


REPUBLIC OF KENYA



Enhancing Accountability

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 FEB 2022	DAY: Wed
REPORT BY:	The majority whip Hon. E. Wangwe, MP.
CLERK AT THE TABLE:	Benson Inzofu.

OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2020**

10/10/10



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
LIMURU CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020**

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
LIMURU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) (hereafter referred to as the Fund) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through an Act of Parliament, the Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NG-CDF Act, 2015. At cabinet level, NG-CDF is represented by the Cabinet Secretary for Devolution, who is responsible for the general policy and strategic direction of the Fund.

Mandate

The mandate of the Fund as derived from sec (3) of NG-CDF Act, 2015 is to:

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;
- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

To provide leadership and policy direction for effective and efficient management of the Fund

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Core Values

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

(b) Key Management

The NGCDF LIMURU 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 2020 and who had direct fiduciary responsibility were:

N	Designation	Name
1.	A.I.E holder	LABOSO CHEPNGENO
2.	Sub-County Accountant	DOMINIC GACHANJA MATIRI
3.	Chairman NGCDFC	JAMES WAWERU NJATHI STEPHEN THIRU NJENGA

(d) Fiduciary Oversight Arrangements

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

P.O. Box 11-00217
LIMURU NG-CDF OFFICE BUILDING.
In the Deputy County Commissioner's Compound.
Limuru ,Kenya.

(f) NGCDF LIMURU Constituency Contacts

Telephone: (254) 0721-772317
E-mail: cdflimuru@ng-cdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF LIMURU Constituency Bankers

Equity Bank Limuru Branch
P.O. Box 987-00217,
Limuru, 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

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II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE.

The original budget for FY year 2019/2020 was Kshs 137,637,924 and the total expenditure was Kshs 72,280,796. The final budget was Kshs 224,170,556 inclusive of adjustments. Where else the actual expenditure translates to 32.2% of the final budget.

Limuru NG-CDF has been able to undertake projects successfully in the year, some complete and several on-going. These has not been without challenges like land ownership and title issues which the NG-CDFC has and is trying to solve those issues by following up with the relevant authorities. During the financial year expenditure delays was as a result of request for reallocation that took long to be approved by the Board and change of committee.

We look forward to a better performance in the year 2020/2021.
Some of the projects undertaken include;



Mirithu Girls Laboratory.

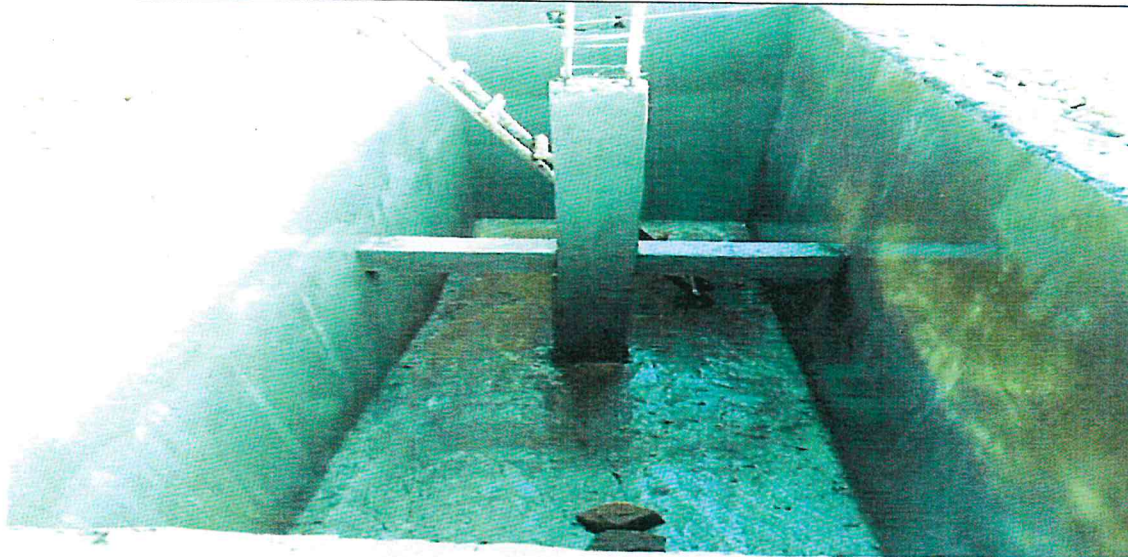
We have gone a step further to make sure that the perennial problems associated with pit latrines such as sinking, filling up, bad smell and other environmental hazards. As depicted in the following photos;

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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The modern Toilet Block.



The Old pit latrines at Kamirithu primary School.

Sign

**CHAIRMAN
NGCDF COMMITTEE**

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of National Government Limuru CDF in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government Limuru CDF performance against predetermined objectives.

The key development objectives of NGCDF-LIMURU Constituency's 2018-2022 plan are to:

Limuru constituency key development objectives as outline in its strategic plan 2010-2020. Key strategic objectives is to promote development at grassroots level with its Motto; Maendeleo Kwa Wote.

