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REPORT

THE AUDITOR-GENERAL

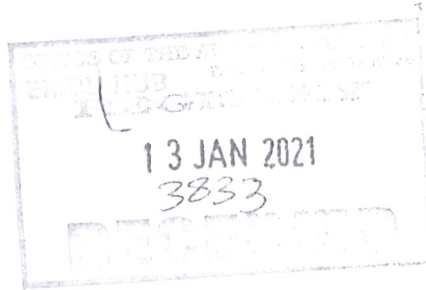
ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
TIGANIA EAST CONSTITUENCY**

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



Revised Template 30th June 2020



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -
TIGANIA EAST CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TIGANIA EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

Core Values

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

(b) Key Management

The NGCDF TIGANIA EAST Constituency day-to-day management is under the following key organs:

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2020 and who had direct fiduciary responsibility were:

N	Designation	Name
o		
1.	A.I.E holder	NAFTALI K. SILAS
2.	Sub-County Accountant	PAUL O.OYOO
3.	Chairman NGCDFC	DAVID MURIERA
4.	Member NGCDFC	JAMES M. KANAKE

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -TIGANIA EAST Constituency. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Committee for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) NGCDF TIGANIA EAST Constituency Headquarters

P.O. Box 17MUTHARA
TIGANIA EAST DCC'S GROUNDS
MERU – MAUA Road/Highway
Nairobi, KENYA

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

(f) NGCDF TIGANIA EAST Constituency Contacts

Telephone: 0724988640/ 0795683268
E-mail: cdftiganiaeast@ngcdf.go.ke
Website: www.tiganiaeast

(g) NGCDF TIGANIA EAST Constituency Bankers

1. CO-OPERATIVE BANK OF KENYA LTD
MAKUTANO BRANCH
ACCOUNT NO. 01120378126000

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

TIGANIA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

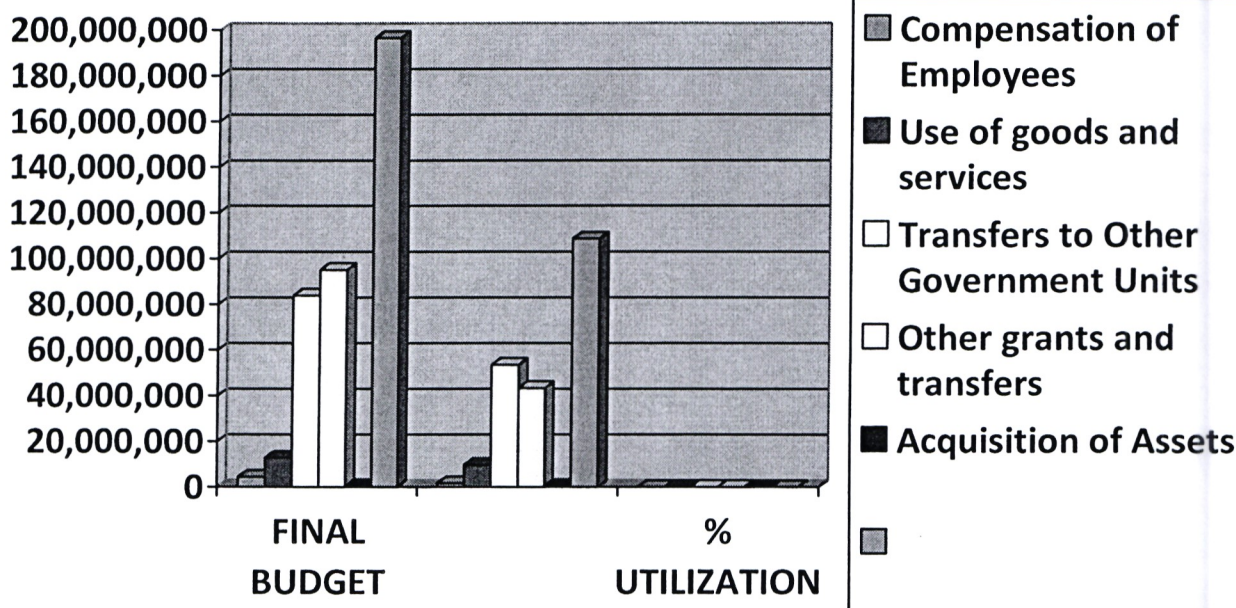
II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

During the year under review, the constituency received only 50% of its 2019-2020 budgetary allocation amounting to Ksh .70M and ksh 49.5M for the 2018-2019 financial year

The table below shows the percentage of funds utilized against the total budget for each expense item.

The overall absorption of the available funds was however impressive since out of the total funds of ksh 119M received during the year, and the balance brought forward from last year of ksh 10M both totalling to ksh 129M, 108M was utilized during the year under review. This translates to 84% absorption rate.

EXPENSE ITEM	FINAL BUDGET	ACTUAL	% UTILIZATION
Compensation of Employees	4,425,923	1,651,572	37%
Use of goods and services	12,815,907	9,740,090	76%
Transfers to Other Government Units	83,884,135	53,542,027	64%
Other grants and transfers	95,090,561	43,394,525	46%
Acquisition of Assets	372,500	372,500	100%
	196,589,026	108,700,714	55%



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TIGANIA EAST CONSTITUENCY
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Among the emerging issues negatively affecting the fund during the year under review were the emergence of the deadly *Corona virus* pandemic in the middle of the year which has wreaked havoc on all key activities of the fund. Meetings, sporting activities and all institutions of learning were closed indefinitely just as the committee was processing bursaries for both secondary and tertiary institutions. The reopening of the same remains uncertain as the pandemic was worsening at the closure of the financial year.
The fund will continue supporting the pandemic containment measures to the extent allowable under the NG-CDF Act.

**TIGANIA EAST
NG - CDF**

P.O.Box 17 - 60605, Muthara

Sign
DAVID MURIERA



Date.....Sign.....

**CHAIRMAN NG-CDF COMMITTEE
TIGANIA EAST CONSTITUENCY.**

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

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of 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 NGCDF-TIGANIA EAST Constituency's 2018-2022 plans are;

- a) To be the leading constituency in providing holistic education for sustainable development and education that is globally competitive.
- b) To create a 24/7 hour investors and talents development hub.
- c) To establish a firm foundation towards a developed and prosperous constituency that is clean, secure and infrastructural sound.

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 Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - Number and quality of usable physical infrastructure built in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	<p>In FY 19/20 we improved the physical infrastructure in 21 secondary schools and 29 primary schools as per the attached schedules.</p> <p>-Most of the bursaries had not been disbursed due to closure of education institutions as a result of <i>corona virus</i> pandemic</p>
Security	To reduce incidences of cattle rustling and other crimes in the constituency	Build police posts, administration police posts and sub county administration	<p>Number of police posts and staff quarters completed.</p> <p>Number of chiefs/assistant</p>	<p>In FY 19/20 we improved the physical infrastructure in 2 ACC'S offices, 4 chiefs offices and 3</p>

		offices for chiefs and assistant chiefs	chiefs offices constructed	police posts as per attached schedules
Environment	To increase forest cover in the constituency and increase awareness on rain water harvesting.	Fund tree planting and rain water harvesting activities	Number of trees planted. Number of schools harvesting rain water for school use.	Funded planting of 20,000 tree seedlings and 15 schools with rain water harvesting 10,000 litre water tanks and gutters.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – TIGANIA EAST Constituency exists to transform lives. This is our purpose; the driving force behind everything we do. It’s what guides us to deliver our strategy, which is founded on social sector, namely; Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile –

The NG-CDFC has adopted a continuous stakeholder involvement in all its activities to ensure success and sustainability of our programmes. Continuous capacity building and projects monitoring by all stakeholders is integrated in all activities as well as promoting continuous feedback from all stakeholders. Gender and disability issues have also been mainstreamed in our activities.

