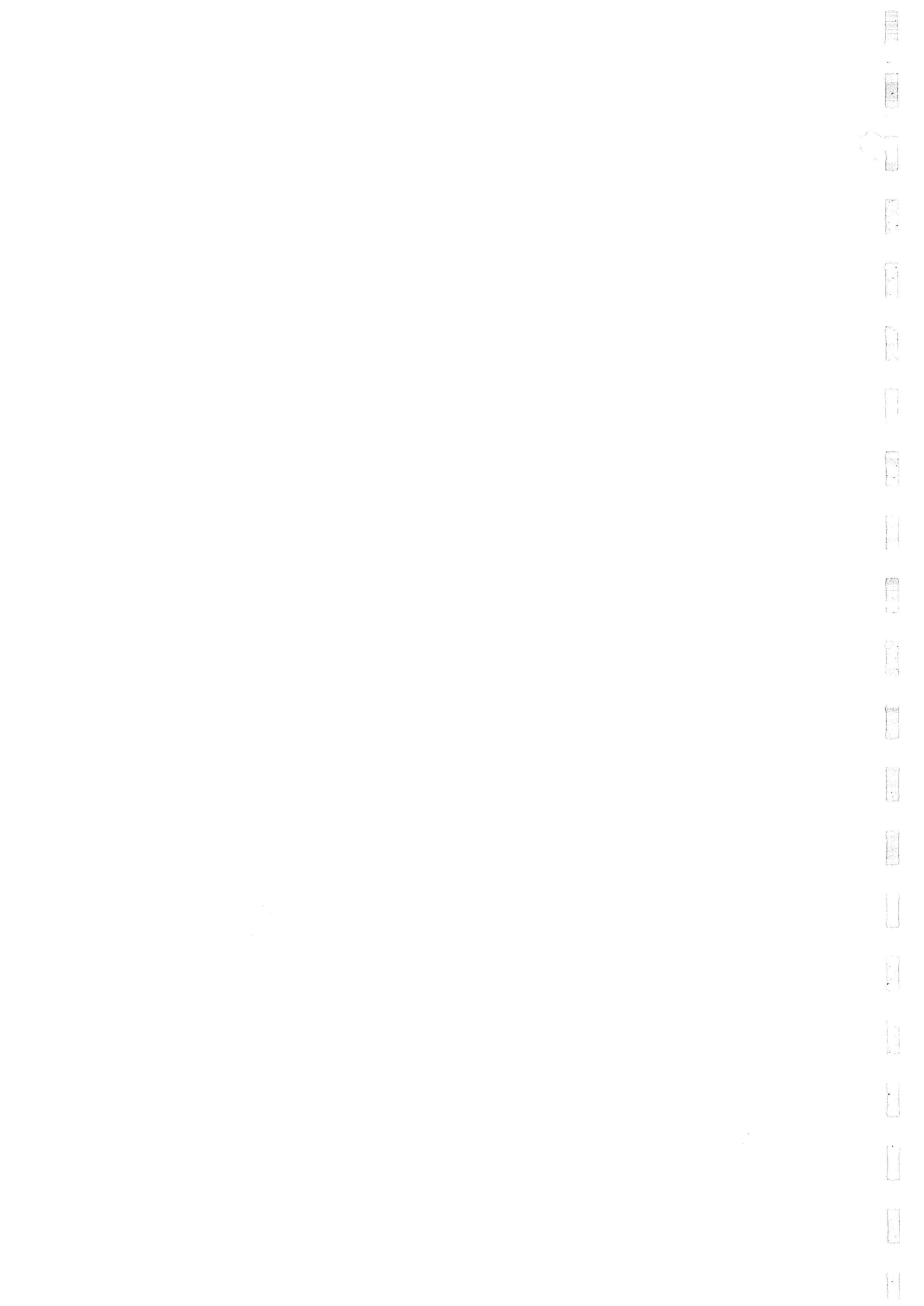
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) – MVITA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2018/2019 Kshs	Adjustments Kshs	Final Budget 2018/2019 Kshs	Actual on comparable basis 30/06/2019 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	3,310,112	1,864,112	5,174,224	2,753,149	2,421,075
1.2 Committee allowances	1,760,000	384,153	2,144,153	1,878,673	185,695
1.3 Use of goods and services	1,128,000	327,786	1,455,786	1,240,200	215,586
	6,198,112.07	2,576,051	8,774,163	5,872,022	2,902,141
2.0 Monitoring and evaluation					
2.1 Capacity building	900,000	5,500	905,500	905,500	
2.2 Committee allowances	1,799,056	1,887,365	3,686,421	145,000	2,234,421
2.3 Use of goods and services	400,000	227,714	627,714		687,470
3.0 Emergency					
Bal b/f		500,000			
	5,738,993.45	3,738,993	9,577,986		9,977,986.45
3.3 Tertiary institutions					
3.4 Security projects					
4.0 Bursary and Social Security					
4.1 Primary Schools					
4.2 Secondary Schools	18,164,306.43	18,164,306	36,328,612		36,328,612
4.3 Tertiary Institutions	20,000,000	11,940,207	31,940,207	24,410,140	6,793,518
4.4 Universities					
4.5 Social Security		8,189,301	8,189,301		8,189,301