Limuru NG-CDF had earmarked to develop 2020-2030 strategic plan but the process was hampered by the Covid 19 pandemic and reconstitution of NGCDF committee. Strategic Objectives in the 2010-2020 strategic objectives in the 2010-2020 strategic plan include but no limited to;

a) Objective One: Education.

To promote and develop a good learning environment by implementing projects that improve infrastructure in schools.

b) Objective Two: Security.

To improve security in the whole constituency by implementing projects that brings security access to the people.

c) Objective Three: Women Empowerment.

To encourage women participation and economic development by ensuring that women access constituency tenders.

d) Objective Four: Youth Empowerment.

To encourage youth development by implementation projects that promotes talent development and economic independence.

e) Objective Five: Environmental Conversation.

To ensure that we implement projects that promote conversation of environment.

Limuru Constituency had endeavoured to measure its developments goals. Currently the outcomes of the specific objectives as outlined in the strategic plan includes.

Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

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Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels	In FY 19/20 - Bursary disbursed to needy students. - Expansion of day schools by building new classrooms.
Security	To improve security in the whole constituency by implementing projects that brings security access to the people.	Improved security.	- Number of security infrastructure increased.	- Chiefs and Assistant Chief's offices built. - Posting of police officers in the newly constructed police posts.
Environment	To ensure that we implement projects that promote conversation of environment.	Improved sanitation.	- Number of modern toilets increased.	We increased number of Modern Ablution blocks in the following schools/institutions 1. Tiekunu Pry school 2. Makutano Primary school 3. Kamirithu Primary Sch 4. Kinyogori Primary School 5. Ngecha Girls Sec School 6. Nyajenga Primary School 7. Nyanjega Secondary School. 8. Ndungu Girls Secondary School

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – LIMURU Constituency exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely; Education & Training, Security Sector Support, Environment, and Sports. This pillar

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also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

NG CDF Limuru Constituency endeavours to deliver its services to the community as driven by the strategic goals. Our Mission being ensuring social economic development through people's driven agenda.

In all our projects public participation and community involvement during implementation is our main pillar.

1. Sustainability strategy and profile -

To ensure sustainability of the project and community ownership, the project must be initiated by the community. Thus the community is involved throughout the process of the project identification, implementation, monitoring and Evaluation.

2. Environmental performance

As a constituency all our activities are guided by the environmental policy .We seek to ensure that our environment is protected.

Environmental Policy.

- To ensure that we prevent and minimize pollution to our environment.
- Ensure that we minimize waste during project implementation process.
- Developing management policies that ensure efficient use of water and energy.

In essence our main goal of environmental policy is to regulate resource use; reduce pollution so as to protect our natural habitat.

As a constituency some of the success so far achieved include construction of modern exhaustible toilets. This has not only reduced pollution but has also conserved our environment by ensuring that there is minimum waste. Pit latrines construction was contributing to pollution wastage of land resource among others.

3. Employee welfare

NGCDFC hiring process is guided by the employment Act and its regulation. The staff are hired through a competitive process. Gender mainstreaming is considered during employment and after. The staffs are also encouraged to improve on skills and development by providing them access to colleges. Currently some staff are undertaking short courses to improve on their skills and the management has granted them opportunity and time to attend classes. The management shall evaluate the current remuneration with reference to the job description with the aim of rewarding the staff .Annual appraisals are conducted by the management.

The management has created a good and conducive work environment.

4. Market place practices-

The Management ensures that all contractors of both works and services are engaged in a competitive manner. We encourage open tenders and ensure access to government procurement by special groups such as women and youth. The organisation ensures that all payments are prompt and that terms of contracts are honoured. We observe ethical practices in marketing and advertisement.

5. Community Engagements-

We encourage public participation on formulation of project proposals. Further upon funding we engage the community on sports activities, tree planting and sourcing of casual labourers/local materials.

NG-CDF Limuru in an effort to flatten the Covid 19 pandemic curve, hand washing tanks and provision of face masks to the community.

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V. STATEMENT OF LIMURU NG-CDF 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 National Government Limuru CDF shall prepare financial statements in respect of LIMURU NG-CDF. 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-LIMURU Constituency is responsible for the preparation and presentation of NG-CDF LIMURU financial statements, which give a true and fair view of the state of affairs of NG-CDF LIMURU for and as at the end of the financial year (period) ended on June 30, 2020. 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 NG-CDF LIMURU; (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 NG-CDF LIMURU; (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-LIMURU Constituency accepts responsibility for NG-CDF LIMURU 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 NG-CDF LIMURU financial statements give a true and fair view of the state LIMURU NG-CDF transactions during the financial year ended June 30, 2020, and of LIMURU NG-CDF financial position as at that date. The Accounting Officer charge of the NGCDF-LIMURU Constituency further confirms the completeness of the accounting records maintained for NG-CDF LIMURU, which have been relied upon in the preparation of LIMURU NG-CDF financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF-LIMURU Constituency confirms that LIMURU NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that NG-CDF LIMURU 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 LIMURU NG-CDF 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-LIMURU Constituency financial statements were approved and signed by the Accounting Officer on _____ 2020.