2. Environmental performance

The constituency has diversified its environment activities to include promotion of rain water harvesting in addition to increasing forest cover by planting at least 20,000 trees every year. To increase the chances of survival of the trees, the NG-CDFC has continued to consult the environmental experts in the forestry department to ensure the right tree varieties have been planted in accordance with the climatic conditions in the beneficiary institutions.

3. Market place practices-

The NG-CDFC is an equal opportunity employer and gives procurement opportunities to all by promoting fair competition in all its projects procurements. Prompt payment for goods supplied or services rendered is guaranteed as payments are made within a week of delivery or successful completion of contracted works upon inspection by the inspection and acceptance committee and certification by the works officer. Any complaints regarding contracts are amicably resolved through site meetings and fair adjudication by technical officers and the relevant NG-CDFC sub- committee.

4. Community Engagements-

The NG-CDFC involves the community at all levels of the projects life cycle. Projects are identified in stakeholder forums, are managed by the project management committees whose membership is drawn from the beneficiary community and once complete, the projects are handed over to the community for project ownership and sustainability to be guaranteed.

The NG-CDFC in all its community BARAZAS addresses crosscutting issues like drug and substance abuse, gender, disability and youth mainstreaming ,HIV-AIDS and more recently- COVID 19 containment issues.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TIGANIA EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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


The Accounting Officer in charge of the NGCDF-TIGANIA EAST Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-TIGANIA EAST Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-TIGANIA EAST Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

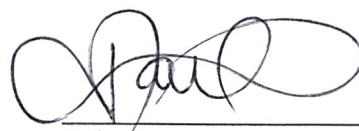
The Accounting Officer in charge of the NGCDF-TIGANIA EAST Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the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

Approval of the financial statements

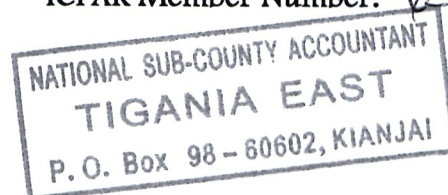
The NGCDF-TIGANIA EAST Constituency financial statements were approved and signed by the Accounting Officer on 30.9. 2020.



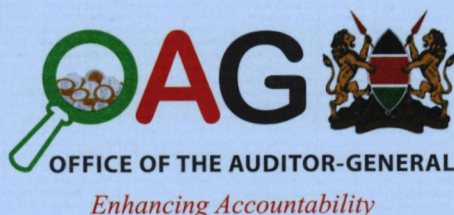
Fund Account Manager
Name:



Sub-County Accountant
Name: Paul O. Oyoo
ICPAK Member Number: 6376



REPUBLIC OF KENYA



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NAIROBI

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Tigania East Constituency set out on pages 11 to 38, which comprise the statement of financial assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Tigania East 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.

Basis for Qualified Opinion

1.0 Presentation of the Financial Statements

The Fund's financial statements for the year ended 30 June, 2020 submitted for audit review contains the following anomalies;

- i. The Fund financial statements for the year ended 30 June, 2020 did not include a separate summary statement of appropriations - recurrent and a summary statement of appropriation - development contrary to the Public Sector Accounting Standards Board (PSASB) template issued in June, 2020.
- ii. Notes 6 and 7 to the financial statements reflects Kshs.53,542,027 and Kshs.42,394,525 in respect of transfer to other government entities and other

grants and other payments respectively, which includes sub-components each with a reference, "see attached list". However, the referred lists are not attached to the financial statements.

In the circumstances, the Fund's financial statements are not presented in accordance with the stipulated PSASB prescribed format.

2.0 Accuracy of the Financial Statements

2.1 Misstated Project Management Committee Comparative Account Balances

Note 17.4 to the financial statements reflects Kshs.2,757,146 in respect of prior year Project Management Committee (PMC) account balances. However, the 2018/2019 financial statement reflects a total of Kshs.3,006,595 for the balances resulting in unexplained and unreconciled variance of Kshs.249,449.

In the circumstances, the accuracy of the Kshs.2,757,146 in respect of comparative balances reflected in the financial statement could not be confirmed.

2.2 Variance between Financial Statement Balance and Supporting Schedule

Note 5 to the financial statements reflects Kshs.7,701,500 in respect of committee expenses under use of goods and services. However, the respective supporting schedules reflects Kshs.7,710,000 in respect of the expenses resulting in unexplained and unreconciled variance of Kshs.8,500.

In the circumstances, the accuracy of the Kshs.7,701,500 in respect of committee expenses for the year ended 30 June, 2020 could not be confirmed.

3.0 Cash and Cash Equivalents

Note 10A to the financial statements reflects Kshs.21,020,588 in respect of bank accounts (cash book bank balance). Review of the bank reconciliation statement for account balances as at 30 June, 2020 revealed unrepresented cheques totalling Kshs.29,239,397 which included stale cheques amounting to Kshs.13,154. The stale cheques had not been reversed in the cash book.

Further, the bank reconciliation statement reflects receipts in cash book not yet recorded in bank statement of Kshs.16,000 relating to a cheque number 6979 dated 6 December, 2019. However, the cheque was stale as at 30 June, 2020, therefore, overstated the cash and cash equivalents balance by the same amount.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.21,020,588 as at 30 June, 2020 could not be confirmed.

4.0 Transfers to Secondary Schools

Note 6 to the financial statements reflect Kshs.53,542,027 in respect of transfers to other government entities. The amount includes Kshs.24,877,027 transferred to secondary

schools which further includes Kshs.1,350,000 and Kshs.500,000 disbursed to Thubuku and Ametho secondary schools respectively.

The Funds were disbursed to the respective Project Management Committees of Thubuku and Ametho on 5 December, 2019 vide cheques number 7938 and 7934 for construction of two (2) ablution blocks and completion of a laboratory building respectively. However, as at the time of the audit in December, 2020, which was approximately twelve (12) months after the funds were disbursed, the projects had not been implemented.

Further, the PMC bank statement balance for Thubuku secondary school as at 28 November, 2020 was Kshs.696,359. However, no evidence was provided for audit review on how the difference of Kshs.653,641 was utilized.

5.0 Incomplete Project

Note 7 to the financial statements reflects Kshs.42,394,525 in respect of other grants and other payments which includes Kshs.10,600,000 in respect of security projects. The project payments includes Kshs.850,000 disbursed to the Project Management Committee for construction to completion of Gatithine Assistant Chief's office on 5 December, 2019. A review of expenditure documents revealed that Kshs.451,682 had been spent while the balance of Kshs.398,318 was still in the PMC bank account as at November, 2020. However, the Kshs.451,682 expenditure was not supported by certificates of works.

Further, other supporting documents including Bill of Quantities and contract agreement were not availed for audit review. In addition, audit verification at the project site in December, 2020, revealed that the contractor was not on site and the project appeared abandoned.

In the circumstances, the validity and value for money for the Kshs.850,000 expenditure for the year under review could not be confirmed.

6.0 Unsupported Disbursements Bursary

Note 7 to the financial statements reflects Kshs.42,394,525 in respect of other grants and other payments which includes Kshs.13,469,000 in respect of bursaries to tertiary institutions. However, only Kshs.5,196,000 or 39% was acknowledged as having been received by the respective institutions while the balance amounting of Kshs.8,273,000 or 61% was not supported by list of beneficiaries and the respective acknowledgement from the institutions.