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) -- MVITA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
5.0 Sports					
5.1	2,066,038		3,802,245	3,537,450	264,794
5.2					
5.3					
6.0 Environment					
6.1b/f		2,585,000	2,585,000		
6.2 Allidina Visram	100,200	100,200	200,400		
6.3 Tudor Beach		2,574,138	535,953	2,585,000	2,774,538
7.0 Primary Schools Projects (List all the Projects)					
7.1 Mvita Primary	12,500,000	12,500,000	50,000,000		12,500,000
7.2 Mvita primary				4,803,145	
7.3 Sparki Primary				5,000,000	
7.4 Makande Primary				1,050,000	
7.5 Ronald Ngala Primary	7,318,406.50			10,004,612	
7.6 Tudor Primary				1,050,000	
7.7 Ronald Ngala Primary				500,000	
7.8 Ganjoni Primary	3,000,000	3,000,000	6,000,000		3,000,000
7.9 Serani Primary	2,300,000	2,300,000	4,600,000		2,300,000
7.10 Star of The Sea Primary	5,000,000		5,000,000	5,000,000	
7.11 Majengo Primary		1,000,000	1,000,000		1,000,000
8.0 Secondary Schools Projects (List all the Projects)					

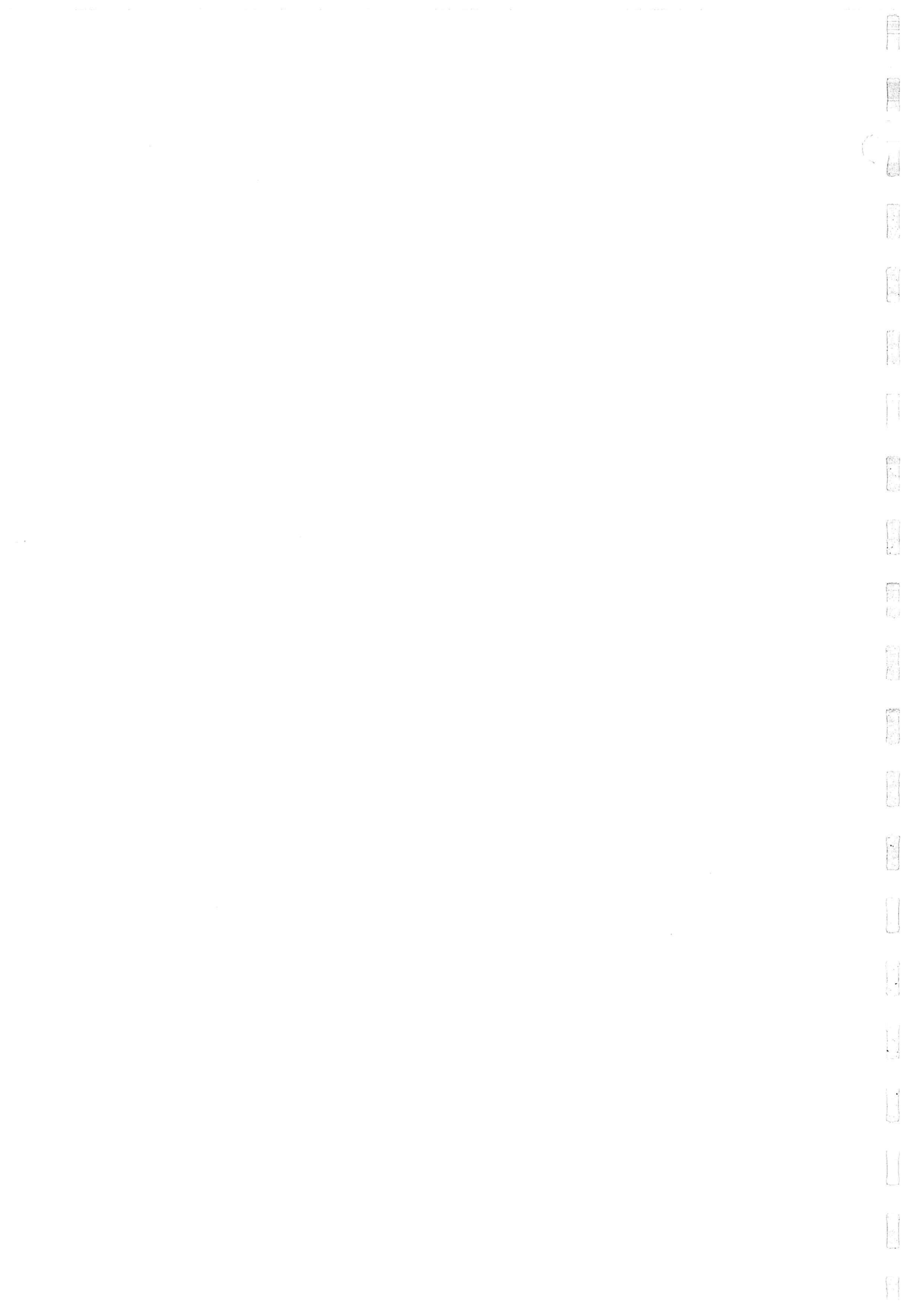


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) – MVITA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
8.1 Shariff Nassir girls	3,500,000	500,000	4,000,000	3,500,000	500,000
8.2 Khamis high school	1,600,000		1,600,000	1,600,000	
8.3 Sheikh Abdalla Alfarsy	6,000,000		6,000,000	6,000,000	
8.4 Mama Ngina Girls	200,000		200,000	200,000	
8.5 Makande girls	6,755,763		6,755,763	6,755,763	
8.6 Tudor Day High School	3,500,000		3,500,000	3,500,000	
8.7 Serani Boys Secondary	2,000,000	2,000,000	4,000,000		2,000,000
9.0 Tertiary institutions Projects (List all the Projects)					
9.1					
9.2					
9.3					
9.4					
10.0 Security Projects					