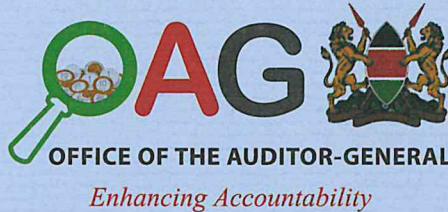



Sub-County Accountant
Name: B. MATIEL
ICPAK Member Number:
20494

THE NATIONAL TREASURY
SUB COUNTY ACCOUNTANT
LIMURU

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - LIMURU CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Limuru Constituency set out on pages 13 to 47, which comprise the statement of assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and statement of appropriation-recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Limuru Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Limuru 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 in the year under review.

Other Matter

1. Unresolved Prior Year Matters

In the report of the previous year, several issues were raised under Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. ~~However, although the Management has indicated that all the issues have been resolved,~~ the matters remained unresolved as the National Assembly has yet to deliberate on the audit report for 2018/2019.

2. Budget Execution and Performance

The summary statement of appropriation- recurrent and development combined for the year under review reflects total budgeted receipts of Kshs.196,392,134 and actual receipts of Kshs.54,024,210 resulting to underfunding of Kshs.142,367,924 or 73% of the budget. Similarly, the statement reflects final expenditure budget and actual receipts on comparable basis totaling to Kshs.224,170,556 and Kshs.72,280,794 respectively, resulting to an under expenditure amounting to Kshs.151,889,760 or 68% of the budget.

The underfunding and under expenditure may have affected delivery of services to the residents of the 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, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, management is responsible for assessing the ability of National Government Constituencies Development Fund-Limuru Constituency to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or 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 applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit

report. However, future events or conditions may cause the Fund to cease sustaining its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the National Government Constituencies Development Fund-Limuru Constituency 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

11 February, 2022




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VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	50,000,000	108,784,483
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	4,024,210	-
TOTAL RECEIPTS		54,024,210	108,784,483
PAYMENTS			
Compensation of employees	4	727,200	874,557
Use of goods and services	5	6,171,969	6,491,201
Transfers to Other Government Units	6	48,797,924	37,062,271
Other grants and transfers	7	14,686,486	41,097,000
Acquisition of Assets	8	1,897,217	
Other Payments	9		
TOTAL PAYMENTS		72,280,796	85,525,029
SURPLUS/(DEFICIT)		(18,256,586)	23,259,454

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LIMURU Constituency financial statements were approved on _____ 2020 and signed by:


Fund Account Manager
Name: Labiso O.B
LIMURU CONSTITUENCY


National Sub-County Accountant
Name: D. MATIEL
ICPAK Member Number: 204945
THE NATIONAL TREASURY
SUB COUNTY ACCOUNTANT
LIMURU

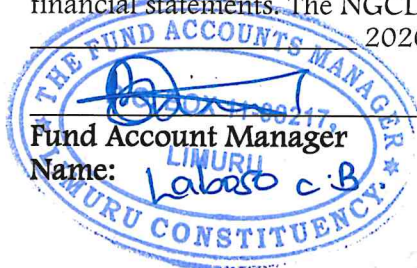



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VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	9,889,761	28,146,347
Cash Balances (cash at hand)	10B		
Total Cash and Cash Equivalents		9,889,761	28,146,347
Accounts Receivable			
Outstanding Imprests	11		
TOTAL FINANCIAL ASSETS		9,889,761	28,146,347
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A		
Deposits (Gratuity)	12B		
TOTAL FINANCIAL LIABILITES			
NET FINANCIAL ASSETS		9,889,761	28,146,347
REPRESENTED BY			
Fund balance b/fwd	13	28,146,347	4,886,892
Prior year adjustments	14		
Surplus/Deficit for the year		(18,256,586)	23,259,454
NET FINANCIAL POSITION		9,889,761	28,146,346

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LIMURU Constituency financial statements were approved on 2020 and signed by:


Fund Account Manager
Name: Labaso C.B.


National Sub-County Accountant
Name: S. MATIRI
ICPAK Member Number:

20494
**THE NATIONAL TREASURY
SUB COUNTY ACCOUNTANT
LIMURU**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
LIMURU CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2020**


IX. STATEMENT OF CASHFLOW

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	50,000,000	108,784,483
Other Receipts	3	4,024,210	-
Total receipts		54,024,210	108,784,483
Payments for operating expenses			
Compensation of Employees	4	727,200	874,557
Use of goods and services	5	6,171,969	6,491,201
Transfers to Other Government Units	6	48,797,924	37,062,271
Other grants and transfers	7	14,686,486	41,097,000
Other Payments	9	-	-
Total payments		70,383,579	85,525,029
Total Receipts Less Total Payments			
Adjusted for:			
Decrease/ (Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/ (Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
Net cash flow from operating activities		(16,359,369)	23,259,454
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2		
Acquisition of Assets	9	1,897,217	
Net cash flows from Investing Activities		1,897,217	
NET INCREASE IN CASH AND CASH EQUIVALENT		(18,256,586)	23,259,454
Cash and cash equivalent at BEGINNING of the year	13	28,146,347	4,886,893
Cash and cash equivalent at END of the year		9,889,761	28,146,347

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LIMURU Constituency financial statements were approved on 2020 and signed by:



Fund Account Manager
Name: *haboo CB*


 National Sub-County Accountant
 Name: *B. NATIEL*
 ICPAK Member Number:

20494



THE NATIONAL TREASURY
SUB-COUNTY ACCOUNTANT
LIMURU

Reports and Financial Statements
For the year ended June 30, 2020

X. 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	137,367,924	55,000,000	192,367,924	50,000,000	142,367,924.39	26.0%
Proceeds from Sale of Assets				-	-	
Other Receipts	0	4,024,210	4,024,210	4,024,210	-	100.0%
TOTAL RECEIPTS	137,367,924	59,024,210	196,392,134	54,024,210	142,367,924	27.5%
PAYMENTS						
Compensation of Employees	2,346,000	486,031	2,832,031	727,200	2,104,831	25.7%
Use of goods and services	10,017,095	3,558,208	13,575,303	6,171,969	7,403,334	45.5%
Transfers to Other Government Units	51,326,600	45,381,923	96,708,523	48,797,924.10	47,910,599	50.5%
Other grants and transfers	62,438,229	25,327,984	87,766,213	14,686,486	73,079,727	16.7%
Acquisition of Assets						
Other Payments	11,240,000.00	12,048,485	23,288,485	1,897,217	21,391,268	8.1%
TOTALS	137,367,924	86,802,632	224,170,556	72,280,796	151,889,760.25	32.2%

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

Other receipts include transfer from PMC accounts to constituency main Account.

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

- i. Not all funds were received from the board.
- ii. For the compensation of employees, the amount include the provision for service gratuity.
- iii. Use of goods and services, transfers to other government units, other grants /transfers and other payments, could not be realized as the funds were yet to be received from the board as well as reallocation of funds which were not yet approved.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LIMURU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

The NGCDF-LIMURU Constituency financial statements were approved on _____ 2020 and signed by:



Handwritten signature

Sub-County Accountant

Name: *D. MATIEL*

ICPAK Member Number:

20494

THE NATIONAL TREASURY
THE COUNTY ACCOUNTANT
SUB COUNTY LIMURU

Reports and Financial Statements
For the year ended June 30, 2020

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020 Kshs	Adjustments Kshs	Final Budget 2019/2020 Kshs	Actual on comparable basis 30/06/2020 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,346,000	486,031	2,832,031	727,200	2,104,831
1.2 Committee allowances	3,000,000	1,673,458	4,673,458	1,897,522	2,775,936
1.3 Use of goods and services	2,896,063.45	1,779,050	4,675,113.45	2,874,937	1,800,176.45
Sub-Total	8,242,063.45	3,938,539	12,180,602.45	5,499,659	6,680,943.45
2.0 Monitoring and evaluation					
2.1 Capacity building	1,421,031.73	(230,300)	1,190,731.73	257,370	933,361.73
2.2 Committee allowances	2,200,000	336,000	2,536,000	788,510	1,747,490
2.3 Use of goods and services	500,000	-	500,000	353,630	146,370
Sub-Total	4,121,031.73	105,700	4,226,731.73	1,399,510	2,827,221.73
3.0 Emergency	7,198,241.38	3,591,902.22	10,790,143.60	4,186,636	6,603,507.60
4.0 Bursary and Social Security					
4.1 Primary Schools					
4.2 Secondary Schools	22,900,000	9,003,500	31,903,500	141,750	31,761,750
4.3 Tertiary Institutions	11,445,279.24	(3,260,972)	8,184,307.24	813,100	7,371,207.24
4.4 Special Schools		(318,000)	(318,000)	-	(318,000)
4.5 Universities					
4.6 Social Security					
Sub-Total	34,345,279.24	5,424,528	39,769,807.24	949,850	38,819,957.24
5.0 Sports	2,747,354.49	4,136,179	6,883,533.49	-	6,883,533.49
6.0 Environment					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LIMURU CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2020**

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Kiawaroga primary School	392,479.21	-	392,479.21	-	392,479.21
Tutu Primary school	392,479.21	-	392,479.21	-	392,479.21
Gitutha Primary school	392,479.21	-	392,479.21	-	392,479.21
Tiekunu Primary School	392,479.21	-	392,479.21	-	392,479.21
Kabuku Primary School	392,478.84	-	392,478.84	-	392,478.84
Galiura primary School	392,479.21	-	392,479.21	-	392,479.21
Rironi Primary School	392,479.21	-	392,479.21	-	392,479.21
Tree Planting at Ngubi		227,586	227,586	-	227,586
Ngacha Primary School		331,582	331,582	-	331,582
Manguo Secondary School		325,000	325,000	-	325,000
Githunguchu Primary School		400,000	400,000	-	400,000
Rwacumari Primary School		400,000	400,000	-	400,000
Mijithu Primary School		400,000	400,000	-	400,000
Mukoma Secondary School		325,000	325,000	-	325,000
Tharuni Primary School		86,000	86,000	-	86,000
Githunguchu Primary School		86,000	86,000	-	86,000
Kiawaroga Primary School		86,000	86,000	-	86,000
Muna Secondary School		86,000	86,000	-	86,000
Rongai Primary School		86,000	86,000	-	86,000
Rwaka Primary School		86,000	86,000	-	86,000
St John Bosco Pry School		86,000	86,000	-	86,000
Kamirithu Pry School		86,000	86,000	-	86,000
St Paul's Pry School		86,000	86,000	-	86,000
Ngarariga sec School		86,000	86,000	-	86,000
Kinyogori High School		86,000	86,000	-	86,000
Kamirithu Secondary School		80,000	80,000	-	80,000
Kapuku Secondary School		88,207	88,207	-	88,207
Nyataragi Primary School		86,000	86,000	-	86,000

