

REPUBLIC OF KENYA



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REPORT

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BY:

OF The Majority Whip
Benet Hon. E. Wangwe MP
Benron Inzovu.

CLERK-AT
THE-TABLE:

THE AUDITOR-GENERAL

ON

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

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



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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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

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Core Values

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

(b) Key Management

The NGCDF Rabai day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituency Development Fund Committee (NGCDFC)

(c) Fiduciary Management

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

No.	Designation	Name
1.	A.I.E holder	Flora Mutua
2.	Sub-County Accountant	Halima Abuu
3.	Chairlady NGCDFC	Mariam Ali Mohammed
4.	Member NGCDFC	Rashid Saburi Champonola

(d) Fiduciary Oversight Arrangements

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

NG-CDF Rabai
P.O. Box 119-801143
Mazeras

Telephone: (254) 0703 155 871
E-mail: cdfrabai@ngcdf.go.ke

(f) Rabai NG- CDF Bankers

African Banking Corporation
P.O Box 46452-00100
Nairobi
Mombasa Branch,
Account Number 003215001001384

(g) Independent Auditors

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

(h) Principal Legal Adviser

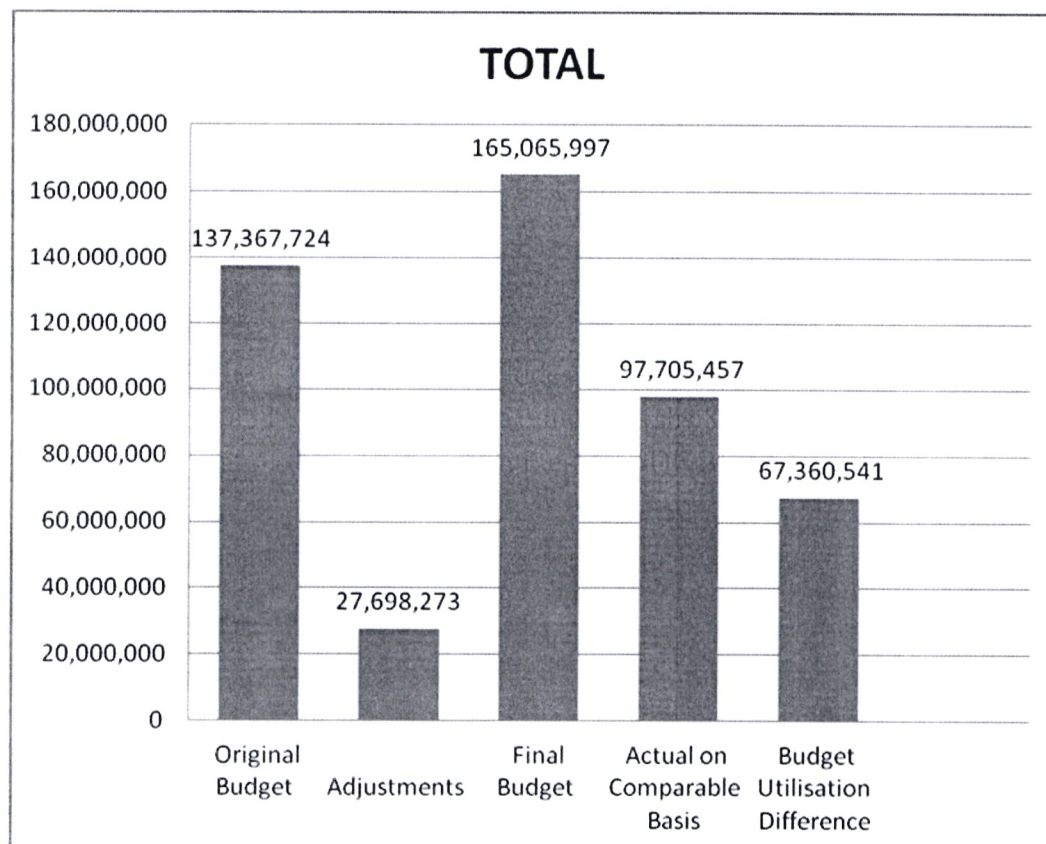
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

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

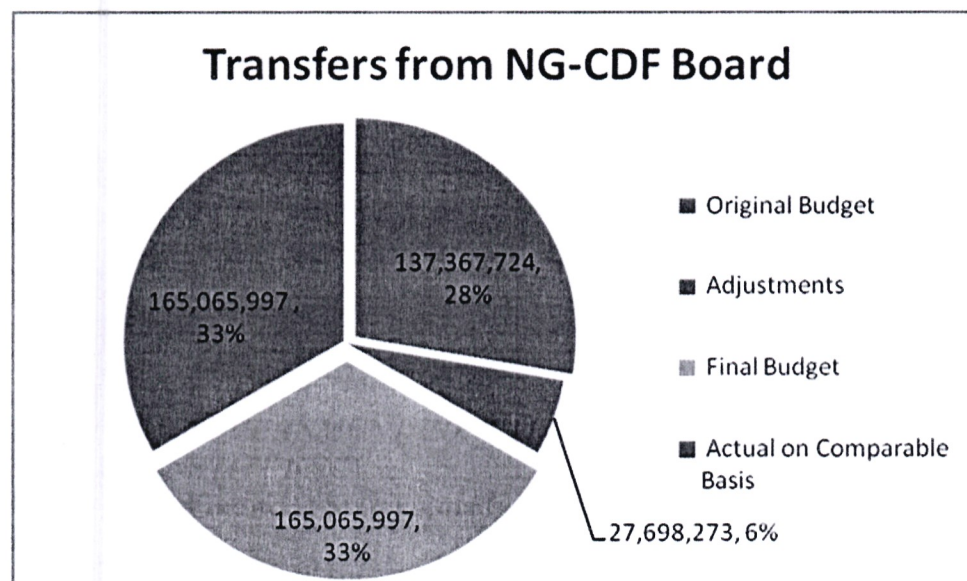
II. FORWARD BY THE CHAIRLADY NG-CDF COMMITTEE

The NG-CDF Rabai had a final budget of Kshs.165, 065,997 (hereafter referred to as the budget) for the FY2019/2020. The budget is the summation of our original budget of Kshs. 137,367,724 and adjustments amounting to Kshs. 27,698,273.

The bar graph below shows a summary of the NG-CDF Rabai statement of appropriation for the FY2019/2020.



The budget for the FY 2019/2020 includes a receipt payment consisting only of transfers from the NG-CDF Board and sale of tender documents Kshs.85, 500; there were no proceeds from sale of assets. The receipt of the transfers from the NG-CDF Board is clearly shown in the pie chart below:



As per the NG-CDF Bill 2015, 6% of the budget was allocated for administrative and recurrent expenditure purposes. The NG-CDFC Rabai therefore set aside Kshs. 3,414,665 as the compensation for employees; 88% of the allocation was effectively utilised and as at 30 June 2020 we only had a remainder of Kshs. 408,321. On recurrent expenditure, we set aside Kshs. 11,548,075 for the use of goods and service that aid in the operations of the office. Such allocation enhanced our operations and as 30 June 2020 67% of the allocation had been used with only Kshs. 3,757,875 remaining unused.