Similarly, of the acknowledged amount of Kshs.13,469,000, a list of beneficiaries for Kshs.1,321,000 was not availed for audit review.

Consequently, it was not ascertained whether the bursaries benefitted the intended learners and whether the amount was expended as appropriated during the year under review.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Tigania East Constituency in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 – recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.205,589,026 and Kshs.129,721,302 respectively resulting to shortfall of Kshs.75,867,724 or 37% of the approved budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totaling to Kshs.205,589,026 and Kshs.108,700,714 respectively, resulting in underperformance amounting to Kshs.96,888,312 or 47% of the budget.

The underfunding and under expenditure affected the planned activities and may have impacted negatively on service delivery to the residents of Tigania East Constituency.

2.0 Unutilized Project Management Committee (PMC) Funds

Note 7 to the financial statements reflects Kshs.42,394,525 in respect of other grants and other payments which includes Kshs.10,600,000 for security projects. The amount further includes Kshs.1,500,000 and Kshs.1,000,000 disbursed to project management committees of Lucielubai and Mwokaila Administration Police (AP) lines respectively.

The Funds were disbursed to the respective PMCs in December, 2019 vide cheques No.7962 and 7961 respectively. However, the amount was still in the PMC accounts in December, 2020 which was twelve (12) months after the funds were released. The Management attributed non-utilization to land disputes affecting project sites. However, no evidence was availed for audit review in support of the said land dispute.

In the circumstances, the value for money for the Kshs.2,500,000 in the year under review could not be confirmed.

3.0 Project Implementation Status (PIS)

The project implementation status report as at 30 June, 2020 provided for audit review indicated that one hundred (100) projects with an allocation of Kshs.119,106,389 were budgeted to be implemented during the year under review. However, twenty (20) projects

with a total allocation of Kshs.11,615,000 were completed, twenty-five (25) projects allocated Kshs.47,829,708 were ongoing while fifty-five (55) projects with a budget allocation of Kshs.59,661,681 had not been started as summarized below;

Projects	Amount Allocated (Kshs.)	Amount Disbursed (Kshs.)	No. of Projects	Status
Environment	1,300,000	1,300,000	13	Completed
Primary Schools	6,065,000	6,065,000	6	
Security	2,250,000	2,250,000	3	
Environment	1,000,000	1,000,000	10	
NG CDF - Toilet	1,000,000	1,000,000	1	
Sub-total	11,615,000	11,615,000	20	
Primary Schools	2,400,000	2,400,000	2	Ongoing
Secondary Schools	3,400,000	3,400,000	5	
Environment	1,747,354	1,747,354	15	
Sports	2,747,354	2,747,354	1	
Bursary-Secondary	17,535,000	17,535,000	1	
-Tertiary	20,000,000	20,000,000	1	
Sub-total	47,829,708	47,829,708	25	
Primary Schools	30,561,681	0	33	Not started
Secondary schools	26,600,000	0	19	
Security	2,500,000	0	3	
Sub-total	59,661,681	0	55	
Total	119,106,389	59,444,708	100	

Consequently, Tigania East constituents did not get expected services from the allocation of Kshs.47,829,708 for the on-ongoing projects and the Kshs.59,661,681 for projects that had not started all totalling to Kshs.107,491,389.

Further, out of the Kshs.188,347,196 development budget that was earmarked for project implementation, only Kshs.97,309,052 comprising Kshs.53,542,027, Kshs.42,394,525, Kshs.372,500 and Kshs.1,000,000 in respect of transfers to other government entities, other grants and other payments, acquisition of assets and, other payments respectively was released by the Board while the remaining funds amounting to Kshs.91,038,144 was not released, and which may have affected implementation of budgeted projects during the year.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section 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

1.0 Other Grants and Other Payments

1.1 Unjustified Use of Emergency Reserve

Note 7 to the financial statements reflects Kshs.42,394,525 in respect of other grants and other payments which includes Kshs.10,550,000 relating to emergency projects. The payments include Kshs.4,499,619 to a firm for road improvement works including heavy bush clearing, ditch water draining, concrete works, provision of gravel, spread water and compacting along Kioro-Irindiro-Ngutu road.

However, the amount was charged to emergency reserves without justification contrary to Section 8(3) of the National Government Constituencies Development Fund Act, 2015 which states that "Emergency" shall be construed to mean an urgent, unforeseen need for expenditure for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of the constituents.

In the circumstances, the Management is in breach of the Law.

1.2 Completed Project Not in Use

Note 7 to the financial statements reflects Kshs.10,600,000 in respect of security projects. The amount includes Kshs.1,000,000, Kshs.1,500,000 and Kshs.750,000 disbursed to project management committees of Rwongo Rwa Buri, Ntamichiu and Ngongoaka sub-locations respectively all totaling to Kshs.3,250,000 for construction of assistant chief's offices in each of the three sub-locations. However, an audit verification of the projects carried out in December, 2020 revealed that the projects, though completed, were yet to be put to use and there was no indication on when the same will be put to use.

In the circumstances, the value for money for the Kshs.3,250,000 expenditure on construction of the offices during the year could not be confirmed.

2.0 Unauthorized reallocation of Funds

Note 6 to the financial statements on transfers to other government entities reflects Kshs.28,665,000 in respect of transfers to primary schools. The amount includes Kshs.1,500,000 and Kshs.300,000 disbursed to Kalantina primary school for completion of an administration block and a classroom respectively both totalling to Kshs.1,800,000.

Physical verification of the projects in December, 2020 revealed that the entire amount of Kshs.1,800,000 was spent to complete the administration block. However, no approval was availed for audit review for reallocation of the Kshs.300,000 meant for the classroom contrary to Section 6 (2) of the National Government Constituencies Development Fund Act, 2015 which provided that once funds are allocated for a particular project, they shall remain allocated for that project and may only be re-allocated for any other purpose during the financial year with the approval of the Board.

In the circumstances, the Fund is in breach of the Law.

3.0 Summary of Fixed Assets

3.1 Unserviceable Transport Equipment

As reported in the previous year, Annex 4 to the financial statements reflects Kshs.18,640,491 in respect to historical costs of fixed assets as at 30 June, 2020 which includes Kshs.10,450,000 in respect of transport equipment. However, included in the amount are grounded and unserviceable motor vehicle registration GK A633R Toyota Hilux D4D and a motorcycle registration No. GK 206N Suzuki Dual Sport with historical costs of Kshs.3,264,012 and Kshs.459,128 respectively. No explanation was given as to why the assets had not been earmarked for disposal contrary to Section 163(1) of the Public Procurement and Assets Disposal act, 2015 which state that an accounting officer shall establish a disposal committee as and when prescribed for the purpose of disposal of unserviceable, obsolete, obsolescent, or surplus stores, equipment or assets.

In the circumstances, the Fund Management is in breach of the Law.