**Reports and Financial Statements
For the year ended June 30, 2020**

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Kiawanda Primary School		86,000	86,000	-	86,000
Kiriri Primary School		86,000	86,000	-	86,000
Tigoni Primary School		86,000	86,000	-	86,000
Limuru Model Primary School		86,000	86,000	-	86,000
Tiekunu Primary School		86,000	86,000	-	86,000
Kabuku Primary School		86,000	86,000	-	86,000
Sub-Total	2,747,354.10	4,125,375.00	6,872,729.10	-	6,872,729.10
7.0 Primary Schools Projects (List all the Projects)					
Bibirioni Primary School	1,500,000	1,455,993.45	2,955,993.45	2,855,993.45	100,000
Bibirioni Primary School	110,400	-	110,400	-	110,400
Gatimu Primary School	5,500,000	-	5,500,000	-	5,500,000
Gatimu Primary School	76,800	-	76,800	-	76,800
Gatimu Primary School		180,000	180,000	-	180,000
Gatuura Primary School		2,342,000	2,342,000	2,000,000	342,000
Githunguchu Primary School	316,800	-	316,800	-	316,800
Gitutha Primary School	192,000	-	192,000	-	192,000
Gitutha Primary School		144,000	144,000	-	144,000
Jonathan Maara Primary School	1,500,000	-	1,500,000	1,500,000	-
Jonathan Maara Primary School		256,500	256,500	-	256,500
Kabuku Primary School	331,200	-	331,200	-	331,200
Kamandura Primary School		200,000	200,000	-	200,000
Kamandura Primary School	60,000	-	60,000	-	60,000
Kamandura primary School	960,000	-	960,000	-	960,000
Kamandura Primary School		200,000	200,000	-	200,000
Kamirithu Primary School	200,000	1,500,000	1,700,000	1,700,000	-
Kamirithu Primary School		337,500	337,500	-	337,500

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LIMURU CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2020**

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Kiawanda Primary School	76,800	-	76,800	-	76,800
Kiawanda primary School		225,000	225,000	225,000	-
Kiawaroga Primary School	60,000	-	60,000	-	60,000
Kiawaroga Primary School	556,800	-	556,800	-	556,800
Kiawaroga Primary School		557,500	557,500	-	557,500
Kiawaroga Primary School		459,000	459,000	-	459,000
Kinyogori Primary School	200,000	1,500,000	1,700,000	1,700,000	-
Kinyogori Primary School	76,800	-	76,800	-	76,800
Kiriri Primary School	1,000,000	1,000,000	2,000,000	1,000,000	1,000,000
Kiriri Primary School		198,000	198,000	-	198,000
Limuru Mission Primary School	1,560,000	-	1,560,000	-	1,560,000
Limuru Mission Primary School		585,000	585,000	-	585,000
Limuru Mission Primary School		585,000	585,000	-	585,000
Limuru Model Primary School		832,500	832,500	-	832,500
Limuru Town Primary School	1,000,000	1,000,000	2,000,000	-	2,000,000
Limuru Town Primary School	676,800	-	676,800	-	676,800
Mahinga Primary School	67,200	-	67,200	-	67,200
Makutano Primary School	1,200,000	1,500,000	2,700,000	2,700,000	-
Makutano Primary School	177,600	-	177,600	-	177,600
Manguo Primary School	820,800	-	820,800	-	820,800
Murengeti Primary School	200,000	1,500,000	1,700,000	1,700,000	-
Nderu Primary School	2,000,000	1,500,000	3,500,000	3,500,000	-
Ngarariga Primary School	200,000	-	200,000	-	200,000
Ngarariga Primary School		315,000	315,000	-	315,000
Ngecha Primary School	1,000,000	1,500,000	2,500,000	2,500,000	-
Ngecha Primary school		585,000	585,000	-	585,000
Nyanjega Primary School	200,000	1,500,000	1,700,000	1,700,000	-
Nyanjega Primary School		202,500	202,500	-	202,500