Education is an equalizer in life and thus we have endeavoured ourselves to streamline and empower the education system in our constituency. The NG-CDF Rabai has carried out various projects, ranging from construction of classroom blocks to provision of desks, in our institutions of learning. NG -CDF Rabai had eleven primary and five secondary schools projects started and completed in the FY 2019/2020

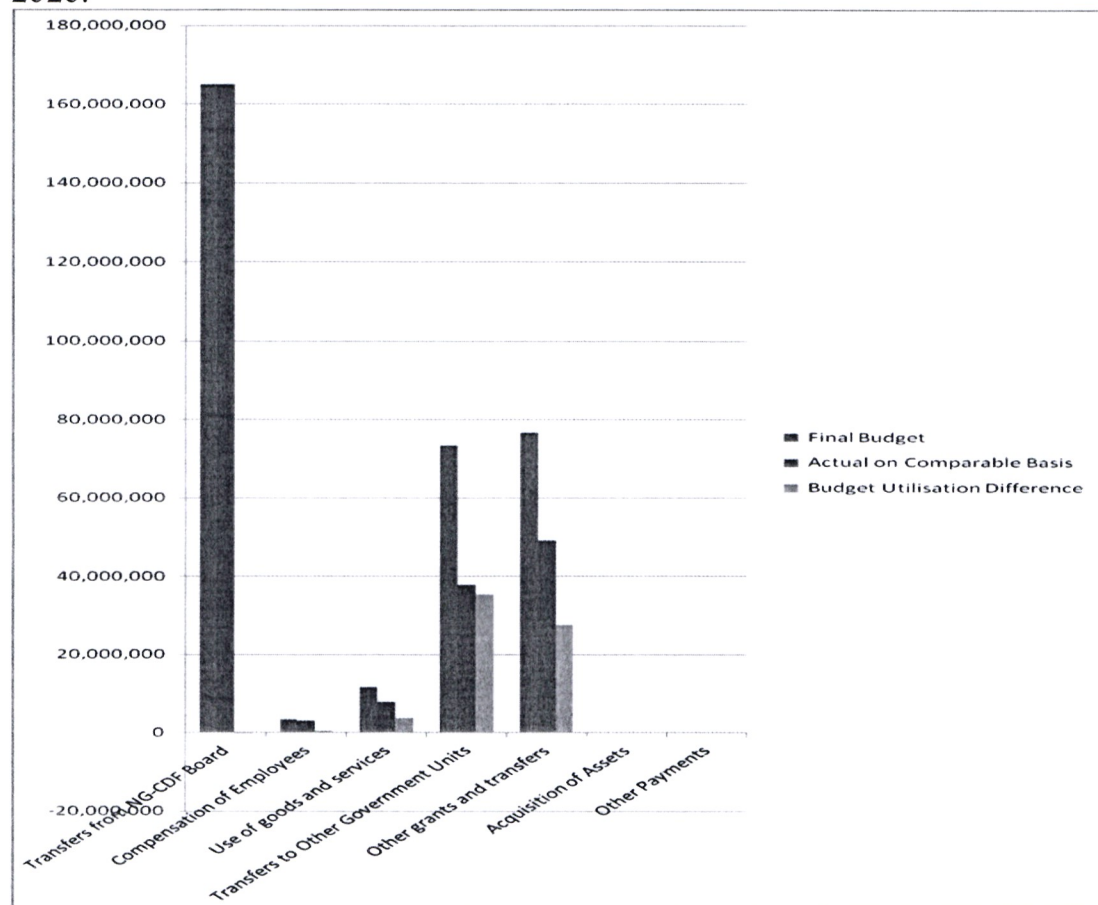
The NG-CDF has also offered bursaries totalling to Kshs. 32,488,380 as at FY 2019/2020. Such an amount has enabled many bright and needy students to seamlessly continue with their education. We estimate that our constituency will have more than 165 students graduating from universities and colleges before the end of the five-year strategic plan period. Such students will in turn go on to be at the forefront of Rabai Constituency's prosperity.

Four security projects were constructed and completed in the FY 2019/2020.

The NG-CDF Rabai has made a big stride in the FY 2019/2020 towards the actualization of the objectives set aside for the strategic theme of Environment in our five-year strategic plan. We bought a 10,000L tank and built gutters at Kawala Girls Secondary School and Buni Primary School that will encourage water harvesting for washing hands as precaution to prevent spread of covid-19.

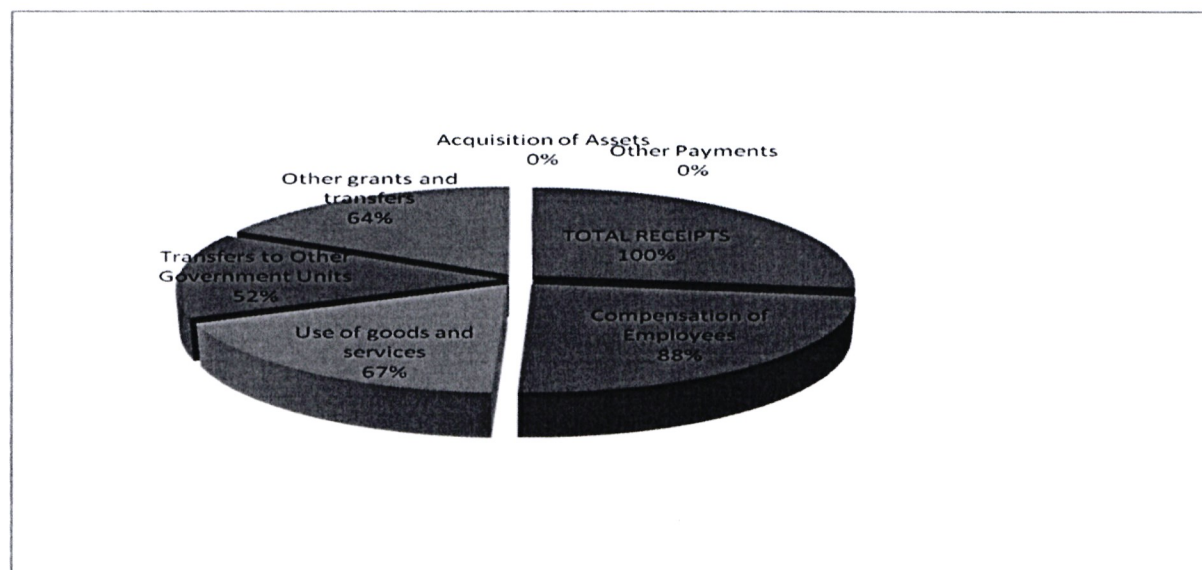
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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The bar graph below shows the payments done by the NG-CDF Rabai for the year ended June 30, 2020.



There was an underutilisation of funds in the “Other grants and transfers” and the “Use of goods and services” sections due to the delayed disbursement of funds from the NG-CDF Board.

The pie chart below clearly shows the % utilisation for the various payments done by the NG-CDF Rabai as at June 30, 2020



Emerging issues

Member noticed that emerging issues normally hinders independence decision making over CDF operations by the CDFC members. Some of the emerging issues are like state directive, the big four agendas. all CDF projects must incorporate the big four agenda of the Jubilee government ,this forces members not to have independent decision in proposal submission to the Board as they were forced to bid by the state directive.

Another directive is the one hundred percent transition. This brought about huge enrolment to the available secondary school compiling CDF to stretch their muscles and construct enough secondary schools to counter the huge enrolment.

Challenges and way forward

Poor road network: –Some projects could not be implemented within the stipulated time due to poor road network. This has resulted to Bwagamoyo, Kawala Girls' secondary school and Buni primary school attracting very few bidders. The worst hit primary schools were Jimba , Kajiwe and Mgalla primary schools were the road joining the two schools was swept away by heavy rains hindering pupils, teachers and parents from attending schools. NG-CDF Rabai was left with no choice rather than constructing the road using emergency funds.

Late disbursement of funds from the Board: This has really affected the CDFC operations resulting to untimely implementation of projects thus not delivering the expected services in time. Board should ensure timely disbursement of funds.

Lack of technical officers: Rabai does not have government technical officers' station in the sub county hence resulting to slow pace in implementation of projects as the PMCs rely on officers from other the neighbouring sub county.

Insufficient allocation of funds: The allocation provide for the constituency is not sufficient enough to address the National Government functions as per the needs capture in the strategic plan. CDFC Rabai requests the board to increase allocation to the constituency.

Signed by:



Miriam Ali Mohammed
CHAIRLADY NG-CDF COMMITTEE

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

The constituency has identified seven (7) strategic themes as a guide in developing the constituency. These are: Education Accessibility; Security; Youth and Sports; Environment; Emergency Support; Tracking of Results; and Institutional Strengthening.

