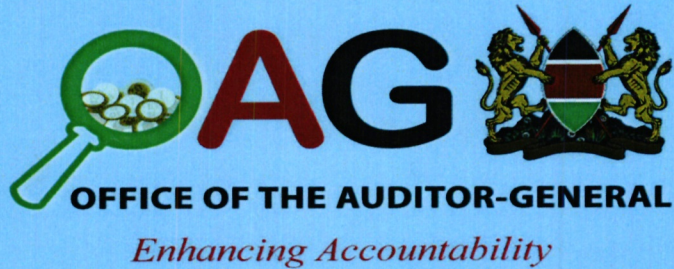


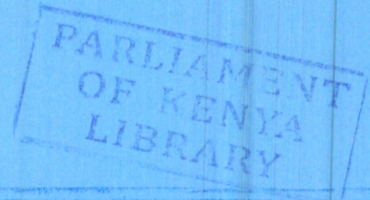
REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL



DATE: 22 NOV 2022		DAY: Tuesday
TABLED BY: ON	LOM	
CLERK AT THE TABLE:	hemura	

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
WEST MUGIRANGO CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2021**



Revised Template 30th June 2021



WEST MUGIRANGO CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

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*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, 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.

Functions of NG-CDF Committee

The Functions of the NG-CDF Committee is as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

The West Mugirango Constituency NGCDF 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 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Name of FAM-ROBERT SEREM
2.	Sub-County Accountant	Name of DA-ANDREW ANYAL
3.	Chairman NGCDFC	Name of Chair -THOMAS MAANGI
4.	Member NGCDFC	Name of alternate signatory- VERRONICAH KERUBO

(d) Fiduciary Oversight Arrangements

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

P.O. Box 425-40500
NGCDF Building
Nyamira county head Quarters
Nairobi, KENYA

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

(f) West Mugirango Constituency NGCDF Contacts

Telephone: (254) 721431120
E-mail: cdfwestmugirango@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) West Mugirango Constituency NGCDF Bankers

KCB Bank
Branch-Nyamira
P.o Box403-40500 Nyamira
Nyamira

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT



Photo of the chairman

Name: THOMAAS MAANGI

West Mugirango Constituency
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- Summary the budget performance against actual amounts for current year based on sectors,
Of the total budget allocation of Kshs 219,525,046 the fund was able to have in its disposal kshs 174, 436,167 that represented 80% and the overall budget performance stood at 78%. Transfers to government units stood at 87% signifying good performance likewise to use of goods and services that stood at 85%

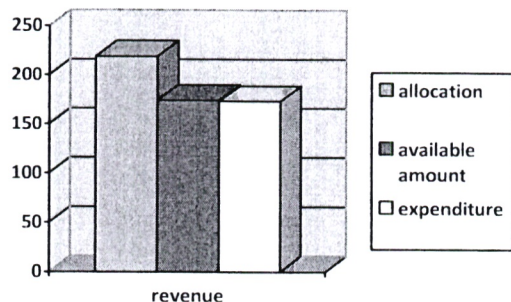


Fig 1. graph showing total allocation, amount available disposal and expenditure incurred

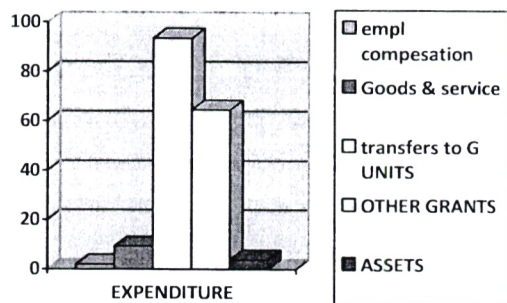


FIG 2 shows sector expenditures.

- Detail key achievements for the entity
- The entity was able to develop and complete water projects in 4 public institutions namely, Ramba, Otanyore, Ikonge primary schools, and West Mugirango TVC
- Renovation of more than 40 classrooms was done notable are, Kenyambi Primary(4) Mongoris primary (4), Ramba Primary (4), Otanyore (5), Ikonge Primary(5) and Nyamira primary (10). This ensure that the learning environment was conducive
- The entity did three dormitories at Nyakeore, Geta and Masosa Secondary schools.
- The entity was able to buy buses for 5 schools namely Masosa Secondary, Nyameru Secondary, Makairo Secondary, Gesore Secondary and Kura Secondary this will go a long way in promoting enrolment in schools and improving the academic standards for student and teachers will be able to attend with ease the curricula and extra curricula activities.
- The constituency fund was able to undertake youth's foot ball tournament for boys and girls where 25 teams participated and youths were sensitized on cohesion, drug abuses and HIV aids.
- The entity fund was able to furnish 6 chief's and administrative offices thus making them fully operational, it was also able to install high mast security lights at three places namely, Makairo market, Nyamira township market (shivling), Nyamatoki

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

market this not only improved security but also promoted business for trades worked upto late hours in times of no restricted covid curfew times.

- Bursaries was paid to over 5,000 students both in secondary schools and tertiary institutions.
- Emergencies was used to rebuilt toilet in more than 20 institutions

Emerging issues related to the entity,
Covid 19 affected the funds operation for the second year running slowing the community public meetings.

The implementation challenges, recommendations and way forward.

- Low capacity of PMC- Project Management Committee Members, but continuous training is being done through the capacity building programmes
- Project Management Committee Members (Pmcs) want to be paid for the works they do in managing of the projects
- The NGCDF members wanting salary instead of the allowances, the want to be paid gratuity at the end of the term, capacity building and training on relevant laws
- The NGCDFc want frequent meetings not within the law capacity buildings.
- The bursary process of application and identification of beneficiaries take long process that requires frequent meeting to solve this it recommend starting the process early, use of online application.
- Bursary cheques outstanding for long and Beneficiary institutions rarely acknowledge bursary receipts, to correct this use of the courier services to deliver cheques to institution
- The technical personnel from government technical department are very few , and devolved under county government and rarely get time to assist in NGCDF programmes, NGCDFc employed clerks of works, the NGCDF board to enter in to collaboration with county government to assist technical staff
- The cost of building materials did sky rocket during the year and thus affected the projects costs the contractors profit were high affected to address it the projects activity was adjusted to meet the available amounts. Most contractors had requested for variations in case activities were not adjusted instead.