**Reports and Financial Statements
For the year ended June 30, 2020**

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Nyataragi Primary School		180,000	180,000	-	180,000
Rironi Primary School	547,200	-	547,200	-	547,200
Rongai Primary School	60,000	-	60,000	-	60,000
Rongai Primary School	446,400	-	446,400	-	446,400
Rongai Primary School		292,500	292,500	-	292,500
Rwacumari primary School	249,600	-	249,600	-	249,600
Rwaka Primary School	254,400	-	254,400	-	254,400
Rwaka Primary School		1,950,000	1,950,000	1,500,000	450,000
Rwaka Primary School		441,000	441,000	-	441,000
Rwamburi Primary School	1,200,000	1,200,000	2,400,000	1,200,000	1,200,000
Rwamburi Primary School		139,500	139,500	-	139,500
St John Bosco primary School	60,000	-	60,000	-	60,000
Rironi Primary School				1,700,000	(1,700,000)
St Pauls Primary School		450,000	450,000	-	450,000
St Paul's Primary School	465,600	1,629,000	2,094,600	1,629,000	465,600
Tharuni Primary School		301,500	301,500	-	301,500
Thigio Primary School	124,800	-	124,800	-	124,800
Tiekunu Primary School		305,930	305,930	305,930	-
Tiekunu Primary School	200,000	1,500,000	1,700,000	1,700,000	-
Tiekunu Primary School	422,400	-	422,400	-	422,400
Tigoni Primary School	883,200	-	883,200	-	883,200
Tigoni Primary School		900,000	900,000	-	900,000
Tutu Primary School	148,800	-	148,800	-	148,800
Umoja Primary School	384,200	-	384,200	-	384,200
Umoja Primary School		202,500	202,500	-	202,500
Umoja Primary School	1,000,000	-	1,000,000	1,000,000	-
Sub-Total	28,266,600	31,652,423.45	59,919,023.45	32,115,923.45	27,803,100
8.0 Secondary Schools Projects	(List				

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LIMURU CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2020**

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
all the Projects)					
Gichuru High School	1,500,000	2,000,000	3,500,000	1,000,000	2,500,000
Ngecha Girls High School	200,000	-	200,000	-	200,000
Ngecha Girls High School	4,500,000	-	4,500,000	4,500,000	-
Kamirithu Secondary School	5,500,000	40,000	5,540,000	40,000	5,500,000
Ngenia High School	6,000,000	-	6,000,000	-	6,000,000
Ngjirubi Secondary School	1,500,000	2,000,000	3,500,000	3,500,000	-
Muna Secondary School	1,860,000	-	1,860,000	-	1,860,000
Nyanjega Secondary School	1,800,000	1,500,000	3,300,000	800,000	2,500,000
Umjoja Secondary School	-	202,500	202,500	-	202,500
Nyanjega Sec School	-	200,000	200,000	-	202,500
St Mary's Girls CCTV	-	5,200,000	5,200,000	5,200,000	-
Muna Sec School	-	225,000	225,000	-	225,000
Kapuku Secondary Sch	-	225,000	225,000	-	225,000
Nyanjega Sec School	-	225,000	225,000	-	225,000
Umjoja Secondary School	-	270,000	270,000	-	270,000
Mirithu Girls Sec school	-	1,500,000	1,500,000	1,500,000	-
Tigoni secondary School	-	142,000	142,000	142,000	-
Umjoja Secondary School	200,000	-	200,000	-	200,000
Sub-Total	23,060,000	13,729,500	36,789,500	16,682,000	20,107,500
9.0 Tertiary institutions Projects all the Projects)					
9.1					
9.2					
10.0 Security Projects					
Thigio Police Post	2,000,000	-	2,000,000	-	2,000,000
Limuru Police Sub-county HQ and Police station	4,000,000	-	4,000,000	-	4,000,000
Ngarariga Chief's office	2,200,000	-	2,200,000	1,500,000	700,000

**Reports and Financial Statements
For the year ended June 30, 2020**

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Asst Chief's Office Thingati	2,000,000	-	2,000,000	-	2,000,000
Asst Chief's office Kiroe	2,200,000	-	2,200,000	-	2,200,000
Thigio Chief's office	2,200,000	-	2,200,000	1,500,000	700,000
Ngecha Chief's Office	200,000	-	200,000	-	200,000
Mabroukie Chief's Office	200,000	-	200,000	-	200,000
Limuru Town Chief's office	200,000	-	200,000	-	200,000
Rironi Chief's Office	200,000	-	200,000	-	200,000
Nazareth Police Post	-	1,500,000	1,500,000	-	1,500,000
Rironi Chief's Office Multipurpose Hall	-	3,700,000	3,700,000	3,700,000	-
Mbari Ya Giathi	-	2,850,000	2,850,000	2,850,000	-
Sub-Total	15,400,000	8,050,000	23,450,000	9,550,000	13,900,000
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					
12.0 Others					
Limuru ICT Hub	2,500,000	2,339,256.80	4,839,256.80	-	4,839,256.80
Kamandura Centre Floodlight	1,500,000	-	1,500,000	-	1,500,000
Rironi Centre Floodlight	1,500,000	-	1,500,000	-	1,500,000
Jomaris Centre Floodlight	1,500,000	-	1,500,000	-	1,500,000
Makutano Centre Floodlight	1,500,000	-	1,500,000	-	1,500,000
Limuru Technical Training Institute	2,740,000	-	2,740,000	-	2,740,000
NG- CDF office		2,813,034.49	2,813,034.49	1,897,217	915,817.49
Limuru treasury transfer		3,096,194	3,096,194	-	3,096,194
KINYOGORI ACCESS ROAD		300,000	300,000	-	300,000
STRATEGIC PLAN		3,500,000	3,500,000	-	3,500,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LIMURU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Sub-Total	11,240,000	12,048,485.29	23,288,485.29	1,897,217	21,391,268.29
GRAND TOTAL	137,367,924.39	86,802,631.96	224,170,556.35	72,280,795	151,889,760.90

(NB: This statement is a disclosure statement indicating the utilisation in the same format at NG-CDF LIMURU budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)

XII. 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-LIMURU. The financial statements encompass 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 LIMURU NG-CDF for all the years presented.

a) Recognition of Receipts

Limuru NG-CDF recognises all receipts from the various sources when the event occurs and the related cash has actually been received by Limuru NG-CDF.