To address these strategic themes, the constituency has formulated a number of strategic objectives and activities in order to realize the community aspirations. Some of these include:

- a) Improving access to quality education through: rehabilitation/renovation/construction of classrooms in various primary and secondary schools in the constituency, targeting mostly high volume schools (*those with more than 600 pupils*). In total, 181 class rooms will be constructed; purchase and supply of desks/lockers targeting 33 schools; construction of staff houses in all secondary schools and selected primary schools – 40 schools are targeted; construction/rehabilitation of laboratories in secondary schools in the constituency (priority will be given to schools without a laboratory - 8 schools are set to benefit); supply of laboratory equipment to all secondary schools; provision of water harvesting structures to 40 schools; construction/rehabilitation of toilet blocks in both primary and secondary schools. A total of 42 schools are set to benefit within the plan period.

Adult Education Centres (AECs) will be put up in the four wards to instil basic skills to Rabai elderly. For expansion purposes, three (3) schools will benefit from an acre piece of land (Masaani, Chonyi and Chiferi Primary Schools). Additionally, at least two (2) new primary schools and two (2) secondary schools will be constructed to offload pupils from high volume schools in Rabai Kisurutini and Mwawesa Wards. New secondary schools are proposed in Ruruma (Masaani) and Rabai Kisurutini (Kaliang'ombe).

To enhance transition rates, the constituency will increasingly provide bursary to needy and bright secondary school/tertiary institutions' students. It should be noted that the constituency allocation for bursary has been increasing since 2013/14, from Kshs. 16.4 million to Kshs. 28 million in 2017/18, representing 70.7 per cent increase.

The constituency will further complete the construction of a technical training institute in Gandani in addition to equipping and connecting the Kambe polytechnic to the national grid. Efforts will be made to initiate/attract the setting up of middle level collages in the constituency.

- b) Harnessing youth talent by funding youth sporting initiatives, creating awareness on the establishment of youth groups, and seeking development fund loans, and promoting youth talent. Efforts will be made to sensitize the youth on the importance of acquiring life skills.
- c) Promoting environment in the constituency by organizing tree planting days. In the NGCDF Act 2015, environmental activities may be considered as development projects, provided the allocation to such activities does not exceed two percent (2%) of the total allocation of the constituency in any financial year. As part of affording sustainable environment, asbestos roofs in Mikomani Primary School will be replaced with iron sheets.
- d) Catering for any unforeseen occurrences in the constituency (*emergency support*).
- e) Enhancing security in the constituency by constructing chiefs' and sub-chiefs' offices, AP housing units; constructing/rehabilitating chiefs' offices, Police stations, and Police housing units, among other initiatives.

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

- f) Improving the tracking of implementation NGCDF programmes. In the NGCDF Act 2015, monitoring and evaluation of ongoing, projects and capacity building of various operatives has been considered as a development project provided that not more than three percent (3%) is allocated for this purpose.
- g) Promoting performance management and smooth running of the NGCDF office.

Progress on attainment of strategic development objectives

Constituency Programme	Objective	Outcome	Indicator	performance
EDUCATION	To have all children of School going Age attending School	Increase enrolment in primary school and improve transition to Secondary school and tertiary institution	Numbers of usable physical infrastructure build in primary and secondary school. Number of bursary beneficiaries at all levels.	In FY 19/20 Rabai NG-CDF increased number of Primary School Classrooms by 21 and an administration block, and in secondary school one administration block, a twin Science lab and 24 toilets.
SECURITY	To have private and public properties protected and life of people protected too.	Peace and cohesion among the constituents	Physical usable infrastructure build to give security organs convenient working space	In FY 19/20 offices of Assistant Chief's increased by 4. This leaves only one assistant chiefs in Rabai without an office
ENVIRONMENT	To have all National Government Institution environmental friendly.	Soil erosion controlled , water wastage controlled and sanitation improved	Usable physical items for water harvesting put in place and toilets built	In FY 19/20 water harvesting system were implemented in Kawala Girls Secondary school and Buni Primary school toilets were built at Mwanjama primary school and Kambe Assistant Chiefs office.

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SPORTS	To nature talents of youth in within Rabai Constituency	To have all teams of football and netball have a competitive space to display their talents.	Playing grounds being maintained and sports items being distributed to players.	In FY 19/20 sports items shall be bought and a sub-county tournament of football and netball conducted.
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IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

In line with NGCDF Act, Rabai Constituency has the task of ensuring public involvement in project identification, prioritization of projects and adequate allocation of funds to the projects. The abovementioned was done by NGCDF Rabai has always highlights Corporate Responsibility as a means with relevance for public policy actualization with the aim of enhancing sustainable and inclusive development programmes in the constituency. Funds received from the NG CDF board have a lot of credence in development agenda which drives on a delicate thread of enormous community expectations. In enhancing the financial trust in various sectors, we assessed the risks factors, long term and short term performance. We further looked at performance on responsible leadership in regard to the attention of the people. Ng-CDF Rabai main objective has remained as management of public resources to the constituents and transform livelihoods. To achieve the set goals we embarked on social sector, namely; Education & Training, Security Sector Support, Environment, and Sports. The marginalized groups have also been factored in the programme not been left out

1. Sustainability strategy and profile –

NG CDF Rabai has roadmap towards the delivery of quality corporate social responsibility service to its residents. The Plan was prepared through a participatory approach that ensured consultations and involvement of the people of Rabai, their leaders and external stakeholders at all stages. It has set out its preferred future (Vision), Mission, Core Values, Goals and Strategic Objectives as well as strategies and targets. The Plan includes Situational Analysis, the Strategic Model, Plan Implementation Framework, Funding Requirements and Sources and Monitoring and Evaluation.

For the NG CDF Rabai has implement its Plan effectively by addressing any structural challenges and enhancing capacity building within itself, engaging all the stakeholders for their contribution and promote innovativeness, creativity and professionalism towards the realization of the set goals. In order to realize its objectives, the constituency has strategically focused on its functions and operations through a vision, mission and core values which are the guiding principles. The constituency will uphold the following core values:

- a) Honesty and Integrity: The constituency leadership shall promote openness, uprightness and reliability while executing their mandate;
- b) Efficiency and Effectiveness: The constituency leadership will promote high productivity, competence and usefulness of resources;
- c) Innovativeness and Creativity: The constituency leadership is committed to resourcefulness and visionary planning and service delivery;
- d) Inclusiveness: The constituency leadership is committed to uphold citizen driven and focused service delivery;
- e) Equity and Equality: The constituency leadership will promote fairness and equal distribution of resources and services;
- f) Accountability and Transparency: The constituency shall conduct its business and lend services to its stakeholders in a transparent and accountable manner.

2. Environmental performance

There is need to enhance capacity for environmental planning to mitigate against global warming and adaptation to climatic changes. Unrestrained environmental degradation and effects of climate change negatively impact on the socio-economic development of the constituency. Major contributors to environmental degradation are human activity. These activities include deforestation through illegal logging, charcoal burning, forest clearing for agricultural activities, overstocking and subsequent overgrazing, illegal quarrying and water pollution through waste disposal.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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The depletion of mangrove forest at the Bwagamoyo creek reduces reproduction of marine life, deforestation while overgrazing leads to desertification and reduced rainfall and water sources, water pollution leads to water borne diseases. Illegal quarries at Kaliang'ombe area as caused cracks on building, dust causing diseases and spread of diseases like Malaria during the rain seasons when water settles at the open crack. Rabai Constituency depends heavily on wood fuel for domestic use. Forest resources contribute heavily towards household budget through the burn and sell of charcoal. Widespread poverty, unemployment and climate change are the major driving forces to environmental degradation in the constituency.

3. Employee welfare

The appropriate staffing levels require effective human resource planning, starting with recruitment, selection, deployment, development and exit. In this connection, the following is the staff establishment of Rabai NGCDF office

The NGCDFC ensures recruitment of competent staff is done in compliance with the Employment Act and other laws governing recruitment of employees. The Constituency has 8 staff: 4 Male and 4 Female, the all cover the 4 Wards within the Constituency.