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
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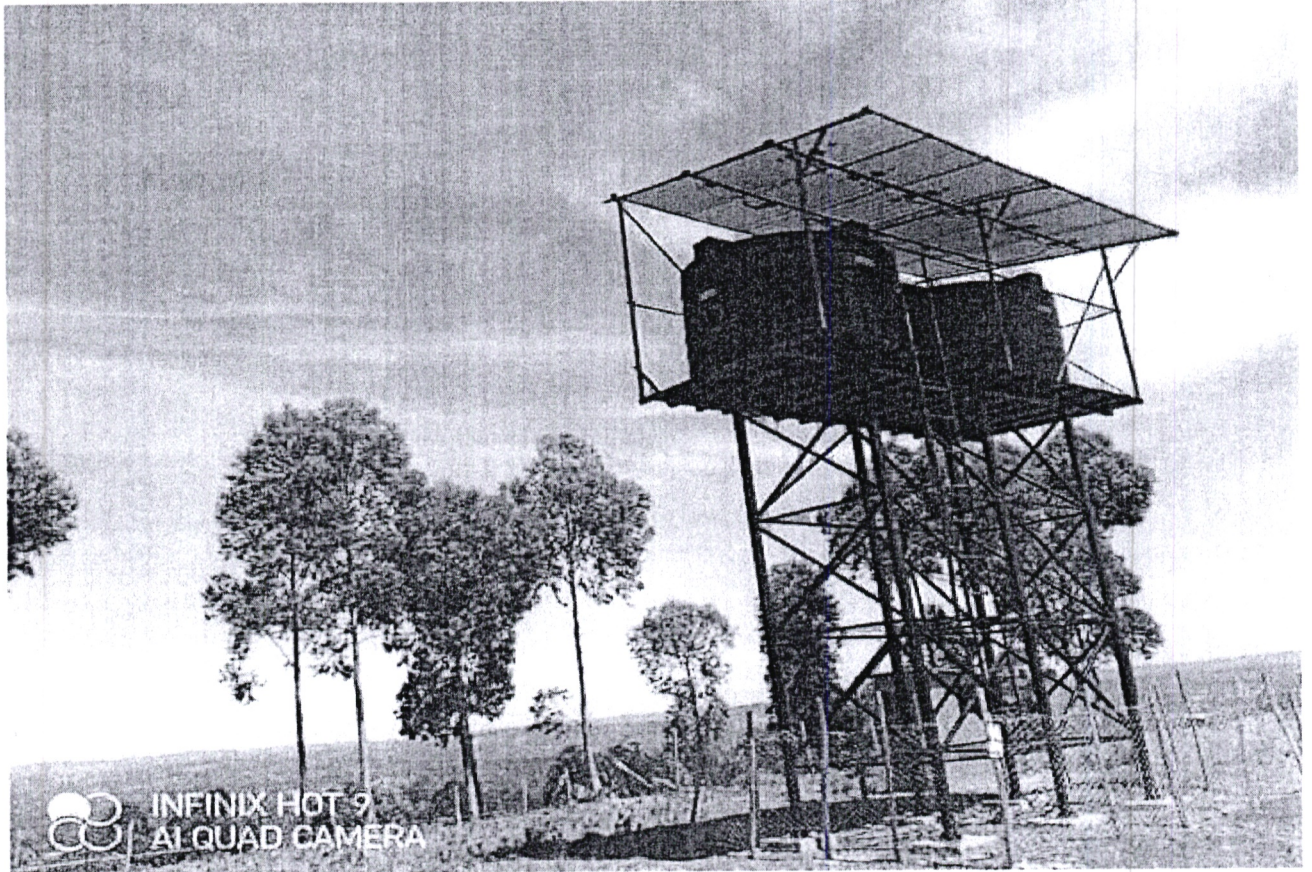
RAMBA PRIMARY SCHOOL WATER PROJECT AND RENOVATED CLASSROOMS,

*West Mugirango Constituency
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RENOVATED 4 CLASSROOMS AT KENYAMBI PRIMARY.

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THE WATER PROJECT AT WEST MUGIRANGO TECHNICAL AND VOCATIONAL COLLEGE.

Signature

CHAIRMAN NGCDF COMMITTEE

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED 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 each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of *West Mugirango Constituency 2018-2022* plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

- a) Development of infrastructural facilities to have all children of school going age attending school
- b) Award of bursaries to needy student for sustainable development
- c) Development for security infrastructure for improvement of peace
- d) Undertake sporting activity to foster peace and cohesion.
- e) Undertake environmental conservation for sustainable living

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:

Constituency Sector	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	<ul style="list-style-type: none"> - number of usable physical infrastructure build and renovated in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In FY 20/21 -we renovated 35 number of classrooms, constructed 3 dormitories of 100 bed capacity, bought five school buses for Kurra, Gesore, Getari, Makairo, and Nyameru secondary schools in the following schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules

West Mugirango Constituency
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Security	To boost the morale of officers and security of the people in the constituency	Good working conditions for officers and improve security for the people	number of usable physical infrastructure build and furnished the chiefs camp, number of security light installed and recorded reduced crime rate in the areas	In FY 20/21 -The fund furnished 6 number of security and administrators offices and installed high mast security lights at 3 market centres,
Sports	Promote people cohesion and integration through sports	Peace and cohesion in the constituency promoted	The number of teams and youths engaged, Reduced crimes and other vices among the youths	Sports tournament undertaken where the 25 teams that participated were awarded with uniforms and balls
Emergency	Support community address emerging issues	Stability and continuity of service/ programme	No of physical facilities built in schools to avert a disaster	Number of support facilities built to restore order.

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
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IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

West Mugirango NG-CDF 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 also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

To ensure sustainability of West Mugirango NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** West Mugirango NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

- *Sensitization of youth/community on the impact of drugs after by during sports tournament*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*

3. Employee welfare

We invest in providing the best working environment for our employees. West Mugirango constituency recruitment was guided by Employment Act, NGCDF Act and other regulations as

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

Employees are encouraged and supported to continually build on their skills and knowledge. West Mugirango constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

West Mugirango NGCDF Constituency is committed to fair and ethical market practises. The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers which is enhanced through organized sensitization forums that relate to the procurement legal framework and ethical subject matters. We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption
- b) Good business practice including cordial Supply chain and supplier relations by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interests

5. Community Engagements-

West Mugirango NGCDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

***West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021***

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meetings.

West Mugirango NG-CDF have continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

V. STATEMENT OF 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-West Mugirango 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, 2021. 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-West Mugirango Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency*'s financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- West Mugirango Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.


The Accounting Officer in charge of the NGCDF -West Mugirango Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *constituency*'s financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- West Mugirango Constituency financial statements were approved and signed by the Accounting Officer on 24/08 2022.