3.2 Unserviceable Furniture and Fittings

As reported in the previous year, Annex 4 to the financial statements reflects Kshs.18,640,491 as historical cost of fixed assets as at 30 June, 2020. Included in the cost was Kshs.277,800 in respect of thirteen (13) items classified as not serviceable as shown in the table below;

	Type of Asset	Asset Serial Number	Acquisition Date	Cost (Kshs)
1	Executive High Leather Chair	CDF/055/1EL/1	01 August, 2007	39,500
2	Executive High Fabric Chair	CDF/055/1EL/1 - 2	01 August, 2007	21,000
3	Rb Conference Desks	CDF/055/2RBD/1 - 2	01 August, 2007	
4	Executive Desks	CDF/055/2ED/1	01 August, 2007	13,700
5	Compact Desk Single P	CDF/055/CDS/1	01 August, 2007	12,500
6	Conference Chairs	CDF/055/1CC/1-8	01 August, 2007	23,200
7	Visitors Chairs	CDF/055/1VC/1-6	01 August,2007	27,600
8	Secretarial Chair	CDF/055/1SC/1	01 August, 2007	5,200
9	Executive Visitor Chair	CDF/055/1SC/1 - 2	01 August, 2007	9,600
10	Water Pump	CDF/055/5CO/1	10 July, 2006	28,500
11	Computer	CDF/055/6COM/1	31 May, 2008	52,000
12	Printer 4 In One	CDF/055/7PR/1	31 May, 2008	40,000
13	Modem	CDF/055/11MOD/1		5,000
	TOTAL			277,800

However, no explanation was given as to why the items have not been earmarked for disposal contrary to section 163(1) of the Public Procurement and Asset Disposal Act, 2015.

3.3 Failure to Tag Assets

As reported in the previous year, Annex 4 to the financial statements reflects Kshs.18,640,491 in respect of historical costs of fixed assets as at 30 June, 2020. The assets include office equipment, furniture and fittings valued at Kshs.1,541,000, ICT

equipment, software and other ICT Assets valued at Kshs.499,491 and other machinery and equipment valued at Kshs.150,000 all totalling to Kshs.2,190,491. However, the assets were not coded or tagged for ease of identification and tracking contrary to Regulation 139(1) of the Public Finance Management (National Government) Regulations, 2015 which states that an Accounting Officer of a national government entity shall take full responsibility and ensure that proper control systems exists for assets and that preventive mechanisms are in place to eliminate theft, security threats, losses, wastage and misuse and movement and conditions of assets can be tracked.

In the circumstances, the Fund management was in breach of the law and the safeguards assets valued at Kshs.2,190,491 as at 30 June, 2020 assets 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 SYSTEMS AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the procedures performed, except for the matters described in the Qualified Opinion section of my report, I confirm that, nothing else 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 effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to

sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or 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 Fund's 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 review is planned and performed to express a conclusion with limited assurance as to 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 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 review 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 noncompliance. 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 Fund's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern or 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 continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

04 February, 2022


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

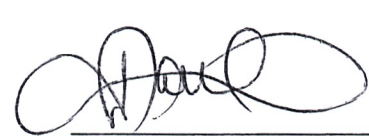
VII. STATEMENT OF RECEIPTS AND PAYMENTS

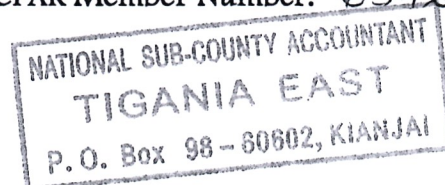
**I. STATEMENT OF RECEIPTS AND
PAYMENTS FOR THE YEAR ENDED 30 JUNE 2020.**

	Note	2019 - 2020	2018 - 2019
			Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	119,540,875	65,879,310
Proceeds from Sale of Assets	2	-	-
Other Receipts	3		-
TOTAL RECEIPTS		119,540,875	65,879,310
PAYMENTS			
Compensation of employees	4	1,651,572	1,350,660
Use of goods and services	5	9,740,090	9,265,086
Transfers to Other Government Units	6	53,542,027	8,975,862
Other grants and transfers	7	42,394,525	43,050,309
Acquisition of Assets	8	372,500	1,200,000
Other Payments	9	1,000,000	-
TOTAL PAYMENTS		108,700,714	63,841,917
SURPLUS/DEFICIT		10,840,161	2,037,393

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TIGANIA EAST Constituency financial statements were approved on 30.9.2020 2020 and signed by:


Fund Account Manager
Name:


National Sub-County Accountant
Name: Paul O. Oyo
ICPAK Member Number: 6376



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

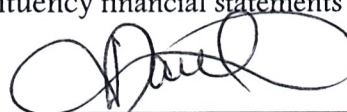
VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2020

II. STATEMENT OF FINANCIAL ASSETS

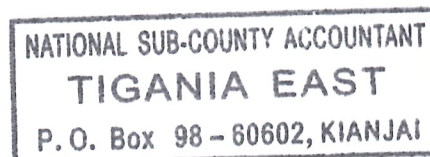
	Note	2019 - 2020 Kshs	2018 - 2019 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	21,020,588	10,180,427
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		21,020,588	10,180,427
Current Receivables-Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		21,020,588	10,180,427
FINANCIAL LIABILITIES			
Accounts Payable-Retention	12A		
Gratuity	12B	-	-
NET FINANCIAL ASSETS REPRESENTED BY		21,020,588	10,180,427
Fund balance b/fwd 1st July 2019	13	10,180,427	8,143,034
Surplus/Deficit for the year		10,840,161	2,037,393
Prior year adjustments	14		-
NET FINANCIAL POSITION		21,020,588	10,180,427

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TIGANIA EAST Constituency financial statements were approved on 30.9. 2020 and signed by:

Fund Account Manager
Name:



National Sub-County Accountant
Name: Paul O. Oyoo
ICPAK Member Number: 6376



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

IX. STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2020

STATEMENT OF CASH FLOWS

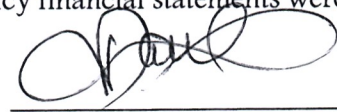
		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	119,540,875	65,879,310
Other Receipts	3		-
		119,540,875	65,879,310
Payments for operating expenses			
Compensation of Employees	4	1,651,572	1,350,660
Use of goods and services	5	9,740,090	9,265,086
Transfers to Other Government Units	6	53,542,027	8,975,862
Other grants and transfers	7	42,394,525	43,050,309
Other Payments	9	1,000,000-	-
		108,328,214	62,641,917
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15		
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	-
Net cash flows from operating activities		11,212,661	3,237,393
CASHFLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2		-
Acquisition of Assets	8	(372,500)	(1,200,000)
Net cash flows from Investing Activities			(1,200,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS		10,840,161	2,037,393
Cash and cash equivalents at BEGINNING of the year	13	10,180,427	8,143,034
Cash and cash equivalents at END of the year		21,020,588	10,180,427

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TIGANIA EAST CONSTITUENCY**

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

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TIGANIA EAST Constituency financial statements were approved on 30.9 2020 and signed by:

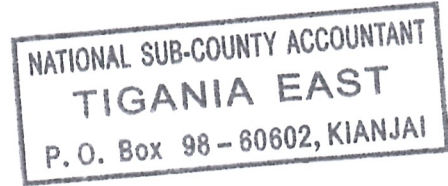
**Fund Account Manager
Name:**



National Sub-County Accountant

Name: Paul O. Ojoo

ICPAK Member Number: 6376



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

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE YEAR ENDED 30.6.20

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisat
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from NG-CDF Board	137,367,724	68,221,302	205,589,026	129,721,302	75,867,724	63.09%
Proceeds from Sale of Assets						
Other Receipts						
TOTAL RECEIPTS	137,367,724	68,221,302	205,589,026	129,721,302	75,867,724	63.09%
PAYMENTS						
Compensation of Employees	2,851,000	1,574,923	4,425,923	1,651,572	2,774,351	37.3%
Use of goods and services	9,139,593	3,676,314	12,815,907	9,740,090	3,075,817	76.0%
Transfers to Other Government Units	69,026,682	23,857,453	92,884,135	53,542,027	39,342,108	57.6%
Other grants and transfers	55,977,949	38,112,612	94,090,561	42,394,525	51,696,036	45.6%
Acquisition of Assets	372,500		372,500	372,500	-	100%
Other Payments		1,000,000	1,000,000	1,000,000		100%
TOTAL	137,367,724	68,221,302	205,589,026	108,700,714	96,888,312	52.9%