We have continuously improved the capacity of our staff by ensuring we recruited skilled employees, continuous coaching and mentoring, participation in various conferences including NGCDF trainings, on-the-job training by delegation of duties and job rotation of staff regardless of the roles and duties as prescribed in their job descriptions.

4. Market place practices-

After the development of the office service charter and strategic plan, the NGCDFC has become more visible and competitive within the communities in the Constituency. In terms of management of resources, we have noted reduced operation cost and all the complaints from the community, both past and present, have either been resolved fully or it's been handled amicably by the management. We have built very strong internal control systems which have reduced wastage and corruption in the constituency.

Our Management best practices involve:

- a) The Fund Account Manager has ensured an open and communicative management style;
- b) There's a clear communication of our vision, mission and strategy;
- c) The Committee and staff have shown exemplary leadership by example;
- d) Through the strategic plan 2018/2019-2022/2023, we have set demanding but realistic targets;
- e) Our Objectives as defined in our strategic plan are SMART.

5. Community Engagements-

This has been done by participation and involvement in the NGCDF's activities and programmes achievement of outcomes prudent utilization of public funds, cooperation and support to the NGCDF's programmes and initiatives, participation in project monitoring and evaluation provision of feedback

We are proud of the positive economic impact we have on our communities, from job creation to sustainable development projects, improvement of security and education sector. As NGCDF Rabai, we have a deep commitment in ensuring full support on community engagement especially in Social Corporate Responsibility, especially at this period where the world is facing a pandemic.

V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-Rabai Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 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 the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Rabai Constituency accepts responsibility for the NGCDF-Rabai 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 NGCDF-Rabai financial statements give a true and fair view of the state of NGCDF-Rabai transactions during the financial year ended June 30, 2020, and of the NGCDF-Rabai financial position as at that date. The Accounting Officer charge of the NGCDF-Rabai Constituency further confirms the completeness of the accounting records maintained for the NGCDF-Rabai which have been relied upon in the preparation of the NGCDF-Rabai financial statements as well as the adequacy of the systems of internal financial control.

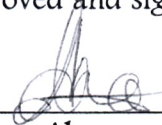
The Accounting Officer in charge of the NGCDF-Rabai Constituency confirms that the NGCDF-Rabai has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF-Rabai funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further, the Accounting Officer confirms that the NGCDF-Rabai 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-Rabai Constituency financial statements were approved and signed by the Accounting Officer on 15/9 2020



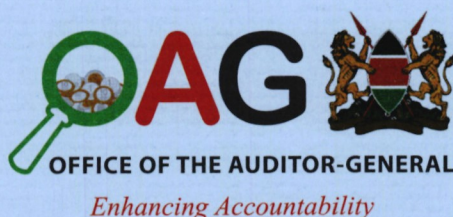
Flora Mutua
Fund Account Manager



Halima Abuu
ICPAK member number: 12876
Sub-County Accountant

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - RABAI 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 - Rabai Constituency set out on pages 1 to 27, 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 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, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Rabai 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 National Government Constituency Development Fund Act, 2015.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, 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 Control and Performance

The summary statement of appropriation: recurrent and development reflects final expenditure budget and actual on comparable basis of Kshs.165,065,997 and Kshs.97,705,457 respectively resulting to an under-funding of Kshs.67,360,541 or 41% of the budget.

The underperformance affected the planned activities and may have impacted negatively on service delivery to the constituents of Rabai Constituency.

Although the management has attributed the situation to delays in receiving funds from the National Government Constituencies Development Fund Board, and the Covid 19 pandemic, this may affect delivery of goods and services to the residents of Rabai Constituency, contrary to values and principles of public service as provided for under Article 232 (1-c) of the Constitution of Kenya which requires responsive, prompt, effective, impartial and equitable provision of services. Therefore, there is need to re - look at the budgeting mechanism with a view to focusing on priority areas with high impact in improving the standards of living for the citizens of Rabai Constituency.

2.0 Projects Implementation Status

Review of the projects' implementation status report as at 30 June, 2020, revealed that the Fund had thirty-four (34) approved projects with a budget of Kshs.90,257,274. The report further shows that thirty (30) projects with a budget of Kshs.73,759,033 were complete and in use as of March, 2021.

In addition, four (4) projects with a budget of Kshs.16,498,241 were in progress as of March, 2021.

Although slow implementation of projects was attributed to the Covid 19 pandemic and slow disbursement of funds by the Board, this may impact negatively on delivery of goods and services to the residents of Rabai Constituency. The residents of Rabai Constituency did not get value for money due to delayed projects implementation.

3.0 Unsatisfactory Implementation of Projects

During the audit, ten (10) projects with total disbursements amounting to Kshs.30,274,000 were inspected and several observations made regarding unsatisfactory performance of eight (8) projects with a total cost of Kshs.28,300,000 as shown in **Appendix I**. Further, although the management indicated that the contractors will make good the defects before releasing the retention monies, the observations made cast doubt on the projects supervision.

In the circumstances, it could not be confirmed whether value for money was obtained from the projects.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(26) 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.

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 authority 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 SYSTEMS AND GOVERNANCE

Conclusion

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

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 such 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 the Fund to continue 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 liquidate 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 describes 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 Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management and ensuring the adequacy and effectiveness of the Fund's 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 the 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 ISSAs 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 transaction 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 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 ISSAs. A material

weakness is a condition in which the design or operation 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 controls, 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 or 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 Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in 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 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

02 February, 2022

Appendix I – Unsatisfactory Implementation of Projects

So. No	Payee	Description	Amount (Kshs.)	Observations/Findings
1	Waresa Kisurutini - Mweri Assistant Chiefs Office	FY 2019/2020 to construct Assistant Chief's office.	1,700,000	- Copy of title deed was not available as the Sub-Chief indicated that it was in the custody of the Kilifi County. - There was a visible crack on the floor in the Assistant chief's office.
2	Rev. Canon Kuri - Mr. Mataba Deputy Principal	Construct Twin Laboratory	7,000,000	- The twin laboratory has been handed over temporarily to the school in preparation for the examinations. - The twin laboratory is not in use. - The twin laboratory is equipped with working work benches, taps and Bunsen burners. - Doors of the laboratory are made of soft-wood while the Bill of Quantities specified hard wood. - The 3000 litres tank specified in the Bill of Quantities has not been provided or installed in the Laboratory.
3	Kajiwe Primary School	Construct 2x Classrooms	2,600,000	Floors to these classrooms have potholes.
4	Kajiwe Primary School	Installation of culverts at two points on access road	4,500,000	- First set of culverts were installed near Kajiwe Primary contained 8 Culverts. - The completed project does not have a sign-post. - Second set of culverts were installed near Mgalla Primary School to give relief during floods. - These are double stacked culverts contained 12 culverts. - There is no guard rail posing as risk to future users during flood times. - The completed project does not have a sign-post.