Chairman NGCDF Committee
Name: Thomas Maangi



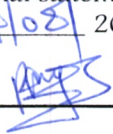
Fund Account Manager
Name: Robert Serem

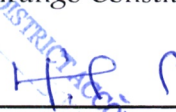
*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
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VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2021

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	167,867,724	116,540,876
Proceeds from Sale of Assets	2	00	00
Other Receipts	3	955,776	00
TOTAL RECEIPTS		168,823,500	116,540,876
PAYMENTS			
Compensation of employees	4	1,775,775	1,587,927
Use of goods and services	5	9,312,839	7,892,653
Transfers to Other Government Units	6	93,511,981	67,915,583
Other grants and transfers	7	64,498,343	33,949,594
Acquisition of Assets	8	3,812,463	4,649,141
Other Payments	9	00	0
TOTAL PAYMENTS		172,911,401	115,994,898
SURPLUS/(DEFICIT)		(4,087,901)	545,978

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-West Mugirango Constituency financial statements were approved on 24/08/2022 and signed by:

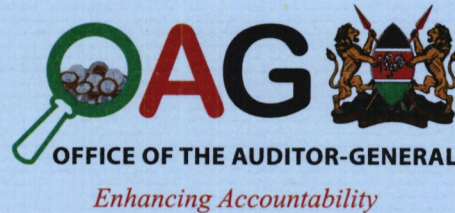

Fund Account Manager
Name: Robert Serem


National Sub-County
Accountant
Name: Andrew Anyal
ICPAK M/No: 17446


Chairman NG-CDF Committee
Name: Thomas Maangi

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT ON THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- WEST MUGIRANGO CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - West Mugirango Constituency set out on pages 18 to 58, which comprise of the statement of assets and liabilities as at 30 June, 2021,

Report of the Auditor - General on National Government Constituencies Development Fund – West Mugirango Constituency for the year ended 30 June, 2021

and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit

In my opinion, except for the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund – West Mugirango 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 National Government Constituencies Development Fund Act, 2015 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

The following balances reflected in the financial statements were not supported with sufficient appropriate records:

1. Use of Goods and Services

The statement of receipts and payments reflects payments for use of goods and services totalling Kshs.9,312,839, as further disclosed in Note 5 to the financial statements. The balance includes payments of committee allowances totalling Kshs.4,350,000. However, the payments were not supported with signed and dated committee attendance registers, committee minutes and other relevant records that may have confirmed the occurrence of the cited meetings.

In the circumstance, the occurrence, validity and accuracy of the expenditure on committee allowances totalling Kshs.4,350,000 for the year ended 30 June, 2021 could not be confirmed.

2. Transfers to Other Government Entities

The statement of receipts and payments reflects transfers to other government units totalling Kshs.93,511,981, as further disclosed in Note 6 to the financial statements. The transfers include Kshs.56,038,000 disbursed to secondary schools out of which Kshs.42,898,000 was disbursed to twelve (12) secondary schools for purchase of school buses. However, delivery notes, inspection and acceptance certificates and log books for two (2) buses reportedly purchased for Gesore Secondary School and Makairo Secondary at a cost of Kshs.7,452,000 were not provided for audit verification.

As a result, it was not possible confirm the accuracy and propriety of the expenditure totalling Kshs.7,452,000 reported to have been spent on the purchase of the two school buses.

3. Other Grants and Transfers

The statement of receipts and payments reflects other grants and transfers totalling Kshs.64,498,343, as further disclosed in Note 7 to the financial statements. The balance

includes Kshs.5,089,131 spent on sports projects out of which payments totalling Kshs.2,631,793 were not supported with sufficient appropriate documentation.

As result, it was not possible to confirm the occurrence and accuracy of the payments for sports projects amounting to Kshs.2,631,793. Further, the accuracy and fair statement of the grants and transfers balance totalling Kshs.64,498,343 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1.0 Budgetary Control and Performance

The summary statement of appropriation for the year under review reflects budgeted receipts and actual receipts totalling Kshs.220,480,822 and Kshs.175,391,943 respectively resulting to a shortfall of revenue amounting to Kshs.45,088,879 or 20% of the budget. Similarly, the statement reflects a final expenditure budget and actual on comparable basis totaling Kshs.220,480,822 and Kshs.172,911,401 respectively resulting in under-expenditure of Kshs.47,569,421 or 22% of the budget.

The shortfall of revenue and under-expenditure hampered the execution of planned projects and activities and thereby disadvantaged the residents of West Mugirango Constituency.

2.0 Prior Year Issues

The audit report for the year under review highlighted several issues relating to the financial statements presented for audit and lawfulness and effectiveness in use of public resources. The report on progress in following up on auditor's recommendations appended to the financial statements for the year under review indicates that some of the issues had been resolved while work on the remainder was ongoing as at 30 June, 2021. The actual status of the issues will be confirmed after they are discussed by Parliament.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Lack of Project Management Committee (PMC)

Regulation 15(1) of the National Government Constituency Development Fund Regulations, 2016 requires each Constituency to appoint a Project Management Committee (PMC) to oversee the affairs of the Fund in the Constituency. However, existence of the Committee in West Mugirango-NGCF could not be confirmed since the Management did not provide records on its appointment deliberations for audit verification.

2. Bursary Management

The statement of receipts and payments reflects other grants and payments totalling Kshs.64,498,343 which include bursaries to schools and institutions totalling Kshs.38,864,000. However, no evidence was provided to confirm that the bursary subcommittee, as constituted, co-opted two members, one of whom should have been an Area Education Officer or representative of the of Ministry of Education as required under the Constituency Development Fund Board Circular Reference VOL1/111 of 13 September, 2010.

In addition, in regards to applications for bursaries, the Constituency did not have a register in which completed application forms were entered and reviewed for suitability before bursary disbursements were made.

In view of these anomalies management of bursary applications, vetting and approval processes may not have been transparent and accountable and the validity and equity of bursaries issued could not be confirmed

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether 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 the Fund to sustain its services, disclosing, as applicable, matters related 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 scepticism 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 continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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


08 September, 2022


*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*


VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	2,601,674	6,568,443
Cash Balances (cash at hand)	10B	000	00
Total Cash and Cash Equivalents		2,601,674	6,568,443
Accounts Receivable			
Outstanding Imprests	11	00	00
TOTAL FINANCIAL ASSETS		2,601,674	6,568,443
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	899,572	778,439
Gratuity	12B	00	00
TOTAL FINANCIAL LIABILITES		899,572	778,439
NET FINANCIAL ASSETS		<u>1,702,102</u>	<u>5,790,004</u>
REPRESENTED BY			
Fund balance b/fwd		5,790,003	5,244,025
Prior year adjustments	14	00	00
Surplus/Deficit for the year		(4,087,901)	545,978
NET FINANCIAL POSITION		<u>1,702,102</u>	<u>5,790,003</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-West Mugirango Constituency financial statements were approved on 24/8/2022 and signed by:


Fund Account Manager
Name: Robert Serem


National Sub-County
Accountant
Name: Andrew Anyal
ICPAK M/No: 17446


Chairman NG-CDF Committee
Name: Thomas Maangi

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30TH JUNE 2021

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	167,867,724	116,540,876
Other Receipts	3	955,776	00
Total receipts		168,823,500	116,540,876
Payments for operating activities			
Compensation of Employees	4	1,775,775	1,587,927
Use of goods and services	5	9,312,839	7,892,653
Transfers to Other Government Units	6	93,511,981	67,915,583
Other grants and transfers	7	64,498,343	33,949,594
Other Payments	9	00	00
Total payments		169,098,938	111,345,757
Total Receipts Less Total Payments		(275,438)	5,195,119
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	00	00
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	121,133	(33,067)
Prior year adjustments	14	00	00
Net cash flow from operating activities		(154,305)	5,162,052
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	00	00
Acquisition of Assets	8	(3,812,463)	(4,649,141)
Net cash flows from Investing Activities		(3,812,463)	(4,649,141)
NET INCREASE IN CASH AND CASH EQUIVALENT		(3,966,768)	512,911
Cash and cash equivalent at BEGINNING of the year	10	<u>6,568,442</u>	6,055,531
Cash and cash equivalent at END of the year		<u>2,601,674</u>	<u>6,568,442</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-West Mugirango Constituency financial statements were approved on 24/08/2022 and signed by:

Fund Account Manager
Name: Robert Serem

National Sub-County
Accountant
Name: Andrew Anyal
ICPAK M/No: 17446

Chairman NG-CDF Committee
Name: Thomas Maangi

West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
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IX. SUMMARY STATEMENT OF APPROPRIATION FOR THE YEAR ENDED 30TH JUNE 2021

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
RECEIPTS	2020/2021						
Transfers from NGCDF Board	137,088,879	6,568,443	75,867,724	219,525,046	174,436,167	45,088,879	79.5%
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts		955776		955,776	955,776	0	100.0%
TOTALS	137,088,879	7,524,219	75,867,724	220,480,822	175,391,943	45,088,879	79.5%
PAYMENTS				0			
Compensation of Employees	2,849,269	600,000	1,359,876	4,809,145	1,775,775	3,033,370	36.9%
Use of goods and services	9,488,729	500,000	929,068	10,917,797	9,312,839	1,604,958	85.3%
Transfers to Other Government Units	62,989,894	2,944,224	42,062,994	107,997,112	93,511,981	14,485,131	86.6%
Other grants and transfers	57,947,981	2266829	31,515,786	91,730,596	64,498,343	27,232,253	70.9%
Acquisition of Assets	3,813,006	257,390	0	4,070,396	3,812,463	257,933	93.7%
Other Payments	0	0	0	0	-	0	0.0%
Funds pending approval**		955776		955,776	0	955776	
TOTALS	137,088,879	7,524,219	75,867,724	220,480,822	172,911,401	47,569,421	78.4%

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

Kshs 955776 on other receipts is the AIA receipt from rent of office space

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


- i. Compensation of Employees is at 36 % since gratuity factored for the three years was not paid for it was not due*
- ii. Use of goods and services at 85.3% since the entire amount was not received from the board running of the committee operations has to continue before other funds is received*
- iii. Transfers to Other Government Units at 85.3% since the entire amount was not received from the board thus pending projects could not receive it allocation*
- iv. Other grants and transfers at 70.9 % since the entire amount was not received from the board thus pending projects could not receive it allocation*

The changes between the original and final budget are as a result of reallocations within the budget


Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	47,569,421
Less undisbursed funds receivable from the Board as at 30 th June 2021	45,088,879
	2,480,542
Add Accounts payable	121,133
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	2,601,675

West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021


The NGCDF-West Mugirango Constituency financial statements were approved on 24/08 2022 and signed by:



Fund Account Manager
Name: Robert Serem



National Sub-County Accountant
Name: Andrew Anyal
ICPAK M/No: 17446



Chairman NG-CDF Committee
Name: Thomas Maangi

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget 2020/2021 Kshs	Adjustments		Final Budget 2020/2021 Kshs	Actual on comparable basis 30/06/2021 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,849,269	600,000	1,359,876	4,809,145	1,775,775	3,033,370
1.2 Committee allowances	2,860,000	202,856	-	3,062,856	2,810,000	252,856
1.3 Use of goods and services	2,516,063	53,025	-	2,569,088	2,862,931	(293,843)
	8,225,332	855,881	9,081,213	10,441,089	7,448,706	2,992,383
2.0 Monitoring and evaluation						
2.1 Capacity building	1,271,226	193,384	929,068	2,393,678	1,550,000	843,678
2.2 Committee allowances	1,492,440	24,000	-	1,516,440	1,540,000	(23,560)
2.3 Use of goods and services	1,349,000	26,735	-	1,375,735	549,953	825,782
	4,112,666	244,119	929,068	5,285,853	3,639,953	1645900
3.0 Emergency						
3.10 Primary Schools						
3.111 Nyangoso DEB pry school	-				300,000	
3.112 Nyamira primary school	-				300,000	
3.113 Tonga Pri school	-				200,000	
3.114 Bobembe Girls Boarding Pry school	-				200,000	
3.115 Omosasa Pry School	-				200,000	
3.116 Riasindani Pry School	-				200,000	
3.117 Mongoris Pry School	-				200,000	

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 National Government Constituencies Development Fund (NGCDF)
 Reports and Financial Statements for The Year Ended June 30, 2021

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	-					
3.118 Sironga Pry School	-				200,000	
3.119.Nyaigesa Pry School	-				200,000	
3.112 Embonga Pry School	-				200,000	
3.121 Nyabisimba Pry School	-				200,000	
3.122 Enchoro Pry School	-				200,000	
3.123 Tente Pry School	-				400,000	
3.124 Bundo Pry School	-				300,000	
3.125Nyaisa Pry School	-				200,000	
3.126 Geta Pry School	-				200,000	
3.127 Nyaigesa Pry school	-				100,000	
3.128 Igenaitambe Pri School	-				250,000	
3.129 Kenyeny pri School	-				250,000	
GESIAGA PRIMARY SCHOOL	-				250,000	
IKURUCHA PRIMARY SCHOOL	-				250,000	
KEBIRIGO PRIMARY SCHOOL	-				250,000	
RIAKIMAI PRIMARY SCHOOL	-				250,000	
GETA PAG PRIMARY	-				100,000	
OTANYORE PRIMARY SCHOOL	-				500,000	

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	-					
TONGA OMONORI-(Prillah Agencies)	-				300,000	
KEMASARE PRIMARY SCHOOL	-				250,000	
3.2. Secondary schools					0	
3.21Ekenyoro Technical School	-				200,000	
3.22 Bosiango sec School	-				200,000	
3.23 Kenyena Sec School	-				200,000	
3.24 Kenyena sec school	-				100,000	
3.25 RANGENYO GIRLS H SCHOOL	-				300,000	
3.26 Kianginda Sec School	-				250,000	
3.27 EKENYERO TECHNICAL SCHOOL	-				100,000	
3.28 NYAMERU SECONDARY SCHOOL	-				250,000	
3.3 Tertiary institutions					0	
					0	
3.4 Security projects					0	
3.41 NYAMIRA POLICE STATION	-				250,000	
3.42 MIRUKA POLICE STATION (Felider Enterprises LTD)	-				250,000	
TOTALS	7192207	1488390	2741207	11421804	8,550,000	2871804
4.0 Bursary and Social Security						
4.1 Primary Schools	0	0	0	0	0	0
4.2 Secondary Schools	22000000	778,439	2,794,486	25,572,925	23,957,000	1,615,925
		0			14,877,000	11,413,806
4.3 Tertiary Institutions	12000000		14290806	26290806		