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

- i. *The adjustments between the original budget and the final budget were as a result of prior year funds received in the reporting year, opening cash book balance and reallocation of funds requests being processed at the NG-CDF Board.*
- ii. *Compensation of employees—There were plans to hire more staff during the year which were shelved yet were budgeted for. Some funds were held for payment of gratuities to staff on completion of their 3-year contracts two months after the end of the financial year.*
- iii. *Use of goods and services. 50% of the funds had not been released during the year.*
- iv. *Transfer to other government units. 50% of the funds had not been released during the year.*
- v. *Other grants and other transfers. Funds prioritised for bursary allocations could not be disbursed due to restrictions of meetings and closure of schools due to Covid-19 pandemic.*

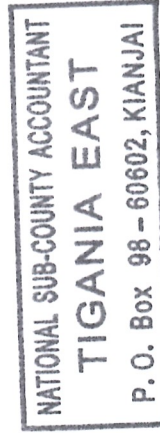
The NGCDF-TIGANIA EAST Constituency financial statements were approved on 30th 2020 and signed by:



Fund Account Manager
Name:



Sub-County Accountant
Name: Paul O. Ojoo
ICPAK Member Number: 6376



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TIGANIA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,851,000	1,574,923	4,425,923	1,651,572	2,774,351
1.2 Committee allowances	2,991,063	4,500,000	7,491,063	6,074,500	1,416,563
1.3 Use of goods and services	2,400,000	1,000,000	3,400,000	1,666,090	1,733,910
2.0 Monitoring and evaluation					
2.1 Capacity building	1,350,000	0	1,350,000	0	1,350,000
2.2 Committee allowances	2,271,031	0	2,271,031	1,627,000	644,031
2.3 Use of goods and services	500,000	0	500,000	372,500	127,500
3.0 Emergency					
Emergency projects (unallocated)	7,198,241	0	7,198,241	0	1,717,234
Secondary schools					
Laibocho primary school	0	0	0	650,000	0
Primary schools	0	0	0	500,000	0
King'o primary school	0	0	0	500,000	0
Rurii primary school	0	0	0	500,000	0
Tertiary institutions					
Mikinduri TTI	0	0	0	800,000	0
Security projects					
Kiolo-irindiro	0	2,500,000	2,500,000	2,500,000	0
Irindiro-ngutu-kunati road	0	2,000,000	2,000,000	2,000,000	0
Dcc compound –muriri roads	0	268,993	268,993	268,993	0
Ntulili pri schoo-sec school rd	0	300,000	300,000	300,000	0
COVID-19 thermal guns	0	0	0	1,431,007	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TIGANIA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Ngongoaka Gsu camp	0	0	0	500,000	0
Ntamichu ACC office	0	0	0	500,000	0
Mikinduri police station security	0	0	0	600,000	0
Ntamichu Accs office	0	1,500,000	1,500,000	1,500,000	0
Antuanuu chiefs office	0	1,000,000	1,000,000	1,000,000	0
Mwokailla AP line	0	1,000,000	1,000,000	1,000,000	0
Lucielubai ap line	0	1,500,000	1,500,000	1,500,000	0
Abondii chiefs office	0	500,000	500,000	500,000	0
Kiguchwa ap line	0	1,000,000	1,000,000	1,000,000	0
Lanyiruu chiefs office	0	500,000	500,000	500,000	0
Gatithine chiefs office	0	850,000	850,000	850,000	0
Gambela ACC office	0	1,000,000	1,000,000	1,000,000	0
		8,850,000	8,850,000		0
4.0 Bursary and Social Security					
4.2 Secondary Schools	17,535,000	0	17,535,000	0	17,535,000
4.3 Tertiary Institutions	20,000,000	769,542	20,769,542	13,469,000	7,300,000
4.4 Universities					
4.5 Social Security					
5.0 Sports					
Constituency football tournament	2,747,354	2,180,817	4,928,171	4,928,171	0
6.0 Environment					
Lailuba sec sch	116,000	0	116,000	116,000	0
Maburwa secondary school	116,000	0	116,000	116,000	0
Kinang'aru secondary school	116,000	0	116,000	116,000	0
Ntirutu priary school	116,000	0	116,000	116,000	0
Mula primary school	116,000	0	116,000	116,000	0
Mwerokieni secondary school	116,000	0	116,000	116,000	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TIGANIA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Rware girls sec school	116,000	0	116,000	116,000	0
Mutewa primary school	116,000	0	116,000	116,000	0
Thuuiri primary school	116,000	0	116,000	116,000	0
St benedict secondary school	116,000	0	116,000	116,000	0
Kaliene primary school	116,000	0	116,000	116,000	0
Kirimanchuma primary school	116,000	0	116,000	116,000	0
Ngutu primary school	118,000	0	118,000	118,000	0
Ngage primary school	118,000	0	118,000	118,000	0
Ngongoaka primary school	119,354	0	119,354	119,354	0
Lubuathirua primary school	100,000	0	100,000	100,000	0
Ntamichu primary school	100,000	0	100,000	100,000	0
Luthie primary school	100,000	0	100,000	100,000	0
Mathiritine primary school	100,000	0	100,000	100,000	0
Athwana chief's camp	100,000	0	100,000	100,000	0
Kincoe primary school	100,000	0	100,000	100,000	0
Ng'ombenchiru primary school	100,000	0	100,000	100,000	0
Kk mwethe secondary school	100,000	0	100,000	100,000	0
Kirumone primary school	100,000	0	100,000	100,000	0
Kiguma secondary school	100,000	0	100,000	100,000	0
Kalerene chiefs office	0	100,000	100,000	100,000	0
7.0 Primary Schools Projects					
PRIMARY SCHOOLS					
Kaliene primary school	1,000,000	0	1,000,000	0	1,000,000
Luthie primary school	1,000,000	0	1,000,000	1,000,000	0
Charuru primary school	1,000,000	0	1,000,000	0	1,000,000
Ngutu primary school	1,000,000	0	1,000,000	0	1,000,000
Athwana primary school	450,000	0	450,000	0	450,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TICANIA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Kkmuthangene primary school	400,000	0	400,000	0	400,000
Mula primary school	1,450,000	0	1,450,000	0	1,450,000
Kiremu primary school	1,000,000	0	1,000,000	850,000	150,000
Luuma primary school	1,000,000	0	1,000,000	0	1,000,000
Nduluma primary school	1,000,000	0	1,000,000	0	1,000,000
Mathiritine primary school	1,000,000	0	1,000,000	0	1,000,000
Ling'uri primary school	1,000,000	0	1,000,000	0	1,000,000
Ntirutu primary school	1,000,000	0	1,000,000	0	1,000,000
Mukalamatu primary school	1,400,000	0	1,400,000	400,000	1,000,000
Laibocho primary school	1,000,000	0	1,000,000	0	1,000,000
Kiithe primary school	1,000,000	0	1,000,000	850,000	150,000
Mitunguune primary school	1,000,000	0	1,000,000	0	1,000,000
Michiimikuru primary school	1,000,000	0	1,000,000	0	1,000,000
Kiguru primary school	1,000,000	0	1,000,000	0	1,000,000
Kiamikuu primary school	1,000,000	0	1,000,000	850,000	150,000
Akaiga primary school	1,000,000	0	1,000,000	0	1,000,000
Kiriene primary school	1,000,000	0	1,000,000	0	1,000,000
Mukorone primary school	1,000,000	0	1,000,000	0	1,000,000
Antuanthenge primary school	200,000	0	200,000	0	200,000
Antuarimata primary school	1,000,000	0	1,000,000	0	1,000,000
Murichia primary school	1,000,000	0	1,000,000	0	1,000,000
Lwanjilu primary school	1,000,000	0	1,000,000	0	1,000,000
Amugaa Adventist primary school	1,000,000	0	1,000,000	0	1,000,000
Giithuumoja primary school	2,000,000	0	2,000,000	0	2,000,000
Ngage primary school	411,681	0	411,681	0	411,681
Kirumone primary school	1,000,000	0	1,000,000	0	1,000,000
Thathi primary school	1,000,000	0	1,000,000	0	1,000,000
Kinoe primary school	1,000,000	0	1,000,000	0	1,000,000