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 Limuru NG-CDF)

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 LIMURU NG-CDF.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
LIMURU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

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 LIMURU NG-CDF 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 2020, 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

LIMURU NG-CDF recognises all payments when the event occurs and the related cash has actually been paid out by LIMURU NG-CDF.

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 LIMURU NG-CDF 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 LIMURU NG-CDF 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, LIMURU NG-CDF 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 LIMURU NG-CDF at the end of the year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

10. Unutilized Fund

Unutilized funds consist of bank balances in the constituency account and funds not yet disbursed by the Board to the constituency at the end of the financial year. These balances are available for use in the subsequent financial year to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(2) of NGCDF Act, 2015.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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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 2019 for the period 1st July 2019 to 30th June 2020 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 2020.

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) –
LIMURU CONSTITUENCY**

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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board			
AIE NO BO30194	1		10,000,000
AIE NO B006427	2		6,000,000
AIE NO B047023	3		28,000,000
AIE NO B030480	1		43,405,173
AIE NO B005007	2		10,000,000
AIE NO B005062	3		11,379,310
AIE NO B041108		4,000,000	
AIE NO B042782		16,000,000	
AIE NO.B096651		10,000,000	
AIE NO B096597		10,000,000	
AIE NO B104103		10,000,000	
TOTAL		50,000,000	108,784,483

2. PROCEEDS FROM SALE OF ASSETS

	2019-2020	2018-2019
	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	-	-
	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	4,024,210	-
		-
Total	4,024,210	

4. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	720,000	866,357
Personal allowances paid as part of salary		
Pension and other social security contributions (Gratuity)		
Employer Contributions Compulsory national social security schemes	7,200	8,200
Total	727,200	874,557

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	4,156,698	2,986,542
Utilities, supplies and services	138,859	193,975
Communication, supplies and services	97,500	64,300
Domestic travel and subsistence	70,439	85,000
Printing, advertising and information supplies & services		-
Rentals of produced assets		-
Training expenses	467,280	1,730,300
Hospitality supplies and services		129,075
Insurance costs	24,108	24,108
Specialized materials and services	50,000	-
Office and general supplies and services	803,817	982,593
Other operating expenses	148,210	104,201
Routine maintenance – vehicles and other transport equipment	182,908	142,783
Routine maintenance – other assets	32,150	6,500
Total	6,171,969	6,491,201

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	32,115,924	22,003,261
Transfers to secondary schools (see attached list)	16,682,000	15,059,010
Transfers to tertiary institutions (see attached list)		
Transfers to health institutions (see attached list)		
TOTAL	48,797,924	37,062,271

7. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	136,750	15,736,500
Bursary – tertiary institutions (see attached list)	813,100	12,822,500
Bursary – special schools (see attached list)		318,000
Mock & CAT (see attached list)		
	9,550,000	11,220,000
Security projects (see attached list)		
Sports projects (see attached list)		
Environment projects (see attached list)		
Emergency projects (see attached list)	4,186,636	1,000,000
Total	14,686,486	41,097,000

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

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings		
Construction of Buildings	1,897,217.00	-
Refurbishment of Buildings		-
Purchase of Vehicles and Other Transport Equipment		-
Overhaul of Vehicles and Other Transport Equipment		-
Purchase of Household Furniture and Institutional Equipment		-
Purchase of Office Furniture and General Equipment		-
Purchase of ICT Equipment, Software and Other ICT Assets		-
Purchase of Specialised Plant, Equipment and Machinery		-
Rehabilitation and Renovation of Plant, Machinery and Equip.		-
Acquisition of Land		-
Acquisition of Intangible Assets		-
Total	1,897,217.00	-

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

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

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
EQUITY BAK ACCOUNT NO :0690264049532	9,889,761	28,146,347
Total		
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

Total

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

12A. RETENTION

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Supplier 1		
Supplier 2		
Supplier 3		
Total		

[Provide short appropriate explanations as necessary]

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Name 1		
Name 2		
Name 3		
Add as appropriate		
Total		

[Provide short appropriate explanations as necessary]

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	28,146,347	4,886,893
Cash in hand		
Imprest		
Total	28,146,347	4,886,893

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
Description of the error	Kshs	Kshs	Kshs
Bank account Balances			
Cash in hand			
Accounts Payables			
Receivables			
Others (<i>specify</i>)			

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST'

	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2019 - 2020	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July 2019 (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

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

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	-	-
Use of goods and services	-	-
Amounts due to other Government entities (see attached list)	-	-
Amounts due to other grants and other transfers (see attached list)	-	-
Acquisition of assets	-	-
Others (<i>specify</i>)	-	-
	-	-