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National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.4 Universities						
4.5 Social Security	3000000	0	0	3000000	0	3000000
5.0 Sports						
5.1 sports –west mugirango friendly league	2,741,777.00	0	2,347,355	5,089,132	5,089,131	1
6.0 Environment						
6.01 RIATIAGOYE WATER SPRING	144,400			144,400	-	0
6.02 KENYAMBI WATER SPRING	144,400			144,400	-	0
6.03 GESURURA WATER SPRING IN NYAMOTENTEMI	144,400			144,400	-	0
6.04 BONYUNYU WATER SPRING	144,400			144,400	-	0
6.05 OMOSASA WATER SPRING	144,400			144,400	-	0
6.06 BOMORITO WATER SPRING	144,400			144,400	-	0
6.07 NYABIRORU WATER SPRING	144,400			144,400	-	0
6.08 MARINDI WATER SPRING	144,400			144,400	-	0
6.09 RIONGERA WATER SPRING IN SIRONGA	144,400			144,400	-	0
6.10 NYAKUNGURU WATER SPRING IN NYAMAIIYA WARD	144,400			144,400	-	0
6.11 NYABINYINYI WATER SPRING IN 6.12 NYAMAIIYA WARD	144,400			144,400	-	0
6.13 MARARA WATER SPRING IN NYAMAIIYA WARD	144,400			144,400	-	0
6.14 MOBAMBA WATER SPRING	144,400			144,400	-	0
6.15 NYAKEMINCHA WATER SPRING	144,400			144,400	-	0
6.16 RIOMONGE WATER SPRING IN NYAISA	144,400			144,400	-	0

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
6.17 BONYACHANI WATER SPRING IN BOSAMARO	144,400			144,400	-	0
6.18 RIASORANA WATER SPRING IN EMBONGA	144,400			144,400	-	0
6.19 RIAMOKURUMI WATER SPRING IN EBATE	144,400			144,400	-	0
6.20 GESIAGA WATER SPRING	142,577			142,577	-	0
TOTALS	2,741,777	0	0	2,741,777	0	2,741,777
						0
7.0 Primary Schools Projects (List all the Projects)						0
7.01 Ibucha primary school			763,513.00	763,513	763,513	0
7.02. Etono primary school			500,000.00	500,000	500,000	0
7.03 Egoro primary school			500,000.00	500,000	500,000	0
7.04. Kuura primary school			500,000.00	500,000	500,000	0
7.05. Rirumi primary school			500,000.00	500,000	500,000	0
7.06. Nyainogu primary school			500,000.00	500,000	500,000	0
7.07. Nyairicha special school			500,000.00	500,000	500,000	0
7.07. Bonyaiguba primary school			600,000.00	600,000	600,000	0
7.08.Omokonge primary school			500,000.00	500,000	500,000	0
7.09. RAMBA PRIMARY SCHOOL	1,000,000		0	1,000,000	1,000,000	0
7.10. BUNDO DOK PRIMARY SCHOOL	1,000,000		0	1,000,000	1,000,000	0
7.11 TONGA DEB PRIMARY SCHOOL	600,000		0	600,000	600,000	0

Reserve Constituency
 National Government Constituencies Development Fund (NGCDF)
 Reports and Financial Statements for The Year Ended June 30, 2021

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.12. NYAMIRA DEB PRIMARY SCHOOL	2,000,000		0	2,000,000	2,000,000	0
7.13. KENYAMBI PRIMARY SCHOOL	1,000,000		0	1,000,000	1,000,000	0
7.14. KABATIA PRIMARY SCHOOL	1,000,000		0	1,000,000	1,000,000	0
7.15. RATETI DER PRIMARY SCHOOL	750,000		0	750,000	750,000	0
7.16 NYAMWETUREKO PRIMARY SCHOOL	6,475,917		0	6,475,917	6,475,917	0
7.17. KIAMBERE PRIMARY SC HOOL	2,053,977		0	2,053,977	2,053,977	0
7.18. MONGORIS PRIMARY SCHOOL	1,000,000		0	1,000,000	1,000,000	0
7.19. OTANYORE PRIMARY SCHOOL			1,000,000.00	1,000,000	1,000,000	0
7.19. IKONGE PRIMARY SCHOOL			1,000,000.00	1,000,000	1,000,000	0
7.20 OTANYORE PRIMARY SCHOOL			1000000	1,000,000	1,000,000	0
7.21 IKONGE PRIMARY SCHOOL			2405000	2,405,000	2,405,000	0
7.22 RAMBA PRIMARY SCHOOL			2,354,298.00	2,354,298	2,354,298	0
7.23 BOMORITO PRY SCHOOL			1,100,000.00	1,100,000	1,100,000	0
7.24 KEBIRIGO PRY SCHOOL			500,000.00	500,000	500,000	0
7.25 RATETI PRIMARY	0	0	44408	44408	0	
Totals	16,879,894	0	14,222,811	31,147,113	31,102,705	44408
8.0 Secondary Schools Projects (List all the Projects)						0
Bomorito Secondary School		1,500,000		1,500,000	1,500,000	0
Geta secondary school		1,200,000		1,200,000	1,200,000	0

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National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Omosasa Secondary School		0	1,000,000.00	1,000,000	1,000,000	0
Senator Kebaso Secondary		204,224	995,776.00	1,200,000	1,200,000	0
St Peters Nyakemincha Secondary		0	3,600,000.00	3,600,000	3,600,000	0
Our Lady Of Mercy Rangenyo Girls Secondary		0	3,600,000.00	3,600,000	3,600,000	0
Embonga Seondary		0	3,600,000.00	3,600,000	3,600,000	0
Nyaigwa Girls Secondary		0	3,600,000.00	3,600,000	3,600,000	0
Gianchore Secondary School		20,000	0	20,000	0	20,000
Bosiango Secondary School		20,000	0	20,000	0	20,000
NYAMOTENTEMI SECONDARY SCHOOL	2,000,000	0	0	2,000,000	0	2,000,000
MASOSA SECONDARY	1,400,000	0	0	1,400,000	1,400,000	0
KIANUNGU SECONDARY	1,400,000	0	0	1,400,000	1,400,000	0
ST PETERS NYAKEMINCHA SECONDARY SCHOOL	5,500,000	0	0	5,500,000	0	5,500,000
MAKAIRO SECONDARY SCHOOL	7,162,000	0	0	7,162,000	7,162,000	0
KUJURA SECONDARY SCHOOL	7,162,000	0	0	7,162,000	7,162,000	0
GEETARI SECONDARY	7,162,000	0	0	7,162,000	3,726,000	3,436,000
NYAMERU SECONDARY SCHOOL	7,162,000	0	0	7,162,000	7,162,000	0
GESORE SECONDARY SCHOOL	7,162,000	0	0	7,162,000	3,726,000	3,436,000
MARINMDI SECONDARY SCHOOL	0	0	1,000,000.00	1,000,000	1,000,000	0