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Kamujine primary school	1,000,000	0	1,000,000	850,000	150,000
Nguthiru primary school	1,000,000	0	1,000,000	0	1,000,000
Mutunduru primary school	450,000	0	450,000	0	450,000
Kirimanchuma primary school	400,000	0	400,000	0	400,000
Ng'ombenchiru primary school	800,000	0	800,000	0	800,000
Matabithi primary school	565,000	0	565,000	565,000	0
Ngutu primary school	1,000,000	0	1,000,000	0	1,000,000
Kalantina primary school	1,500,000	0	1,500,000	1,500,000	0
king'o primary school	0	850,000	850,000	850,000	0
Kithuraku primary school	0	850,000	850,000	850,000	0
Nhangathi primary school	0	850,000	850,000	850,000	0
Thangatha primary school	0	850,000	850,000	850,000	0
Karurune primary school	0	850,000	850,000	850,000	0
Kalantina primary school	0	300,000	300,000	300,000	0
Kathanene primary school	0	850,000	850,000	850,000	0
Mukunga primary school	0	850,000	850,000	850,000	0
Ngage primary school	0	850,000	850,000	850,000	0
Irindiro primary school	0	850,000	850,000	850,000	0
Kiguchwa primary school	0	850,000	850,000	850,000	0
Akairu primary school	0	850,000	850,000	850,000	0
Mwerokieni primary school	0	850,000	850,000	850,000	0
Michii mikuru pri school	0	500,000	500,000	500,000	0
Mukuani primary school	0	850,000	850,000	850,000	0
Lanyiruu primary school	0	850,000	850,000	850,000	0
Mweromuthanga primary school	0	800,000	800,000	800,000	0
St Benedict primary school	0	1,800,000	1,800,000	1,800,000	0
Gacibine primary school	0	3,000,000	3,000,000	3,000,000	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TANZANIA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Thangatha primary school	0	3,000,000	3,000,000	3,000,000	0
Kinoe primary school	0	500,000	500,000	500,000	0
8.0 Secondary Schools Projects					
Antuanduru secondary school	7,300,000	0	7,300,000	0	7,300,000
Lii secondary school	1,000,000	0	1,000,000	0	1,000,000
Lailuba secondary school	1,000,000	0	1,000,000	0	1,000,000
Mweromuthanga sec sch	1,000,000	0	1,000,000	0	1,000,000
Kailutha secondary school	1,500,000	0	1,500,000	0	1,500,000
Maburwa day secondary sch	1,000,000	0	1,000,000	0	1,000,000
Kinang'aru day secondary sch	1,000,000	0	1,000,000	0	1,000,000
Kisima mixed day secondary	1,000,000	0	1,000,000	0	1,000,000
Ntulili day secondary school	1,000,000	0	1,000,000	0	1,000,000
Mutewa secondary school	1,500,000	0	1,500,000	0	1,500,000
Thuuria day secondary school	500,000	0	500,000	500,000	0
Mwerokieni day secondary school	1,000,000	0	1,000,000	0	1,000,000
Ntirutu day secondary school	500,000	0	500,000	500,000	0
St. Benedict secondary school	1,000,000	0	1,000,000	1,000,000	0
Kaliene secondary school	1,000,000	0	1,000,000	0	1,000,000
Kiguchwa day secondary school	600,000	0	600,000	0	600,000
Kamithega secondary school	1,000,000	0	1,000,000	0	1,000,000
Ikana day secondary school	2,500,000	0	2,500,000	0	2,500,000
Ankamia day secondary school	2,000,000	0	2,000,000	0	2,000,000
Marega day secondary school	400,000	0	400,000	0	400,000
Kirima day secondary school	400,000	0	400,000	400,000	0
Kalule secondary school	400,000	0	400,000	0	400,000
Kaathi secondary school	400,000	0	400,000	0	400,000
Karama secondary school	1,000,000	0	1,000,000	0	1,000,000
Kk mwethe Secondary school	0	850,000	850,000	850,000	0

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Akaiga Secondary school	0	1,000,000	1,000,000	1,000,000	0
Mufewa Secondary school	0	850,000	850,000	850,000	0
Mukono Secondary school	0	1,500,000	1,500,000	1,500,000	0
St Massimo Secondary school	0	850,000	850,000	850,000	0
Amugaa Secondary school	0	700,000	700,000	700,000	0
Kaliene day Secondary school	0	1,000,000	1,000,000	1,000,000	0
Ametho day Secondary school	0	500,000	500,000	500,000	0
Antuanduru Secondary school	0	1,500,000	1,500,000	1,500,000	0
DEB mbaranga Secondary school	0	1,500,000	1,500,000	1,500,000	0
Laibocha Secondary school	0	850,000	850,000	850,000	0
Thubuku Secondary school	0	1,350,000	1,350,000	1,350,000	0
Muthara day Secondary school	0	2,000,000	2,000,000	2,000,000	0
Nirutu day Secondary school	0	850,000	850,000	850,000	0
Ngage Secondary school	0	500,000	500,000	500,000	0
Miurine day Secondary school	0	2,000,000	2,000,000	2,000,000	0
Giithu Secondary school	0	4,677,027	4,677,027	4,677,027	0
9.0 Tertiary institutions Projects	N/A				
10.0 Security Projects					
NGONGOAKA ASST CHIEFS OFFICE	750,000	0	750,000	750,000	0
MBARANGA /URRU CHIEFS OFFICE	500,000	0	500,000	0	500,000
RWONGO RWA BURI CHIEFS OFFICE	1,000,000	0	1,000,000	1,000,000	0
LUCIELUBAI ADMINISTRATION POLICE LINE	1,000,000	0	1,000,000	0	1,000,000
KIEMBENI POLICE POST	1,000,000	0	1,000,000	0	1,000,000
MICHII MIKURU ASSISTANT CHIEFS OFFICE	500,000	0	500,000	500,000	0
Total	4,750,000	0	0	0	
11.0 Acquisition of assets	0	0	0	0	

NATIONAL GOVERNMENT CONSTITUENTS DEVELOPMENT FUND (NGCDF) – TICANIA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
	0	0	0		
11.1 Motor Vehicles (including motorbikes)	0	0	0		
11.2 Construction of CDF office	0	0	0		
11.3 Purchase of furniture and equipment	0	0	0		
11.4 Purchase of computers	0	0	0		0
11.5 Purchase of land	0	0	0		
12.0 Others	0		0		
12.1 NG-CDF OFFICE	1,000,000	0	1,000,000	1,000,000	0
12.2 Innovation Hub					
	137,367,724	68,221,302	205,589,026	108,700,714	96,888,312

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

XII. SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the NGCDF-TIGANIA EAST Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 30th June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

8. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

9. Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Entity at the end of the year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

10. Unutilized Fund

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TIGANIA EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2019 for the period 1st July 2019 to 30th June 2020 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2020.