So. No	Payee	Description	Amount (Kshs.)	Observations/Findings
5	Mwamtsunga Assistant Chiefs Office - Mwawesa Ward	Construct Assistant Chief's office.	1,700,000	The completed project does not have a sign-post.
6	Bwagamoyo Secondary School	Construct 3x Classrooms at Bwagamoyo Secondary School	3,300,000	- Classroom doors are not closing properly. - Classroom doors have no glasses on the windows. - Three windows do not have locks while others have glasses falling off.
7	Kinunguna Forodhani Assistant Chiefs Office	Construction of Assistant Chief's office.	1,600,000	Complete and in use.
8	Kambe Secondary School - Renovation of Administration Block	Renovation of Administration Block.	3,500,000	- Renovation involved Roofing, flooring and plastering of the wall. - There are visible cracks on the wall and the floor. - The office block leaks when it rains.
9	Kambe Assistant Chief's Office Toilet	Construct Assistant Chief's office toilet.	374,000	1x toilet that is complete. - The toilet contains 1x sink, 1x WC and 1x cubic tank (200 litres). 1x septic tank and 1x manhole has been constructed. - The toilet has 2x windows and 1x wooden door.
10	Ribe Primary School - 4x Classrooms	Construct 4x Classrooms	4,000,000	- The construction is made up of 4x classroom which are currently in use. - The Bill of Quantities specified steel doors while wooden doors were used in the classroom. - Windows did not have mosquito gauges as specified by the bill of quantities.
	Total		30,274,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**RABAI CONSTITUENCY****Reports and Financial Statements for the year ended June 30, 2020****VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2019-2020	2018-2019
		Kshs	Kshs
RECEIPTS			
Transfers from NG-CDF board	1	137,367,724	163,825,359
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	85,500	-
TOTAL RECEIPTS		137,453,224	163,825,359
PAYMENTS			
Compensation of Employees	4	3,006,344	3,022,845
Use of goods and services	5	7,790,200	8,000,879
Transfers to Other Government Units	6	37,911,679	87,019,499
Other grants and transfers	7	48,997,234	46,423,524
Acquisition of Assets	8	-	490,285
Other Payments	9	-	-
TOTAL PAYMENTS		97,705,457	144,957,032
SURPLUS/ DEFICIT		39,747,768	18,868,327

The accounting policies and explanatory notes to these financial statements form an integral part of the Financial statements. The NGCDF-Rabai Constituency financial statements were approved on 15/9/ 2020 and signed by:



Flora Mutua
Fund Account Manager



Halima Abuu
ICPAK member number: 12876
Sub-County Accountant

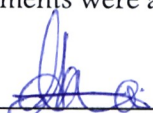
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RABAI CONSTITUENCY
Reports and Financial Statements for the year ended June 30, 2020

VIII. STATEMENT OF ASSETS AND LIABILITIES S AT 30 JUNE 2020

	Note	2019-2020 Kshs	2018-2019 Kshs.
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	10A	67,446,041	27,698,273
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		67,446,041	27,698,273
Account receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		67,446,041	27,698,273
FINANCIAL LIABILITIES			
Account payables			
Retention	12A	-	-
Deposits(Gratuity)	12B	-	-
Total Financial Liabilities		-	-
NET FINANCIAL ASSETS		67,446,041	27,698,273
REPRESENTED BY			
Fund balance b/fwd 1 st July.	13	27,698,273	8,829,946
Surplus/Deficit for the year		39,747,768	18,868,327
Prior year adjustments	14	-	-
NET FINANCIAL POSITION		67,446,041	27,698,273

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Rabai Constituency financial statements were approved on 15/9 2020 and signed by:


Flora Mutua
Fund Account Manager


Halima Abuu
ICPAK member number: 12876
Sub-County Accountant

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**RABAI CONSTITUENCY****Reports and Financial Statements for the year ended June 30, 2020****IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2020**

CASH FLOWS FROM OPERATING ACTIVITIES	NOTE	2019-2020	2018-2019
Receipts for operating income			
Transfers from NGCDF Board	1	137,367,724	163,825,359
Other Receipts	3	85,500	-
Total receipts		137,453,224	163,825,359
Payments for operating expenses			
Compensation of Employees	4	3,006,344	3,022,845
Use of goods and services	5	7,790,200	8,000,879
Transfers to Other Government Units	6	37,911,679	87,019,499
Other grants and transfers	7	48,997,234	46,423,524
Other Payments	9	-	-
Total payments		97,705,457	144,466,747
Total Receipts Less Total Payments		39,747,768	19,358,612
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		39,747,768	19,358,612
CASHFLOW FROM INVESTING ACTIVITIES		-	-
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	(490,285)
Net cash flows from Investing Activities		-	(490,285)
NET INCREASE IN CASH AND CASH EQUIVALENT		39,747,768	18,868,327
Cash and cash equivalent at BEGINNING of the year	13	27,698,273	8,829,946
Cash and cash equivalent at END of the year		67,446,041	27,698,273

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-Rabai Constituency financial statements were approved on 15/9/ 2020 and signed by:


Flora Mutua
Fund Account Manager


Halima Abuu
ICPAK member number: 12876
Sub-County Accountant

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

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE YEAR ENDED 30 JUNE 2020

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	137,367,724	27,698,273	165,065,997	165,065,997	-	100%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	85,500	85,500	-	100%
TOTALS	137,367,724	27,698,273	165,151,497	165,151,497	-	100%
PAYMENTS						
Compensation of Employees	3,213,945	200,720	3,414,665	3,006,344	408,321	88%
Use of goods and services	9,149,150	2,398,925	11,548,075	7,790,200	3,757,875	67%
Transfers to other Government Units	69,350,179	4,000,000	73,350,179	37,911,679	35,438,501	52%
Other grants and transfers	55,654,450	20,989,260	76,643,710	48,997,234	27,646,476	64%
Acquisition of Assets	-	109,368	109,368	-	109,368	0%
Other Payments	-	-	-	-	-	-
TOTALS	137,367,724	27,698,273	165,065,997	97,705,457	67,360,541	59%

- a). Final Budget for the FY 2019/2020 totalled to Kshs. 165,065,997. This included Kshs.137,367,724 budget for FY 2019/2020 and Kshs.27,698,273 balance brought forward from FY 2018/2019 supported on annex 3 titled unutilized Funds.
- b). Underutilization of funds in use of goods and services, other grants and transfers and acquisition of assets was due to late disbursement of funds from the NG-CDF Board.
- c).Change between the original and final budget is a result of reallocation of funds Kshs. 4,000,000 from “other grants and transfers” to “transfer to other Government units.

The NGCDF-Rabai Constituency financial statements were approved on 15/9/ 2020 and signed by:



Flora Mutua
Fund Account Manager



Halima Abuu
ICPAK member number: 12876
Sub-County Accountant

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

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020	2019/2020	2019/2020	30/06/2020	30/06/2020
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	3,213,945	200,720	3,414,665	3,006,344	408,321
1.2 Committee allowances	2,280,000	1,050,275	3,330,275	1,893,400	1,436,875
1.3 Use of goods and services	2,748,118		2,748,118	2,013,693	734,425
Sub-Total	8,242,063	1,250,995	9,493,058	6,913,437	2,579,621
2.0 Monitoring and evaluation					
2.1 Capacity building	2,000,000	83,629	2,083,629	1,724,960	358,669
2.2 Committee allowances	1,500,000	509,276	2,009,276	968,000	1,041,276
2.3 Use of goods and services	621,032	634,745	1,255,777	1,190,147	65,630
Sub-Total	4,121,032	1,227,650	5,348,682	3,883,107	1,465,575
3.0 Emergency					
Emergency	7,198,241	-	7,198,241	-	7,198,241
Kajiwe primary	-	5,024,349	5,024,349	4,500,000	524,349
Sub-Total	-	5,024,349	12,222,590	4,500,000	7,722,590
4.0 Bursary and Social Security					
4.2 Secondary Schools	16,000,000	6,697,800	22,697,800	17,278,000	5,419,800
4.3 Tertiary Institutions	16,000,000	7,647,111	23,647,111	15,210,380	8,436,731
Sub-Total	32,000,000	14,344,911	46,344,911	32,488,380	13,856,531
5.0 Sports					
Sports	-	-	-	-	-
Sub-Total	2,747,354	-	2,747,354	-	2,747,354
6.0 Environment					
6.1 balance b/f	-	-	-	-	-
Mwanjama Primary School	1,600,000	-	1,600,000	-	1,600,000

NATIONAL GOI NMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RABAI CONSTITUENCY
Reports and Financial Statements for the year ended June 30, 2020