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 National Government Constituencies Development Fund (NGCDF)
 Reports and Financial Statements for The Year Ended June 30, 2021

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
GEETARI SECONDARY SCHOOL	0		2,000,000.00	2,000,000	2,000,000	0
NYAKEORE SECONDARY SCHOOL	0		2,000,000.00	2,000,000	2,000,000	0
West Mugirango TTI	0	0	6,400,000	6,400,000	6,371,276	28,724
TOTALS	46,110,000	2,944,224	21,395,776	70,450,000	56,038,000	14,485,132
10.0 Security Projects						
Shivling Mkt High Mast Light			3,000,000	3,000,000	2,999,796	204
Makairo Mkt High Mast Light			3,000,000	3,000,000	2,999,796	204
Nyamatoki Mkt High Mast Light			3,000,000	3,000,000	2,996,120	3,880
Kiambere Police Post/ chief's office	400,000			400,000	400,000	0
Motobo chief's camp/Ap Post	400,000			400,000	400,000	0
Kebirigo chief's camp/Ap Post	400,000			400,000	400,000	0
Keera chief's camp	400,000			400,000	400,000	0
Nyagachi chief's camp	400,000			400,000	400,000	0
Bogichora Divisional Head quarters	560000			560,000	560,000	0
Nyamira South Sub county	440,000			440,000	439,500	500
Charachani Assistant chiefs office	3200000			3,200,000	-	3,200,000
Siamani Chief's office	1,800,000			1,800,000	-	1,800,000
	8,000,000	0	9,000,000	17,000,000	11,995,212	5,004,788
11.0 Acquisition of assets						
11.1 Motor Vehicles (including						

West Mugirango Constituency
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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
motorbikes)	-			-	-	-
11.2 Construction of CDF office	1,699,963	257,390	-	1,957,353.20	1,699,963	257,390
11.3 Purchase of furniture and equipment	2,113,043.21			2,113,043	2,112,500	543
11.4 Purchase of computers	0	0	0	0	0	0
11.5 Purchase of land	0	0	0	0	0	0
Totals						257,933
12.0 Others						
12.1 Strategic Plan	0	0	0	0	0	0
12.2 Innovation Hub	0	0	0	0	0	0
12.2 RETENTION	0	778,439	0	778,439	778,439	0
Funds pending approval**		955,776		-		955,776
Total						
GRAND TOTAL	137,088,879	7,524,219	75,867,724	220,480,822	172,911,401	47,569,422

(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
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XI. 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 (gratuity 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-West Mugirango 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.

Transfers from the National Government Constituency Development Fund (NG-CDF)

Transfers from the NG-CDF to the constituency are recognized when cash is received in the Constituency account.

Proceeds from Sale of Assets

Proceeds from disposal of assets are recognized as and when cash is received in the constituency account.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from sale of tender documents, rent receipts, interest earned on bank balances, hire of Plant/Equipment/Facilities, Unutilized funds from PMCs among others.

Unutilized Funds from PMCs.

All unutilized funds of the Project Management Committee (PMC) are returned to the constituency account. Unutilized funds from PMCs are recognised as other receipts upon return to the constituency account.

**West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

External Assistance

External assistance refers to grants and loans received from local, multilateral and bilateral development partners. In the year under review there was no external assistance 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 constituency and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

5. In-kind contributions

In-kind contributions are donations that are made to the constituency 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 constituency 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 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.

***West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
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8. Accounts Payable

For the purposes of these financial statements, Deposits (gratuity 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. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. 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 are 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 financial 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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is 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 15th June 2020 for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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 2021.

14. Errors

Material prior period errors are 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.

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
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15. Related Party Transactions

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa.

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO BO47197	1		36,360,058
AIE NO BO47346	2		12,180,818
AIE NO BO41246	3		4,000,000
AIE NO BO47672	4		20,000,000
AIE NO BO49203	5		7,000,000
AIE NO B104185	6		14,000,000
AIE NO B 096521	7		23,000,000
B104758	1	20,000,000	
B104577	2	6,500,000	
A823747	3	35,000,000	
B104848	4	14,367,724.1	
B124695	5	9,000,000	
B119684	6	8,500,000	
B119723	7	12,000,000	
B128317	8	6,900,000	
B132077	9	6,000,000	
B132370	10	6,000,000	
B126039	11	12,000,000	
B1263331	12	7,000,000	
B103126	13	12,600,000	
B140770	14	12,000,000	
TOTAL		167,867,724.1	116,540,876

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment		
Total	00	00

*West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents-office rent	953,275.85	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities-hire of hall	2,500	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	955,776	000

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,650,416	1,474,566
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	41,359	35,757
Gratuity to contractual employees	-	-
Employer Contributions Compulsory national social security schemes	84,000	77,604
Total	1,775,775	1,587,927

**West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	0	47,140
Utilities, supplies and services	50,509	0
Communication, supplies and services	61,550	-
Domestic travel and subsistence	0	-
Printing, advertising and information supplies & services	0	0
Rentals of produced assets	0	52,200
Training expenses	1,550,000	300,000
Hospitality supplies and services	0	-
Other committee expenses	0	220,000
Committee allowance	4,350,000	0
Insurance costs	0	0
Specialized materials and services	182,400	3,983,000
Office and general supplies and services	704,005	-
Other operating expenses	82,385	130,000
Routine maintenance – vehicles and other transport equipment	2,331,990	1,066,023
Routine maintenance – other assets	0	1,350,000
	0	
Total	9,312,839	7,892,653

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National Government Constituencies Development Fund (NGCDF)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	31,102,705	23,305,583
Transfers to secondary schools (see attached list)	56,038,000	34,510,000
Transfers to tertiary institutions (see attached list)	6,371,276	10,100,000
TOTAL	93,511,981	67,915,583

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	23,957,000	3,429,000
Bursary – tertiary institutions (see attached list)	14,877,000	3,219,000
Bursary – special schools (see attached list)	30,000	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	11,995,212	16,039,005
Sports projects (see attached list)	5,089,131	2,580,817
Environment projects (see attached list)	-	4,928,172
Emergency projects (see attached list)	8,550,000	3,753,600
Total	64,498,343	33,949,594

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	00	00
Construction of Buildings	1,699,963.20	910,124.00
Refurbishment of Buildings	-	2,486,108.00
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	2,112,500	-
Purchase of ICT Equipment, Software and Other ICT Assets	0	1,252,909
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	3,812,463	4,649,141

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	00	00
ICT Hub	00	00
	0	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Kenya Commercial Bank, Nyamira Branch . West Mugirango NG-CDF- A/C no.1103318764</i>	2,601,674	6,568,443
Total	2,601,674	6,568,443
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		

**West Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

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>
ROBERT SEREM	VARIOUS	6,555,500	6,555,500	0000
Total		6,555,500	6,555,500	000

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

12A. RETENTION

[Provide short appropriate explanations as necessary.]