10.1					
10.2					
10.3					
11.0 Acquisition of assets					
11.1 Motor Vehicles (including motorbikes)					
11.2 Construction of CDF office					
11.3 Purchase of furniture and equipment					
11.4 Purchase of computers					
11.5 Purchase of land					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) -- MVITA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
12.0 Others					
12.1 Strategic Plan					
12.2 Innovation Hub					
12.2 Audit fees		500,000	500,000	1,692,567	2,984,466
12.3 Gates		3,000,000	3,000,000		500,000
12.4 Mvita Juakali shade		1,103,800	1,103,800		3,000,000
12.5 UN Allocated funds		67,000	67,000		1,103,800
					67,000



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

Reports and Financial Statements

For the year ended June 30, 2019

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-MVITA 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.

2

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

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. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
MVITA 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 B005366	53,048,276.25	
AIE NO B030282	10,000,000	
AIE NO B005423	13,000,0000	
AIE NO B006470	500,000	
AIE NO B047094	12,000,000	
AIE NO B047529	13,000,000	
AIE NO 855949		5,500,000
AIE NO 892604		30,110,344
AIE NO 896816		37,905,172
TOTAL	107,548,276	73,515,516

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 (NG-CDF) –
MVITA CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2018-2019 Kshs	2017-2018 Kshs
Interest Received		
Rents		
Receipts from Sale of tender documents	67,000	10,000
Other Receipts Not Classified Elsewhere		
Total	67,000	10,000