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020	2019/2020	2019/2020	30/06/2020	30/06/2020
Kambe Assistant Chief	370,000	-	370,000	370,000	-
Buni Primary School	407,354	-	407,354	407,354	-
Kawala Girls Secondary School	370,000	-	370,000	370,000	-
Sub-Total	2,747,354	-	2,747,354	1,147,354	1,600,000
7.0 Primary Schools Projects					
Mgalla Primary School	-	1,400,000	1,400,000	1,400,000	-
Kajiwe primary school	-	2,600,000	2,600,000	2,600,000	-
Bedida Primary School	700,000	-	700,000	700,000.00	-
Gandani Primary School	3,300,000	-	3,300,000	-	3,300,000
Mbwaka Primary School	3,000,000	-	3,000,000	-	3,000,000
Kawala Primary School	3,000,000	-	3,000,000	3,000,000	-
Kinung'una Primary School	2,200,000	-	2,200,000	2,200,000	-
Kaliang'ombe Primary School	3,000,000	-	3,000,000	-	3,000,000
Masani Primary School	2,000,000	-	2,000,000	-	2,000,000
Ribe Primary School	4,000,000	-	4,000,000	4,000,000	-
Chiferi Primary School	1,600,000	-	1,600,000	-	1,600,000
Kaoyeni Primary School	1,600,000	-	1,600,000	1,600,000	-
Kaliang'ombe Primary School	2,000,000	-	2,000,000	2,000,000	-
Mwanjama primary school	2,000,000	-	2,000,000	2,000,000	-
Kangakamo primary school	3,000,000	-	3,000,000	-	3,000,000
Isaac Nyundo primary school	4,200,000	-	4,200,000	-	4,200,000
Bofu primary school	1,100,000	-	1,100,000	1,100,000	-
Chang'ombe Primary School	1,100,000	-	1,100,000	1,100,000	-
Makobeni primary school	1,838,500	-	1,838,500	-	1,838,500
Sub-Total	39,638,500	4,000,000	43,638,500	21,700,000	21,938,500
8.0 Secondary Schools Projects					
Rev. Canon Kuri Secondary School	7,000,000	-	7,000,000	7,000,000	-

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020	2019/2020	2019/2020	30/06/2020	30/06/2020
Ribe Boys High School	6,000,000	-	6,000,000	-	6,000,000
Kambe Secondary School	3,500,000	-	3,500,000	3,500,000	-
Bwagamoyo secondary school	3,300,000	-	3,300,000	3,300,000	-
Chang'ombe Secondary school	7,500,000	-	7,500,000	-	7,500,000
Kawala Girls Secondary School	1,600,000	-	1,600,000	1,600,000	-
Chiferi Secondary school	811,678	-	811,678	811,678	-
Sub-Total	29,711,679	-	29,711,679	16,211,679	13,500,000
9.0 Security projects					
Kinunguna Forodhani Asst chiefs office		1,600,000	1,600,000	1,600,000	-
Pangani chiefs office		20,000	20,000	-	20,000
Mwele/Kisurutini Assistant Chief	1,700,000	-	1,700,000	1,700,000	-
Mikomani Assistant Chief	1,700,000	-	1,700,000	-	1,700,000
Jimba Assistant Chief	1,700,000	-	1,700,000	1,700,000	-
Mwantsunga Assistant Chief	1,700,000	-	1,700,000	1,700,000	-
Sub- total	6,800,000	1,620,000	8,420,000	6,700,000	1,720,000
11.0 Acquisition of assets					
11.3 Purchase of furniture and equipment	-	109,368	109,368	0	109,368
Sub-Total	-	109,368	109,368	0	109,368
13.0 Others					
NG-CDF Rabai office	4,161,500	-	4,161,500	4,161,500	-
Sub- total	4,161,500	-	4,161,500	4,161,500	-
13.0 Others					
AIA	-	121,000	121,000	-	121,000
AIA	-	-	-	-	-
Sub-Total		121,000	121,000		121,000
GRAND TOTALS	137,367,724	27,698,273	165,065,997	97,705,457	67,446,041

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

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RABAI 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 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 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

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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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 constituency bank account(s) 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 Funds

Unutilized funds consist of bank balances in the constituency account and previous year(s) balances not yet disbursed by the Board to the constituency at the beginning of the financial year.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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These balances are available for use in the year under review to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(1) 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 2019 for the period 1st July 2019 to 30th June 2020 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 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) –
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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

		Description	2019-2020	2018-2019
			Kshs.	Kshs.
NG -CDF Board	1.	B041188	4,000,000	-
NG -CDF Board	2.	B041337	18,000,000	-
NG -CDF Board	3.	B047753	5,000,000	-
NG -CDF Board	4.	B049158	7,000,000	-
NG -CDF Board	5.	B104076	14,000,000	-
NG -CDF Board	6.	B104458	20,000,000	-
NG -CDF Board	7.	B096774	69,367,724	-
NG -CDF Board	1.	B005128	-	54,784,483
NG -CDF Board	2.	B030113	-	10,000,000
NG -CDF Board	3.	B005456	-	15,000,000
NG -CDF Board	4.	B007453	-	6,000,000
NG -CDF Board	5.	B042608	-	11,000,000
NG -CDF Board	6.	B042828	-	12,000,000
NG -CDF Board	7.	B041015	-	55,040,876
TOTAL			137,367,724	163,825,359

2. PROCEEDS FROM SALE OF ASSETS

	2019 - 2020	2018 - 2019
	Kshs.	Kshs.
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from the Sale of office and general equipment	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Sale of tender documents	85,500	-
Others	-	-
Total	85,500	-

4. COMPENSATION OF EMPLOYEES

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Basic wages of contractual employees	1,950,492	1,944,696
Basic wages of casual labour	72,000	36,000
Personal allowances paid as part of salary	-	-
House allowance	360,000	180,000
Transport allowance	-	-
Leave allowance	-	-
Other personnel payments	-	-
Employer contribution to NSSF	19,200	19,200
Gratuity	604,652	842,949
Total	3,006,344	3,022,845

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Utilities, supplies and services	2,101,250	1,665,853
Office rent	-	-
Communication, supplies and services	-	-
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	1,724,960	1,478,785
Hospitality supplies and services	-	-
Insurance costs	168,153	209,740
Specialised materials and services	-	-
Office and general supplies and services	-	-
Fuel ,oil & lubricants	600,000	351,927
Other operating expenses	-	-
Routine maintenance – vehicles and other transport equipment	334,437	597,374
Routine maintenance – other assets	-	-
Committee expenses	2,861,400	3,551,200
Strategic plan	-	146,000
Total	7,790,200	8,000,879

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Transfers to Primary schools	21,700,000	40,969,499
Transfers to Secondary schools	16,211,678	36,050,000
Transfers to Tertiary institutions	-	-
TIVET	-	10,000,000
TOTAL	37,911,678	87,019,499

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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7. OTHER GRANTS AND OTHER PAYMENTS

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	17,278,000	15,300,500
Bursary – tertiary institutions (see attached list)	15,210,380	14,352,889
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	6,700,000	8,700,000
Roads and bridges	4,161,500	-
Sports projects (see attached list)	-	3,644,318
Environment projects (see attached list)	1,147,354	2,980,817
Emergency projects (see attached list)	4,500,000	1,445,000
Total	48,997,234	46,423,524

8. ACQUISITION OF ASSETS

<u>Non-Financial Assets</u>	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles	-	-
Purchase of office furniture and fittings	-	380,285
Purchase of computers ,printers and other IT equipments	-	-
Purchase of photocopier	-	-
Purchase of other office generator	-	110,000
Purchase of soft ware	-	-
Acquisition of Land	-	-
Total	-	490,285

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

	2019 - 2020	2018 - 2019
	Kshs	Kshs
	-	-
Total	-	-

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	Amount in bank account currency	2019-2020 Kshs	2018-2019 Kshs
African Banking Corporation Ltd	Kes	67,446,041	27,698,273
Total		67,446,041	27,698,273

10B: (cash book bank balance)

Name of Bank, Account No. & currency	Amount in bank account currency	2019-2020 Kshs	2018-2019 Kshs
-	-	-	-
Total	-	-	-

11. OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Nil	-	-	-	-

12A. RETENTION

	2019-2020 Kshs.	2018-2019 Kshs.
Nil	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