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1 st July (A)	778,439	778,439
Retention held during the year (B)	1,517,158	-
Retention paid during the Year (C)	1,396,025	-
Closing Retention as at 30 th June D= A+B-C	899,572	778,439

12B. GRATUITY

[Provide short appropriate explanations as necessary]

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	000	000
Gratuity held during the year (B)	000	000
Gratuity paid during the Year (C)	000	000
Closing Gratuity as at 30 th June D= A+B-C	000	000

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13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	6,568,443	6,055,531
Cash in hand	0	0
Imprest	0	0
Total	6,568,443	6,055,531

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	6,568,443	1	6,568,442
Cash in hand	000	000	000
Accounts Payables	(778,439)	000	(778,439)
Receivables	000	000	000
Others (<i>specify</i>)	000	000	000
TOTAL	5,790,004	0	5,790,003

CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	6,555,500	5,101,223
Imprest surrendered during the Year (C)	6,555,500	5,101,223
closing accounts in account receivables D= A+B-C	00	00

15. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 – 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	778,439	811,506
Deposit and Retentions held during the year (B)	1,517,158	1,479,774
Deposit and Retentions paid during the Year (C)	1,396,025	1,512,841
closing account payables D= A+B-C	899,572	778,439

*West Mugirango Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	000	000
Construction of civil works	000	000
Supply of goods	000	000
Supply of services	000	000
	000	000

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	1,318,042	00
Others (<i>specify</i>)	00	00
TOTALS	1,318,042	00

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	3,033,370	1,959,876
Use of goods and services	1,604,958	1,429,068
Amounts due to other Government entities (see attached list)	14,485,132	27,647,920
Amounts due to other grants and other transfers (see attached list)	27,232,252	50,363,474
Acquisition of assets	257,933	257,389
Others (<i>specify</i>)	0	
Funds pending approval	955,776	
Totals	47,569,421	81,657,727

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	17,466,531	19,848,610
	17,466,531	19,848,610

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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 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees	Salaries and gratuity	3,033,370	1,959,876	To be executed in 2021/2022
Use of goods & services	Committee allowances, fuels, and supplies	1,604,913	1,429,068	To be executed in 2021/2022
Amounts due to other Government entities				
Gianchore Secondary School	bus	20,000	0	To be executed in 2021/2022
Bosiango Secondary School	bus	20,000	0	To be executed in 2021/2022
RATETI PRIMARY SCHOOL	road access	44408	0	To be released.
NYAMOTENTEMI SECONDARY SCHOOL	classrooms	2,000,000	0	To be executed in 2021/2022
ST PETERS NYAKEMINCHA SECONDARY SCHOOL	Bus	5,500,000	0	To be executed in 2021/2022
GEETARI SECONDARY	Bus	3,436,000	0	To be executed in 2021/2022
GESORE SECONDARY SCHOOL	Bus	3,436,000	0	To be executed in 2021/2022
West mugirango tvc	Water works	28,724	3,400,000	To be executed in 2021/2022
Sub-Total		14,485,132	3,400,000	
Amounts due to other grants and other transfers				
Shivling Mkt High Mast Light	High Mast Light	204	3,000,000	To be executed in 2021/2022
Makairo Mkt High Mast Light	High Mast Light	204	0	To be executed in 2021/2022
Nyamatoki Mkt High Mast Light	High Mast Light	3,880	0	To be executed in 2021/2022
Nyamira South Sub county	Furniture	500	0	To be executed in 2021/2022
Charachani Assistant chiefs office	Office	3,200,000	0	To be executed in 2021/2022
Siamani Chief's office	office	1,800,000	0	To be executed in 2021/2022

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Bursary secondary	Bursary	1,615,925		To be executed in 2021/2022
Bursary tertiary	Bursary	11,413,806	14,290,806	To be executed in 2021/2022
Bursary special	Bursary	584,151	341,931	To be executed in 2021/2022
Nhif social security	Bursary	3,000,000	3,000,000	To be executed in 2021/2022
Emergency	Emergency	2,871,804	4,229,597	To be executed in 2021/2022
Environment	Spring protection	2,741,777	0	
sports	sports	1	2,347,355	
Sub-Total		27,232,252	24,209,689	
Acquisition of assets				
West Mugirango NGCDF office	Balance office	257,390	257,390	To be executed in 2021/2022
West Mugirango NGCDF office- furniture	Balance furniture	543	0	To be executed in 2021/2022
<i>Others (specify)</i>				
Sub-Total		257,933	257,390	
	AIA-office rent	955,776	0	To be executed in 2021/2022
Funds pending approval				
Grand Total		47,569,376	82469233	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	0			0
Buildings and structures	42,958,420	1,699,963	0	44,658,383
Transport equipment	8,800,000	0	0	8,800,000
Office equipment, furniture and fittings	6,963,786	2,112,500	0	9,076,286
ICT Equipment, Software and Other ICT Assets	836,422	0	0	836,422
Other Machinery and Equipment	5,000	0	0	5,000
Heritage and cultural assets	0	0	0	0
Intangible assets	50,999	0	0	50,999
Total	59,614,627	3,812,463	0	63,427,090

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Marindi Sec School	CO-OPERATIVE	1139349815500	328,365	-
NYAMWETUREKO PRIMARY SCHOOL	CO-OPERATIVE	1139349779900	6,410,527	-
Bogichora Divisional Office	EQUITY	520279559499	48,162	-
Etono pry school	EQUITY	520164375172	1,437.5	-
Kebirigo pry school	EQUITY	520278910045	407.5	-
Kiambere Pry School	EQUITY	520192990182	228,482.4	-
Kebirigo Chief's Camp	EQUITY	520278972975	20,599	-
Otanyore pry school	EQUITY	520279040744	637	-
Ekoru pry school	EQUITY	0520280193300	627.5	-
KEMASARE PRIMARY	EQUITY	0520102920026	250,698	-
KENYAMBI PRY SCHOOL	EQUITY	052194239821	100,1361.95	-
Enchoro Pry School	KCB	1182243924	1,849	-
Kabatia Pry School	KCB	1163137383	271,550	-
Bobembe Girls Boarding Pry school	KCB	1225991374	1,149	-
Bomorito pry school	KCB	1163915025	4,142	-
BOMORITO SEC SCHOOL	KCB	1118481372	605,033	-
Bonyaiguba pry school	KCB	1236369599	1,355	-
Bosiango sec School	KCB	1103231618	1,083	-
BUNDO DOK PRY SCHOOL	KCB	1163523224	972,880.75	-
Ekenyoro Technical School	KCB	1171397399	2,258	-
Embonga Pry School	KCB	1171623844	32	-