4. COMPENSATION OF EMPLOYEES

		2018-2019 Kshs	2017-2018 Kshs
Basic wages of contractual employees		1,883,570	1,500,071
Basic wages of casual labour			
Personal allowances paid as part of salary			
House allowance		420,000	324,156
Transport allowance		150,000	182,000
Leave allowance			40,000
Gratuity – paid	286,979		
- accrued			
Employer contribution to NSSF		12,600	
Other personnel payments			20,000
Total		2,753,149	2,087,787

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

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2018-2019 Kshs	2017-2018 Kshs
Committee Expenses	2,691,200	1,991,300
Utilities, supplies and services	100,000	
Communication, supplies and services	9,450	18,920
Domestic travel and subsistence		
Printing, advertising and information supplies & services	391,540	96,181
Rentals of offices	510,000	680,000
Training expenses	545,500	
Hospitality supplies and services	450,000	864,000
Insurance costs		
Specialized materials and services		
Office and general supplies and services	536,170	517,519
Other operating expenses	241,513	9,595
Routine maintenance – vehicles and other transport equipment		
Routine maintenance – other assets		
Total	5,475,373	4,177,515

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
MVITA CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017-2018
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	27,407,757	34,692,240
Transfers to secondary schools (see attached list)	21,555,763	10,700,000
Transfers to tertiary institutions (see attached list)		
Transfers to health institutions (see attached list)		
TOTAL	48,963,520	45,392,240

7. OTHER GRANTS AND OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools (see attached list)		
Bursary – tertiary institutions (see attached list)	24,410,140	18,109,990
Bursary – special schools (see attached list)		240,000
Mock & CAT (see attached list)		
Security projects (see attached list)		
Sports projects (see attached list)	3,537,450	1,636,000
Environment projects (see attached list)	2,585,000	0
Emergency projects (see attached list)		
Total	30,532,590	19,985,990



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
MVITA CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

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

9. OTHER PAYMENTS

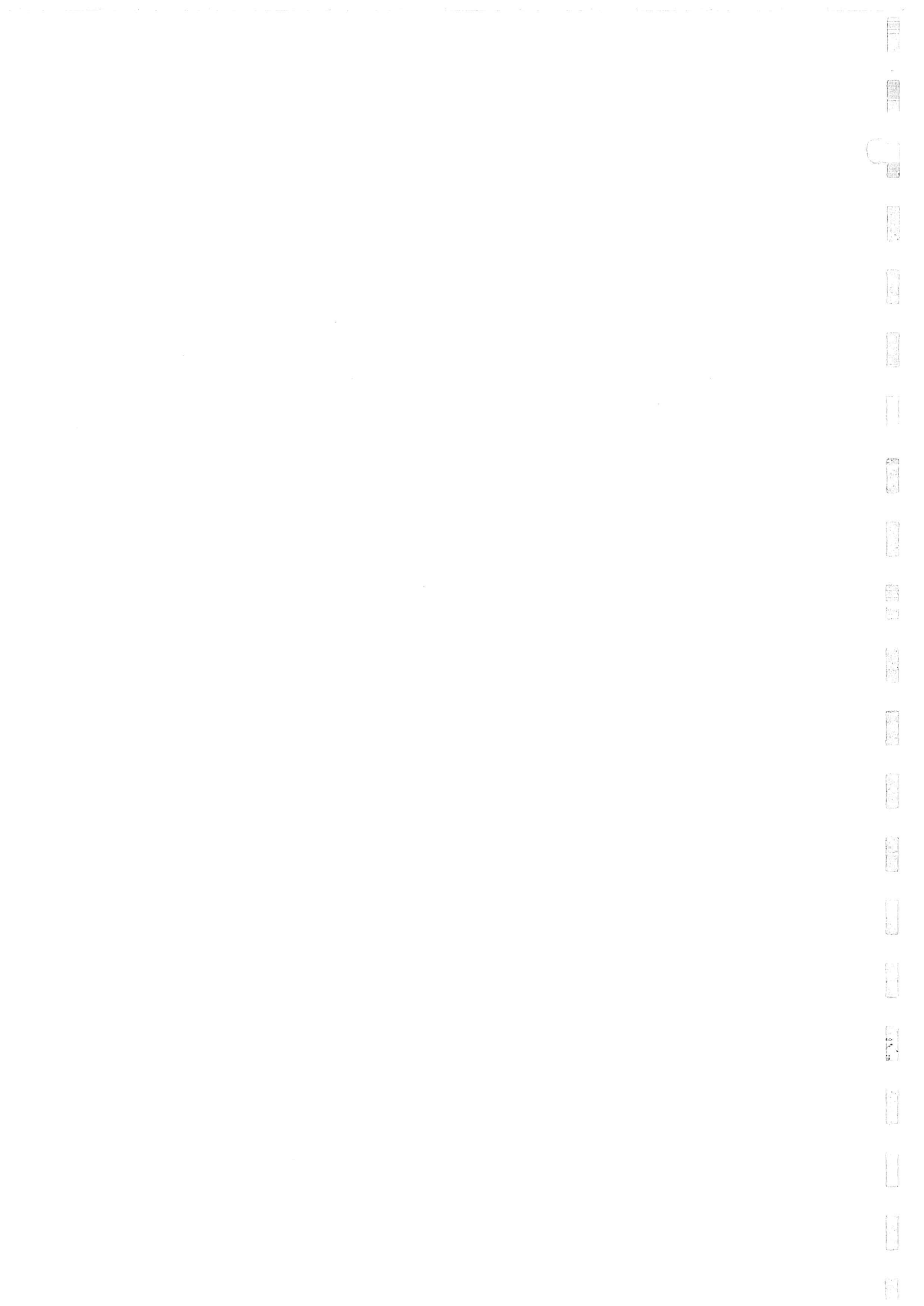
	2018-2019	2017-2018
	Kshs	Kshs
Strategic plan		
ICT Hub	1,692,567	
	1,692,567	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
MVITA CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
<i>Equity Bank Ltd Digo road branch ,Mombasa Account No. 0460297599144</i>	34,629,174	16,431,097
Total	34,629,174	16,431,097
10B: CASH IN HAND		
Location 1		
Location 2		
Location 3		
Other Locations (<i>specify</i>)		
Total		
<i>[Provide cash count certificates for each]</i>		