12B. GRATUITY

	2019-2020 Kshs.	2018-2019 Kshs.
Nil	-	-

13. BALANCES BROUGHT FORWARD

	2019-2020 Kshs.	2019-2018 Kshs.
Bank accounts	27,698,273	8,829,946
Cash in hand	-	-
Imprest	-	-
Total	27,698,273	8,829,946

14. PRIOR YEAR ADJUSTMENTS

	2019-2020 Kshs.	2018-2019 Kshs.
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	-	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

Description of the error	2019-2020 Kshs.	2018-2019 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	-	-

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16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

Description of the error	2019-2020 Kshs.	2018-2019 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	-	-

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020 Kshs.	2018-2019 Kshs.
Gratuity	-	-
Total	-	-

17.3: UNUTILIZED FUNDS (See Annex 3)

	2019-2020 Kshs.	2018-2019 Kshs.
Compensation of employees	408,321	200,720
Use of goods and services	3,757,875	2,398,925
Amounts due to other Government entities (see attached list)	35,438,501	-
Amounts due to other grants and other transfers (see attached list)	27,646,476	24,989,260
Acquisition of assets	109,368	109,368
Other payments	-	-
Total	67,360,541	27,698,273

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17.4: PMC account balances (See Annex 5)

	2019- 2020	2018- 2019
	Kshs	Kshs
PMC account Balances (see attached list)	32,220,625	54,605,692
Total	32,220,625	54,605,692

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Outstanding Balance 2019	Comments
	A	b	c	d=a-c		
Construction of buildings				-	-	
Sub-Total						
Construction of civil works				-	-	
Sub-Total						
Supply of goods				-	-	
Sub-Total						
Supply of services				-	-	
Sub-Total						
Grand Total				-	-	

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 30/06/2020	Outstanding Balance 2019	Comments
Gratuity		A	B	c	d=a-c		
George K.Tsuma		-		-	-	-	
May M. Tsuma		-		-	-	-	
Margaret Mwaka		-		-	-	-	
Munga Nzaka		-		-	-	-	
Serah Hilai		-		-	-	-	
Ndenge Mwaringa		-		-	-	-	
Ali Mcharo		-		-	-	-	
Luiza K. Dzuya		-		-	-	-	
Total		-		-	-	-	

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ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees	-	408,321	200,720	
Use of goods & services	-	3,757,875	2,398,925	
Amounts due to other Government entities				
Gandani Primary School		3,300,000	-	
Mbwaka Primary School		3,000,000	-	
Kaliang'ombe Primary School		3,000,000	-	
Masaani Primary School		2,000,000	-	
Chiferi Primary School		1,600,000	-	
Kangakamo primary school		3,000,000	-	
Isaac Nyundo primary school		4,200,000	-	
Makobeni primary school		1,838,500	-	
Ribe Boys High School		6,000,000	-	
Changombe Secondary School		7,500,000	-	
Sub-Total		35,438,500	-	
Amounts due to other grants and other transfers				
Bursary Secondary Schools		5,419,800	6,697,800	
Bursary Tertiary		8,436,731	7,647,111	
Emergency		7,722,590	5,024,349	
Pangani Chiefs office		20,000	20,000	
Mikomani Assistant chiefs office		1,700,000	-	
Mwanjama Primary School		1,600,000	-	
Kinunguna Forodhani Asst chiefs		0	1,600,000	
Rabai APs Camp	-	0	4,000,000	
Rabai sports tournament	-	2,747,356	-	
Sub-Total	-	27,646,477	24,989,260	
Acquisition of assets	-	109,368	109,368	
Sub-Total	-	-	109,368	
Others (specify)	-	-	-	
	-	-	-	
Sub-Total	-	-	-	
Grand Total	-	67,360,541	27,698,273	

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SUMMARY OF FIXED ASSET REGISTER (Annex 4)

Asset class	Historical Cost (Kshs) 2019/2020	Additional Cost Kshs 2019/2020	Disposal Cost Kshs 2019/2020	Historical Cost (Kshs) 2018/19
Buildings and structures	17,498,279	-	-	17,498,279
Transport equipment	7,162,747	-	-	7,162,747
ICT Equipment, Software and Other ICT Assets	1,553,878	-	-	1,553,878
Other Machinery and Equipment	1,077,454	-	-	1,077,454
Total	27,292,358	-	-	27,292,358

SFIXED ASSETS REGISTER

	Description	Date of purchase	Serial No.	2019/2020 (Kshs)	2018/2019 (Kshs)
1.	Cdf Office Rabai	2014/15		15,382,279	15,382,279
2.	Fixing of metal grill, chained linked fencing and purchase water tank	2015/16		1,900,000	1,900,000
3.	Office curtains 17pcs	12/07/2018		216,000	216,000
				17,498,279	17,498,279
	Office Vehicles				
1.	Motorbike	28/03/2014	3TT- 206869	420,964	420,964
2.	Cdf vehicle	23/01/2015		6,741,783	6,741,783
	Sub total			7,162,747	7,162,747
	Office Furniture				
1.	Office executive chair	26/11/2013	1	21,000	21,000
2.	H/Leather office chair executive	"	1	32,000	32,000
3.	Office HB chair fabric	"	1	8,300	8,300
4.	Executive office table	"	2	119,990	119,990
5.	Conference table executive 35MTS	"	1	109,995	109,995
6.	Office visitors chair	"	12	84,000	84,000
7.	Office table ID1680 (44)	"	2	33,190	33,190
8.	Pedestal fixed 4d2w IDFP-4D	"	2	14,800	14,800
9.	Office table set WMB221.8MTS (vs.)	"	1	44,995	44,995
10.	Counter top executive 1201.2MTS (vs.)	"	1	5,795	5,795
11.	Lina chair YD- B104 4 Pax	"	2	45,990	45,990

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	(AN31)				
12.	Executive Chair	28/09/2016	1	28,495	28,495
13.	Executive Table	“	1	65,995	65,995
14.	Conference Table	“	1	54,995	54,995
15.	Small Office table	“	1	11,995	11,995
16.	Conference Chairs	“	1	7,495	7,495
17.	Conference Chairs	“	11	82,445	82,445
18.	Visitors’ Chairs	“	4	29,980	29,980
19.	Conference Table small	“	1	24,995	24,995
20.	Orthopaedic Chair	“	1	21,995	21,995
21.	Side Wall unit shelve	“	1	36,995	36,995
22.	Office Chairs	“	2	16,790	16,790
23.	Office tables big	“	2	42,980	42,980
24.	Filling cabinet	“	2	27,998	27,998
25.	Ordinary office chairs	“	16	47,920	47,920
26.	Safe	02/08/2016	1	25,995	25,995
27.	Filling Cabinet with 4 drawers	“	1	23,995	23,995
28.	Reception table	“	1	37,480	37,480
29.	Wooden Cabinet	“	1	40,000	40,000
30.	Computer Tables	“	4	24,995	24,995
31.	Smart Television ’43 & wall bracket	14/05/2019	1	47,290	47,290
32.	Medium size water dispenser	“	1	17,995	17,995
33.	Executive sofa set	“	1	250,000	250,000
34.	Executive coffee table and Carpet	“	1	65,000	65,000
	Sub total			1,553,878	1,553,878
	Other Machinery and equipments				
1.	Desktop computer (DELL) S/NO:BKZ3PV1	26/11/2013	1	70,000	70,000
2.	Laptop computer (HP) S/NO:5CD3294MIR	“	1	60,000	60,000
3.	Printer laser jet pro 100 MI75NW	“	1	50,000	50,000