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Embonga sec School	KCB	1171623844	94	-
GESIAGA PRY SCHOOL	EQUITY	0520194145496	250,362.5	-
Geta Pry School	KCB	1146236395	1,614.5	-
GETA SECONDARY SCH	KCB	1146236395	1,740.5	-
Getaari sec school	KCB	128474998	4,184.96	-
Ibucha pry school	KCB	1163919233	527.05	-
Igenaitambe Pri School	KCB	1259687198	32,446	-
Ikonge pry school	KCB	1268111023	4,222.6	-
IKURUCHA PRIMARY SCHOOL	KCB	1102926043	250,195.4	-
KEBIRIGO NPRY SCHOOL	KCB	1198579420	252.079	-
Keera Chief's Camp	KCB	1253697779	370,151	-
Kenyanya pri School	KCB	1283357488	8,975	-
Kenyanya Sec School	KCB	1281435775	1,000	-
Kiambere Chief's Camp	KCB	1261492641	2,383	-
KIANGINDA SECONDARY SCHOOL	EQUITY	0520280991311	249,100	-
KIANUNGU SECONDARY	KCB	1164217771	1,399,943	-
Kuura pry school	KCB	1280639776	175	-
MASOSA SECONDARY SCHOOL	KCB	1103245813	1,400,529.5	-
Mongoris Pry School	KCB	1273522281	629,249	-
Motobo Chief's camp	KCB	1254144544	1,662	-
Nyabisimba Pry School	KCB	1271185180	2,657	-
Nyagachi Chief's Camp	KCB	1261477197	4,029.7	-
Nyaigesa Pry School	EQUITY	0520194341025	629,249	-
Nyaigwa Girls Sec School	KCB	1183526415	1,085.6	-
Nyainogu pry school	KCB	1280896418	975	-

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				-
Nyairicha pry school	KCB	1253814465	23,920	-
Nyaisa Pry School	KCB	1162794062	1,484	-
Nyakeore sec school	KCB	1280392622	16,180	-
NYAMERU SECONDARY SCHOOL	KCB	1212780566	250,279	-
Nyamira Pry School	KCB	1280597526	264	-
Nyangoso DEB pry school	KCB	1259465950	3,891	-
Omokonge pry school	KCB	1253522189	4,935	-
Omosasa Pry School	KCB	1171604041	28,34.5	-
Omosasa sec school	KCB	1184303207	10,041	-
Otanyore Primary school	KCB	1260758451	501,375	-
Our Lady of Mercy Rangenyo	KCB	1103318179	2,613.5	-
Ramba pry school	KCB	1275564542	95,735	-
RANGENYO GIRLS SECONDARY SCHOOL	KCB	1103318179	2,739.5	-
Rateti DEB Pry School	KCB	1285502108	67,469	-
RIAKIMAI PRY SCHOOL	EQUITY	026000026534	250,000	-
Riasindani Pry School	KCB	1103318764	2,800	-
Rirumi pry school	KCB	1236408020	13,318	-
SENATOR KEBASO SEC SCH	KCB	1153915154	3,716.5	-
Sironga Pry School	KCB	1182326218	375	-
St. Peters Nyakemincha Sec School	KCB		0	-
Tente Pry School	KCB	1252117086	2,213	-
TONGA DEB PRY SCHOOL	KCB	1236368967	603,659	-
West Mugirango Friendly League	KCB	1243767448	44,907	-
TOTALS			17,466,531	

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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 and subsequent progress made on the resolution of the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.1	Inaccuracy of the Financial Statements	RESPONSE: The typo error on transfers to other Government units indicated as Kshs 67,916,583 has been noted and corrected to reflect the right amount of kshs 67,915,583 as shown in the amended financial statements provided under receipt and payments.	resolved	
4.2	Cash and Bank balances. The bank balances presented may be understated if cancellation of stale cheques has not been indicated in the cash book	The stale cheques were reversed and issued as supported by copies of cash book extracts attached as ANNEX I	resolved	
4.3	Included in the financial statement note 17.4 under annex 5 is a total of kshs.	A total of Kshs. 19,848,610 which represents PMC account balances as at 30/06/2020 is	resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	19,848,610 which represent PMC account balances. However, the figure could not be confirmed since the bank certificate balances, bank statements and bank reconciliation were not availed to confirm the balances.	hereby supported by the attached bank statements (ANNEX II) of each of the 24 indicated Projects showing the declared balances		
4.1	<p>4.1 Keera Chief's Office Projects</p> <p>There is a likelihood that the constituency may be constructing projects on a private land which in the long run will not be in use as they do not have ownership documents</p>	<p>RESPONSE: We have started the processes of title deed processing and in due course we shall get it.</p>	Not yet resolved	
4.8	<p>Installation of High Mass Flood Lights</p> <p>i. There may not be value for money since the projects are being implemented in areas already installed with street lights</p> <p>ii. The bills for electricity will be paid by the County Government hence if no proper coordination is done, the</p>	<p>During public participation exercise the participant of the said places did propose for the flood lights in the Miruaka and Kebirigo Towns centres further still the county government did give consent for the erection of the masts in the mention places and committed on payment of</p>	resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	project may not serve its intended purpose of security improvement	the electricity bills. However we have taken note of your observation and will adhere to it next time.		
4.9	<p>Disbursement of Bursaries.</p> <p>Risk(s)/Effect(s)/Implications Lack of a standard criteria to follow for awarding of bursaries may lead to favoritism</p>	<p>The NGCDF did approved a standard rate of kshs 10,000 for other needy student in colleges and university but receiving HELB</p> <p>Student that received more than 20,000 were vetted and found to be extremely needy and self-sponsored and thus awarded more as supported by NGCDFC minutes.</p> <p>In it resolution no one was to get more than 50,000</p>	resolved	
4.10	<p>Budget Performance analysis</p> <p>The CDF Board approved budget for 2019/2020 for West Mugirango NG-CDF amounted to Kshs 198,464,131 comprising of 2019/2020 allocation of Kshs. 137,367,724 and unspent balance</p>	The management of NG-CDF West Mugirango should ensure budget is implemented fully as approved by the National Board		



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (<i>Resolved / Not Resolved</i>)	Timeframe: (<i>Put a date when you expect the issue to be resolved</i>)
	brought forward from 2018/2019 of Kshs. 61,096,407. During the period under review, the NG-CDF West Mugirango received transfers from NGCDF Board amounting to Kshs 122,596,407 and the actual expenditure for the Financial year under review was Kshs. 115,994,898 resulting to unspent balances of Kshs 6,601,509.			
4.11	<p>Security Project Verification Status</p> <p>Risk(s)/Effect(s)/Implications The rollover of projects from one financial period to another may have some costs implications due to inflationary pressures on the shilling</p>	The management of the NGCDF West Mugirango should ensure that all projects are started and implemented within the financial period under review		
4.12	<p>Environment projects verification status</p> <p>Risk(s)/Effect(s)/Implications The little amounts of sum being disbursed may not be enough for completion of the projects.</p>	Reallocation had been made from planting of trees seedlings to protection of water springs and proposals on water spring for 2018/2019 had taken long to be approved by Board thus delayed in implementation. However we have taken note of the recommendation and we shall adhere to it.		