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
MVITA 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>

Total

12A. RETENTION

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

12B. STAFF GRATUITY OUTSTANDING

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

13. BALANCES BROUGHT FORWARD

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	16,431,097	14,549,113
Cash in hand		
Imprest		
Total	16,431,097	14,549,113

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
MVITA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

14. PRIOR YEAR ADJUSTMENTS

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
MVITA CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	483,124	449,700
Middle management		
Unionisable employees		
Others (<i>specify</i>)		
	483,124	449,700

15.3: UNUTILIZED FUND (See Annex 3)

	Kshs	Kshs
Compensation of employees	2,421,575	1,679,920
Use of goods and services	3,691,879	891,847
Amounts due to other Government entities (see attached list)	25,963,912	5,092,498
Amounts due to other grants and other transfers (see attached list)	65,704,121	63,531,315
Acquisition of assets		
Others (<i>specify</i>) AIA	67,000	10,000
	97,847,987	71,205,580



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
MVITA CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	83,383,985	48,227,265.88
	83,383,985	48,227,265.88



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

MVITA CONSTITUENCY

Reports and Financial Statements

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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To- Date c	Outstanding Balance 2019 d=a-c	Comments
Construction of buildings					
1. Serani primary	2,300,000			2,300,000	Funds
2. Ganjoni Primary	3,000,000			3,000,000	
3. Mvita primary	12,500,000			12,500,000	
4. Serani secondary	2,000,000			2,000,000	
5.					
Sub-Total	19,800,000			19,800,000	
Construction of civil works					
6.					
7.					
8.					
Sub-Total					
Supply of goods					
9.					
10.					
11.					
Sub-Total					
Supply of services					
12.					
13.					
14.					
Sub-Total					
Grand Total:	19,800,000			19,800,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

MVITA CONSTITUENCY

Reports and Financial Statements

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

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	
Senior Management gratuity						
1. Mdudu Bakari	J		Aprill-17		191,811	To be paid on apri- 2020
2. Muhamed Hussein	H		Aprill--17		147,255	To be paid on April-2020
3. Stela Matunda	H		Feb -19		38,750	To be paid on feb 2021
4. Evelyn Tatu	G		Jan-17		11,133	To be paid on Jan 2020
5. Wahida Abdalla	G		Feb-18		94,175	To be paid on feb 2020
Sub-Total					483124	
Middle Management						
6.						
7.						
8.						
Sub-Total						
Unionisable Employees						
9.						
10.						
11.						
Sub-Total						
Others (specify)						
12.						
13.						
Sub-Total						
Grand Total					483,124	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