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	S/NO:CND8F67867				
4.	Ramtons water Dispenser RM/419	27/11/2014	1	16,497	16,497
5.	Filling cabinet sliding doors	23/09/2015	1	23,925	23,925
6.	Photocopy Machine	28/09/2015	1	150,800	150,800
7.	Desktop computer HP 300	12/06/2016	1	98,000	98,000
8.	Laser jet Printer HP 1102 PRO 200	“	1	48,000	48,000
9.	Telecommunication gadgets	02/08/2016	7	168,340	168,340
10	Laptop-HP	23/05/2017	1	89,700	89,700
11	40 inch Samsung Tv-5 series HD 1080P	“	1	44,995	44,995
12	Vehicle tools kitty	“	10 items	67,197	67,197
13	Digital Camera D5300 BK set	08/06/2018	1	80,000	80,000
14	Briggs & Shratton Generator 6200A	08/05/2019	(6.2KVA)	110,000	110,000
	Sub total			1,077,454	1,077,454
	TOTAL			27,292,358	27,292,358

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

PMC	Bank	Account number	Bank Balance 2019/2020	Bank Balance 2018/2019
Kambe Assistant Chief	Co-op Mariakani	003215001004787	20,172	-
Buni Primary School	Co-op Mariakani	01141252073400	408,285	-
Mgalla Primary School	Co-op Mariakani	01141764913800	394,331	-
Kajiwe primary school	Co-op Mariakani	01141764915800	416,044	-
Bedida Primary School	Co-op Mariakani	01141764916100	293,938	-
Kawala Primary School	Co-op Mariakani	01141764913500	806,431	-
Kinung'una Primary School	Co-op Mariakani	01141765043500	1,274,795	-
Ribe Primary School	Co-op Mariakani	0114176045000	2,671,975	-
Kaoyeni Primary School	Co-op Mariakani	01141764915000	696,157	-
Kaliang'ombe Pri School	Co-op Mariakani	01141765076800	873,975	-
Mwanjama primary school	Co-op Mariakani	01141765077000	1,080,941	-
Bofu primary school	Co-op Mariakani	01141764918500	1,500,115	-
Chang'ombe Pri School	Co-op Mariakani	01141764915600	1,269,784	-
Rev. Canon Kuri Secondary School	Co-op Mariakani	01141764917500	6,916,550	-

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PMC	Bank	Account number	Bank Balance 2019/2020	Bank Balance 2018/2019
Kambe Secondary School	Co-op Mariakani	01141764917600	2,382,442	-
Bwagamoyo sec school	Co-op Mariakani	01141765076700	3,266,975	-
Kawala Girls Sec School	Co-op Mariakani	01141765080700	1,933,475	-
Chiferi Secondary school	Co-op Mariakani	01141764918900	866,496	-
Kinunguna Forodhani Asst chiefs office	Co-op Mariakani	0114176492000	119,819	-
Mwele/Kist Asstant Chief	Co-op Mariakani	01141765079600	1,675,975	-
Jimba Assistant Chief	Co-op Mariakani	01141765076900	1,675,975	-
Mwamtsunga Asst Chief	Co-op Mariakani	01141765076600	1,675,975	-
Mleji Primary School	African Bank Corp	003215001004789	0	-
Mleji Primary School	African Banking Corp.	003215001004789	0	36,227
Mgala Pri.School	African Banking Corp	003215001005151	0	4,154,238
Ziro Pri. School	African Banking Corp	003215001003903	0	67,316
Mwangutwa Pri. Sch.	African Banking Corp	003215001004901	0	91,746
Bofu Primary School	African Banking Corp	003215001004910	0	1,503,604
Jimba Pri School	African Banking Corp	003215001004931	0	69,313
Kaling'ombe Pri Sch	African Banking Corp	003215001003135	0	341,666
Bwagamoyo Pri Sch	African Banking Corp	003215001001793	0	583,177
Lugwe Pri. School	African Banking Corp	003215001005262	0	2,600,000
Mikomani Pri. Sch	African Banking Corp	003215001002407	0	3,966,168
Chang'ombe Pri Sch	African Banking Corp	003215001001807	0	1,500,310
Kajiwe Pri School	African Banking Corp	003215001005203	0	749,520
Kawala Pri School	African Banking Corp	003215001005191	0	749,520
Kailo Pri Sch	African Banking Corp	003215001003134	0	2,574,013
Bedida Pri. School	African Banking Corp	003215001005196	0	3,936,969
Chiferi Pri. School	African Banking Corp	003215001001794	0	2,613,210
Boheka Pri. School	African Banking Corp	003215001005195	0	3,900,000
Mwandodo Pri Sch	African Banking Corp	003215001005193	0	2,600,000
Chang'ombe Sec Sch	African Banking Corp	003215001004790	0	1,011,786
Kajiwe Sec. School	African Banking Corp	003215001003090	0	2,147,781
Chiferi Sec. School	African Banking Corp	003215001004395	0	237,713
Dr. Krapf Sec. School	African Banking Corp	003215001004911	0	305,815
Mbararani Sec.Sch	African Banking Corp	003215001005065	0	313,390
Rev.Canon Kuri S. Sch	African Banking Corp	003215001005066	0	209,815
Kambe Sec.School	African Banking Corp	003215001005175	0	3,949,281
Mikomani Sec. Sch	African Banking Corp	003215001002324	0	2,822,080
Ribe Girls Sec. Sch	African Banking Corp	003215001005189	0	5,200,000
Mgumo wa Patsa Ast. Chiefs	African Banking Corp	003215001004795	0	29,803

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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PMC	Bank	Account number	Bank Balance 2019/2020	Bank Balance 2018/2019
Ribe As & Chiefs Office	African Banking Corp	003215001004784	0	99,687
Kambe As Chiefs Office	African Banking Corp	003215001004787	0	20,172
Bwagamoyo Ass Chiefs	African Banking Corp	003215001005192	0	1,576,400
Muleji As Chiefs Office	African Banking Corp	003215001005197	0	1,600,000
Buni Asst. Chiefs Office	African Banking Corp	003215001005194	0	1,600,000
Kaoyeni Pri School	African Banking Corp	003215001004785	0	709,554
Kinung'una Pri Sch	African Banking Corp	003215001004794	0	69,762
Kasidi Pri School	African Banking Corp	003215001005190	0	325,247
Isaac Nyondo Pri Sch	African Banking Corp	003215001005253	0	340,409
TOTAL			32,220,625	54,605,692

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

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15.6 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)
MSA/ RABAI NG- CDF/201 7-18(3)	1.1 Revenue Budget Analysis According to the 2017/18 approved budget estimates, the fund expected to receive a total of Kshs. 16,946,867 as transfers from the National Government Constituencies Development Fund Board. However, the fund received a total of Kshs. 43,405,172 resulting to a shortfall of 63,541,695 or 59% of the targeted revenue. This may have affected implementation of planned projects for the benefit of the residents of Rabai Constituency. There is need to do proper budgeting on priority basis. 1.2 Expenditure Budget Analysis The summary statement of appropriations reflect a final budget of Kshs. 106,946,867 for the financial year 2017/2018 against total actual expenditure of Kshs. 43,332,438 resulting to under absorption of Kshs. 63,614,429 or 59% as summarised below: The fund had a total under – expenditure of Kshs. 63,614,429 representing 59% of the budget. Although the management has attributed the situation to delays in	No opinion	NGCDF Board/NG-CDFC/FAM		

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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	receiving funds from the National Government Constituencies Development Fund Board, this may affect delivery of goods and services to the residents of Rabai Constituency contrary to values which requires responsive, prompt effective, impartial and equitable provision of services. Therefore, there is need to re-look at the budgeting mechanism with a view of focusing on priory areas with high impact in improving the standards of living for the citizens of Rabai Constituency.				
Budget line	Final budget Kshs.	Actual Expenditure Kshs.	Unspent Balance Kshs.	% of utilization	
Compensation of Employees	2,370,686	1,696,673	674,013	72%	
Use of goods and services	11,947,500	8,811,829	3,135,671	74%	
Transfers to other Governments units	33,287,468	10,163,794	23,123,674	31%	
Other grants and transfers	57,276,304	22,364,142	34,912,162	39%	
Acquisition of assets	395,653	296,000	99,653	75%	
Other payments	1,669,256	-	1,669,256	-	
Total	106,946,867	43,332,438	63,614,429	41%	