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TIGANIA EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board			
AIE NO B006279	26.02.19		15,000,000
AIE NO B007490	26.02.19		10,000,000
AIE NO B047058	03.05.19		6,500,000
AIE NO B042629	26.02.19		11,000,000
AIE NO B042849	01.03.19		12,000,000
AIE NO B042768	1.07.19		11,379,310
AIE NO B041225	18.11.19	4,000,000	
AIE NO B047308	11.11.19	49,040,875	
AIE NO B049188	05.02.2020	6,000,000	
AIE NO B047662	19.12.2019	20,000,000	
AIE NO B104162	28.02.2020	14,000,000	
AIE NO B104496	25.3.2020	15,000,000	
AIE NO B104135	25.03.2020	2,500,000	
AIE NO B096647	09.04.2020	9,000,000	
TOTAL		119,540,875	65,879,310

2. PROCEEDS FROM SALE OF ASSETS

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TIGANIA EAST CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received		
Rents		
Receipts from Sale of tender documents		
Other Receipts Not Classified Elsewhere		
Total	nil	nil

4. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	1,651,572	1,331,820
Personal allowances paid as part of salary		
Pension and other social security contributions (Gratuity)		
Employer Contributions Compulsory national social security schemes		18,840
Total	1,651,572	1,350,660

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TIGANIA EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	7,701,500	4,360,000
Utilities, supplies and services		
Communication, supplies and services		116,697
Domestic travel and subsistence		
Printing, advertising and information supplies & services	410,502	100,000
Rentals of produced assets		
Training expenses		240,000
Hospitality supplies and services		
Insurance costs	150,715	
Specialized materials and services		
Office and general supplies and services		
Other operating expenses(bank charges)	16,673	25,000
Routine maintenance – vehicles and other transport equipment		276,700
Routine maintenance – other assets		
Fuel oil and Lubricants	1,460,700	650,689
Strategic plan		3,496,000
Total	9,740,090	9,265,086

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TIGANIA EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	28,665,000	8,275,862
Transfers to secondary schools (see attached list)	24,877,027	700,000
Transfers to tertiary institutions (see attached list)		
Transfers to health institutions (see attached list)		8,975,862
TOTAL	53,542,027	

7. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)		35,402,723
Bursary – tertiary institutions (see attached list)	13,469,000	
Bursary – special schools (see attached list)		
Mock & CAT (see attached list)		
Security projects (see attached list)	10,600,000	4,350,000
Sports projects (see attached list)	4,928,171	
Environment projects (see attached list)	2,847,354	2,627,586
Emergency projects (see attached list)	10,550,000	670,000
Total	42,394,525	43,050,309

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TIGANIA EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings		
Construction of Buildings		
Refurbishment of Buildings		
Purchase of Vehicles and Other Transport Equipment		
Overhaul of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		
Purchase of Office Furniture and General Equipment		1,200,000
Purchase of ICT Equipment, Software and Other ICT Assets	372,500	
Purchase of Specialised Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Acquisition of Land		
Acquisition of Intangible Assets		
Total	372,500	1,200,000

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan		
ICT Hub		
Ng-CDF office (toilet)	1,000,000	
	1,000,000	0

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TIGANIA EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
Co-operative bank of Kenya a/c no 01120378126000	21,020,588	10,180,427
Total	21,020,588	10,180,427
10B: CASH IN HAND		
Location 1		
Location 2		
Location 3		
Other Locations (<i>specify</i>)		
Total	0	0
<i>[Provide cash count certificates for each]</i>		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

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

[Provide short appropriate explanations as necessary]

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Total	928,450	438,650

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

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[Provide short appropriate explanations as necessary]

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	10,180,427	8,143,034
Cash in hand		
Imprest		
Total	10,180,427	8,143,034

14. PRIOR YEAR ADJUSTMENTS

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

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

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

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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

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17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	928,450	438,650
Others (<i>specify</i>)		
	928,450	438,650

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	2,774,351	1,574,923
Use of goods and services	5,272,004	1,543,814
Amounts due to other Government entities (see attached list)	59,761,681	
Amounts due to other grants and other transfers (see attached list)	29,080,276	2,384,663
Acquisition of assets		
Others (<i>ICT hubs</i>)		4,677,027
	96,888,312	10,180,427

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17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	9,614,314	2,757,146

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2020 d=a-c	Comments
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
		a	b	c	d=a-c	
Senior Management						
1.						
2.						
3.						
Sub-Total						
Middle Management						
4.						
5.						
6.						
Sub-Total						
Unionisable Employees						
LAWI MUGAMBI	F	74,400	1.10.2017	0	148,800	
JULIUS MUCHUJI	F	93,000	1.10.2017	0	186,000	
FRANCIS BAARIU	F	74,400	1.10.2017	0	148,800	
MICHAEL KIREMA	F	74,400	1.10.2017	0	148,800	
DAMARIS MUKIRI	D	44,950	1.10.2017	0	100,750	
EUNICE WANJA	G	46,500	1.10.2017	0	46,500	
NANCY KENDI	F	31,000	1.2.2019	0	105,400	
GLADYS KABIA	G	0	1.3.2020	0	43,400	
Sub-Total						
Others (specify)						
7.						
8.						
9.						
Sub-Total						
Grand Total						
		438,650			928,450	

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees				
Compensation of employees	Funds for payment of staff salaries and gratuities,	2,774,351	1,574,923	Funds not yet released
Use of goods & services				
Committee expenses	committee allowances	2,060,594	1,543,814	
Use of goods and services	for various office supplies	1,861,410		
Capacity building	for training various operatives	1,350,000		
Other expenses	other expenses ict hubs,	4,677,027	7,061,690	Funds not yet released
Amounts due to other Government entities				
Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Kaliene primary school	Classroom construction	1,000,000	0	Funds not released
Charuru primary school	Classroom construction	1,000,000	0	Funds not released
Ngutu primary school	Classroom construction	1,000,000	0	Funds not released
Athwana primary school	Classroom construction	450,000	0	Funds not released
Kkmuthangene primary school	Classroom construction	400,000	0	Funds not released
Mula primary school	Classroom construction	1,450,000	0	Funds not released
Kiremu primary school	Classroom construction	150,000	0	Funds not released
Luuma primary school	Classroom construction	1,000,000	0	Funds not released
Nduluma primary school	Classroom construction	1,000,000	0	Funds not released
Mathiritine primary school	Classroom construction	1,000,000	0	Funds not released
Ling'uri primary school	Classroom construction	1,000,000	0	Funds not released
Ntirutu primary school	Classroom construction	1,000,000	0	Funds not released
Mukalamatu primary school	Classroom construction	1,000,000	0	Funds not released