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

17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	50,190,367	14,044,154
	50,190,367	14,044,154

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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 2020	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					

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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 2020	Comments
Senior Management		a	b	c	d=a-c	
1.						
2.						
3.						
	Sub-Total					
Middle Management						
4.						
5.						
6.						
	Sub-Total					
Unionisable Employees						
7.						
8.						
9.						
	Sub-Total					
Others (specify)						
10.						
11.						
12.						
	Sub-Total					
	Grand Total					

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees				
Use of goods & services				
Amounts due to other Government entities				
	Sub-Total			
Amounts due to other grants and other transfers				
	Sub-Total			
Acquisition of assets				
Others (<i>specify</i>)				
	Sub-Total			
	Grand Total			

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LIMURU CONSTITUENCY

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/2019.
Land				
Buildings and structures	9,997,542	2,102,874		7,894,668
Transport equipment	3,800,000			3,800,000
Office equipment, furniture and fittings	2,406,540	29,994		2,376,546
ICT Equipment, Software and Other ICT Assets	1,350,670	7820		1,342,850
Other Machinery and Equipment	582,660			582,660
Heritage and cultural assets				
Intangible assets				
Total	18,137,412	2,140,688		15,996,724

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2020

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Mbari Ya Giathi	Equity Bank	0690279252036	1,214,888	2,850,000
Bibirioni Primary School	Co-operative	1141542502900	2,855,993.45	-
Kamirithu Secondary School	Co-operative	1141541414800	76,000	-
Tiekunu Primary School	KCB	1210431793	1,700,000	-
Mirithu Girls Secondary School	Co-operative	1141542733400	-	744,908
Kiriri Primary School	Family Bank	047000034764	1,052,204	52,204
Ngecha Primary School	NBK St Paul's Branch	1285121850300	2,500,000	-
Rwamburi Primary School	Family Bank	047000040062	1,200,000	-
Gatuura Primary School	Family Bank	047000034762	2,000,000	-
Rironi Chief's Office Multipurpose Hall	Equity	0690277724123	6,121,395	3,500,000
Nyanjega Secondary School	Equity	0690279757634	800,000	-
Murengeti Primary School	Equity	0690263440640	1,700,000	-
Kinyogori Primary School	KCB	1210432021	1,700,000	-
Kamirithu Primary School	Co-operative	01141542009000	1,700,000	-
Nyanjega Primary School	Equity	0690263440818	1,700,000	-
Nderu Primary School	Co-operative	01141542531800	3,500,000	161,784
Tharuni Primary School	National Bank Limuru	01024050998000	1,800,000	800,000
Umoja Primary School	NBK St Paul's Branch	01285050650100	1,000,000	-
Makutano Primary School	KCB	1199395463	2,700,000	-
Nguirubi Secondary School	Equity	0690278986565	3,900,000	400,000
Ndungu Girls Secondary School	Equity	0690279824820	1,700,000	-
Gichuru High School	Family Bank	0470000307787	1,400,000	400,000
Thigio Chief's Office	Equity	0690279824820	1,500,000	-
Ngarariga Chief's Office	Equity	0690279824834	1,500,000	-

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PMC	Bank	Account number	Bank	Bank
			Balance 2019/20	Balance 2018/19
Rironi Primary School	Equity	0690279831481	1,700,000	-
Jonathan Maara Primary School	Equity Bank	0690263441458	1,629,887	3,595,258
Ngecha Girls High School	KCB	1204221022	1,540,000	1,540,000
Total			50,190,367	14,044,154

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	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)
4.2 Non-Compliance with reporting Template	<ol style="list-style-type: none"> The financial statements have not been numbered properly. The page numbering goes to page 19 and then starts at 14 on the next page erroneously. The statement of assets and liabilities as at 30 June 2019 reflects a Nil balance for prior year adjustment while note 14 to the financial statements reflects a balance of Kshs.4,886,893 for the same item. No explanation was given for the variance. The statement of entity management responsibility, statement of receipts and payments, statement of assets and liabilities, and statement of cash flow have been signed by the sub-county accountant. However, the accountant did 	<ol style="list-style-type: none"> The financial statement well numbered is hereby submitted to the auditor for verification. There was a typing error of Kshs 4,886,893 as a prior year adjustment and it has since been corrected. This was previous year cash book balance erroneously posted. The accountant has since entered his ICPAK number as required in the financial statements submitted. 	Fund Account Manager.	Resolved	Yet to receive the certificates.

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**Reports and Financial Statements
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	not include the ICPAK number as required by the reporting template.				
4.4.1 Delayed project- Ngarariga primary school Kshs. 1,500,000	Upon scrutiny of payment vouchers and project files revealed that a total of Kshs.1, 500,000 was allocated towards construction of one block of toilet at Ngarariga Primary School. The project was done by Bochos Construction Company at a contract sum of kshs.1, 488,890.	The project in Ngarariga Primary School was delayed as a result of insufficient funds to complete the project. The project was allocated additional funds in the FY 2019/2020 codelist.	FAM.	Resolved	Yet to receive the certificates.