MVITA CONSTITUENCY

Reports and Financial Statements

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

ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees	Payment of salaries, gratuity and medical cover	2,336,038	2,500,000	To be paid after expiry of 3 years contract
Use of goods & services		2,132,546	2,500,000	
Amounts due to other Government entities		500,000	500,000	
Shariff nassir girls				
Sub-Total		4,968,584	5,500,000	
Amounts due to other grants and other transfers				
bursary	Payment of bursary to need students in secondary and tertiary institutions	18,773,406		
Social security fund			8,189,301	Reallocated to bursary
Sub-Total		18,773,406	8,189,301	
Sub-Total				
Acquisition of assets				
Others (specify)			3,241,796	
Emergency	To be reallocated	7,637,930		
ICT Hubs		2,984,460		Waiting for approval from telkom
Sub-Total		10,622,390	3,241,796	



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND(NG-CDF)

MVITA CONSTITUENCY

Reports and Financial Statements

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

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Grand Total		34,629,174	16,431,097	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND(NG-CDF)
MVITA CONSTITUENCY

Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land				
Buildings and structures				
Transport equipment	176,320			176,320
Office equipment, furniture and fittings	556,148			556,148
ICT Equipment, Software and Other ICT Assets	1,482,910			1,482,910
Other Machinery and Equipment	135,000			135,000
Heritage and cultural assets				
Intangible assets				
Total	2,350,378			2,350,378