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Laibocho primary school	Classroom construction	1,000,000	0	Funds not released
Kiithe primary school	Classroom construction	150,000	0	Funds not released
Mitunguune primary school	Classroom construction	1,000,000	0	Funds not released
Michiimikuru primary school	Classroom construction	1,000,000	0	Funds not released
Kiguru primary school	Classroom construction	1,000,000	0	Funds not released
Kiamikuu primary school	Classroom construction	150,000	0	Funds not released
Akaiga primary school	Classroom construction	1,000,000	0	Funds not released
Kiriene primary school	Classroom construction	1,000,000	0	Funds not released
Mukorone primary school	Classroom construction	1,000,000	0	Funds not released
Antuanthenge primary school	Classroom construction	200,000	0	Funds not released
Antuarimata primary school	Classroom construction	1,000,000	0	Funds not released
Murichia primary school	Classroom construction	1,000,000	0	Funds not released
Lwanjilu primary school	Classroom construction	1,000,000	0	Funds not released
Amugaa Adventist primary school	Classroom construction	1,000,000	0	Funds not released
Giithuumoja primary school	Classroom construction	2,000,000	0	Funds not released
Ngage primary school	Gate construction	411,681	0	Funds not released
Kirimone primary school	Classroom construction	1,000,000	0	Funds not released
Thathi primary school	Classroom construction	1,000,000	0	Funds not released
Kinoe primary school	Classroom construction	1,000,000	0	Funds not released
Kamujine primary school	Classroom construction	150,000	0	Funds not released
Nguthiru primary school	Classroom construction	1,000,000	0	Funds not released
Mutunduru primary school	Classroom construction	450,000	0	Funds not released
Kirimanchuma primary school	Classroom construction	400,000	0	Funds not released
Ng'ombenchiru primary school	Classroom construction	800,000	0	Funds not released
Ngutu primary school	Classroom construction	1,000,000	0	Funds not released
Antuanduru secondary school	School bus purchase	7,300,000	0	Funds not released
Lii secondary school	Classroom construction	1,000,000	0	Funds not released
Lailuba secondary school	Classroom construction	1,000,000	0	Funds not released
Mweromuthanga sec sch	Classroom construction	1,000,000	0	Funds not released
Kailutha secondary school	laboratory construction	1,500,000	0	Funds not released

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Acquisition of assets				
Others (<i>specify</i>)				
Sub-Total				
Grand Total		96,888,312		10,180,427

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land				
Buildings and structures	5,000,000	1,000,000	-	6,000,000
Transport equipment	10,450,000	-	-	10,450,000
Office equipment, furniture and fittings	1,541,000	-	-	1,541,000
ICT Equipment, Software and Other ICT Assets	126,991	372,500	-	499,491
Other Machinery and Equipment	150,000	-	-	150,000
Heritage and cultural assets				
Intangible assets				
Total	17,267,991	1,372,500		18,640,491

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

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
KK. Mwethe sec school	DHABITI	4918-502-1398	8,788	0
Akaiga day sec school	DHABITI	4918-502-07350	0	236
Mutewa day sec school	DHABITI	4918-502-07346	0	0
Mukono day sec school	DHABITI	4918-040-07869	76	1,527
st. Massimo day sec school	DHABITI	4918-040-14022	5,910	0
Amugaa day sec school	DHABITI	4918-502-06397	7,077	11,107
Kaliene day sec school	DHABITI	4918-502-06432	499,300	450
Ametho day sec school	DHABITI	4918-502-09402	0	0
Antuanduru day sec school	DHABITI	4918-409-1207	1,497,739	0
DEB Mbaranga sec school	DHABITI	4918-409-13566	0	0
Laibocha day sec school	DHABITI	4918-409-14598	0	0
Thubuku day sec school	DHABITI	4918-409-13560	697,359	0
Muthara day sec school	DHABITI	4918-409-12145	390,878	310
Ntirutu mixed secondary school	DHABITI	4918-409-13573	499,300	0
Ngage sec school	DHABITI	4918-502-06435	20,087	662,635
King'oo primary school	DHABITI	4918-502-6210	0	0
Kithuraku primary school	DHABITI	4918-502-07598	0	0
Nthangathi primary school	DHABITI	4918-502-08218	0	0
Thangatha primary school	DHABITI	4918-502-03624	0	0
Karurune primary school	DHABITI	4918-502-08060	0	0
Kathanene primary school	DHABITI	4918-504-00099	0	0
Mukunga primary school	DHABITI	4918-504-00102	849,518	0
Ngage primary school	DHABITI	4918-504-00109	18,028	0
Irindiro primary school	DHABITI	4918-502-06393	860,388	11,698

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PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Luthie primary school	DHABITI	4918-409-	12,146	13,998
Kiremu primary school	DHABITI	4918-409-	0	0
Kiithe primary school	DHABITI	4918-409-	316,684	316,934
Kiguchwa primary school	DHABITI	4918-502-07437	0	0
Akairu primary school	DHABITI	4918-513-00332	3,747	0
St. Benedict primary school	DHABITI	4918-511-00021	1,442	651
St. Lucy Kirigwa primary school	DHABITI	4918-502-00786	0	0
Michii Mikuru primary school	DHABITI	4918-409-15563	500	500
Mathiritine primary school	DHABITI	4918-409-15587	19,988	500
Mukalamatu primary school	DHABITI	4918-409-15890	399,318	500
Mukuani primary school	DHABITI	4918-409-12054	0	407
Mwerokieni primary school	DHABITI	4918-409-13267	514	0
Lanyiruu primary school	DHABITI	4918-409-16944	500	500
Mweromuthanga primary school	DHABITI	4918-409-12098	500	500
Mutunduru primary school	DHABITI	4918-409-10351	248,200	500
Mula primary school	DHABITI	4918-409-13569	619	449
Athwana chiefs office	DHABITI	4918-502-08161	276,695	398,324
Michii mikuru Assistant chief's office	DHABITI	4918-409-12919	57,304	227,240
Ntamichu ACC'S office	DHABITI	4918-409-18271	0	0
Antuanuu chiefs office	DHABITI	4918-409-17462	0	38,200
Abodii assistant chiefs office	DHABITI	4918-409-11529	0	0
Kiguchwa AP line	DHABITI	4918-409-13060	9,008	0
lanyiruu chiefs office	DHABITI	4918-409-18094	16,110	0
Gatithine assistant chiefs office	DHABITI	4918-502-13982	398,818	0
Ngongoaka assistant chiefs office	DHABITI	4918-502-12920	79,835	397,980
Gambela ACC'S office	DHABITI	4918-409-18104	593	0

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PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
constituency sports account	DHABITI	4918-409-17460	0	0
Kiamikuu primary school	DHABITI	4918-502-3152	168	0
Kamujine primary school	DHABITI	4918-502-06345	0	0
Matabithi primary school	DHABITI	4918-409-10349	255	670,000
Kalantina primary school	DHABITI	4918-502-0337	687,390	0
Thuuria secondary school	DHABITI	4918-409-13919	499,500	0
St benedict secondary school	DHABITI	4918-502-14098	297,144	0
kirima secondary school	DHABITI	4918-409-14606	399,300	0
Rwongo rwa buri asst chief	DHABITI	4918-502-14099	34,188	0
Tigania east ng-cdf office	DHABITI	4918-409-18269	0	0
Mwokaila AP line	DHABITI	4918-409-18291	0	0
Lucielubai AP Line	DHABITI	4918-409-18297	0	0
Ametho day secondary sch	DHABITI	4918-502-06221	499,400	0
Total			9,614,314	2,757,146

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.3	Unutilized funds	Funds received within a month of closure of the financial year not spent by year end.	Fund account manager. NAFTALI K SILAS, NG-CDFC	Resolved. Funds spent on budgeted activities	resolved
2.0	Pmc bank balances confirmation	Balances were recomputed and well supported as per the auditor's recommendation	Fund account manager. NAFTALI K SILAS	Resolved	resolved
3.0	Unacknowledged bursary	Management following up with education institutions to acknowledge. Responding positively	Fund account manager. NAFTALI K SILAS	ongoing	By October 2020