9

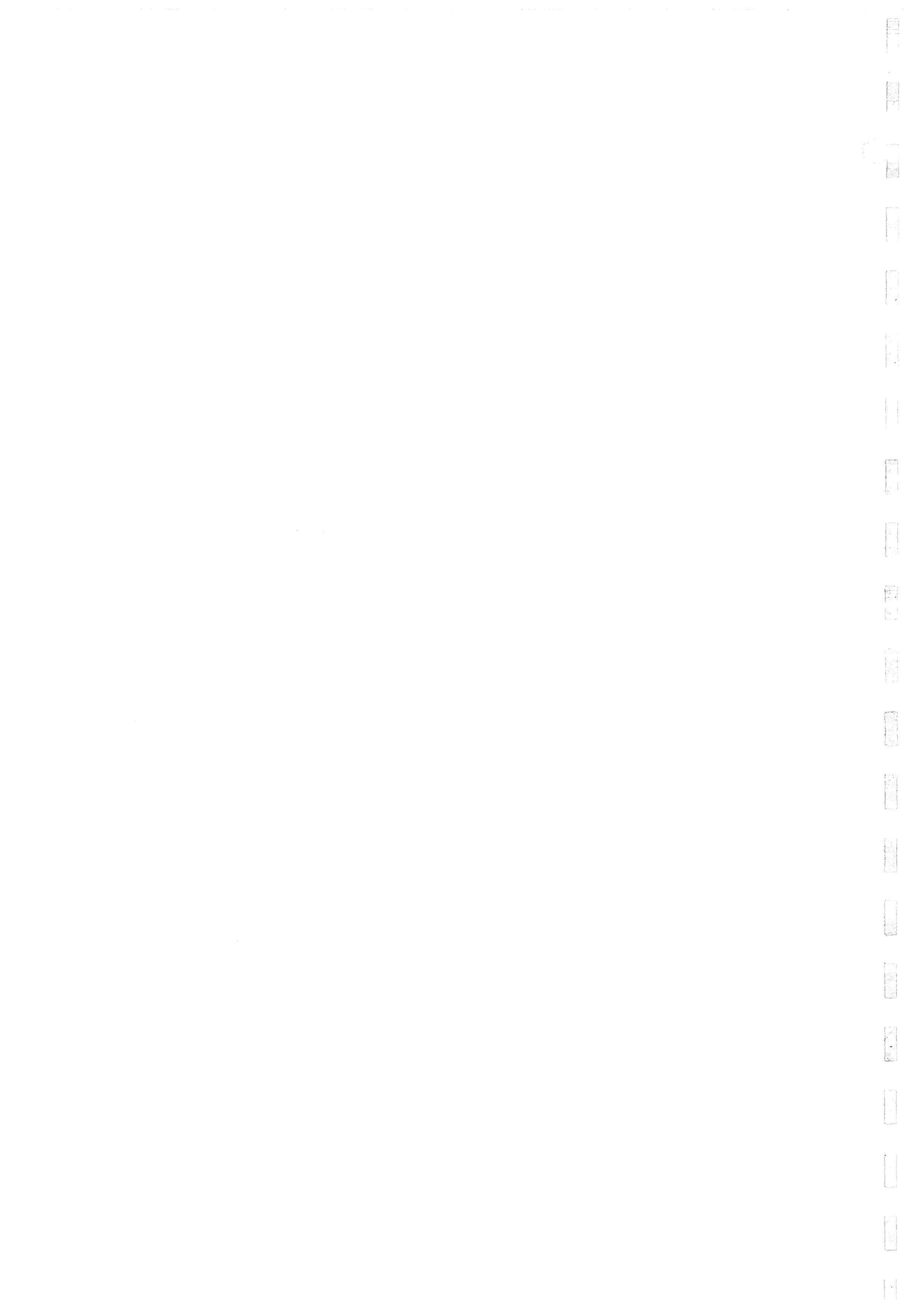
MVITA CONSTITUENCY

Reports and Financial Statements

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

ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Sparki kitchen	equity		4,918,000	0
Ronald ngala football pitch	equity		19,843,000	9,995,386
Sheikh abdala farsy	equity		5,918,000	0
Ronald ngala social hall	gulf african		3,500,000	6,300,500
Khamis high	equity		1,600,000	0
Niakande girls	equity		6,755,763	0
Star of the sea primary	equity		5,000,000	0
Mbeheni bondeni	equity		2,000,000	2,000,000
Tudor day	equity		3,260,000	0
Mvita primary	equity		7,500,000	2696854
Mvita stima secondary school	equity		10,000,000	10,000,000
Tononoka toilet	equity		1,000,000	1,000,000
Mwembe tayari toilet	equity		1,000,000	1,000,000
Shimanzi toilet	equity		1,000,000	1,000,000
Tudor toilet	equity		1,000,000	1,000,000
Old town toilet	equity		1,000,000	1,000,000
Shariff nassir girls	equity		2,500,000	3,000,000
Star of the sea secondary	equity		0	1,300,000
Allidina high school	equity		0	1,500,000
Tudor primary fish pond	equity		1,305,000	0
Makande primary	equity		890,000	0



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

MVITA CONSTITUENCY

Reports and Financial Statements

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

Sharriff nassir girls labaratory	equity	600,000	1,600,000
Makupa primary library	equity	159,928	159,928
Tudor primary library	equity	125,864	125,864
Mbeheni primary library	equity	465,081	465,081
Sacred heart primary	equity	112,000	391303
Serani primary library	equity	348,297	348297
Serani secondary school lab	equity	239,000	2,000,000
Ronald ngala primary library	equity	517,052	517,052
Majengo primary	equity	827000	827000
Total		83,383,985	48,227,265

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame: (Put a date when you expect the issue to be resolved)
MSA/C DF/MV ITA17-18/(2)	Budget Performance Analysis	The amount of ksh 9,354,054 was not fully utilized due to the delay in disbursement of funds leading to delay in the implementation	FAM MONICA MWAI	Resolved	22 nd feb 19
	Project implementation status	Some of the projects which were fully funded had not started due to the procedures and timelines of procurement system and delay of bill of quantities from public works	FAM MONICA MWAI	Resolved	22 nd Feb 19
	Project verification	New projects were started while old projects were not yet complete this is because the projects were funded in phases and before we had allocated more funding the	FAM-MONICA MWAI	Resolved	22 nd feb 19



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
MVITA CONSTITUENCY

Reports and Financial Statements

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		project fall in devolved function and according to the Act CDF could not fund them more			
	Delayed projects	The project had delayed to start as a result delay in disbursement of funds from NG CDF Board	Fam-Monica Mwai	resolved	22 nd feb 19

