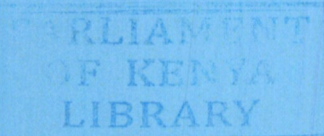
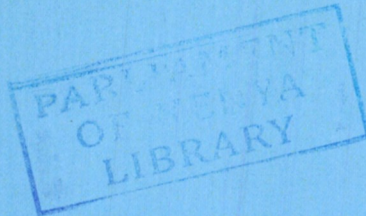


REPUBLIC OF KENYA



*Enhancing Accountability*



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 FEB 2022	DAY: Wed.
TABLED BY:	The Majority Whip Hon. E. Wangwe, MP
CLERK-AT THE-TABLE:	Benson Inzogu

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT  
FUND – THIKA TOWN CONSTITUENCY**

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



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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -THIKA TOWN  
CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

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

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

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THIKA TOWN CONSTITUENCY  
Reports and Financial Statements  
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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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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;

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- 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

**Core Values**

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

**(b) Key Management**

The NG-CDF THIKA TOWN 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 30<sup>th</sup> June 2020 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Joan J. Koech
2.	Sub-County Accountant	Peter Kamau
3.	Chairman NGCDFC	Wilson N. Huruko
4.	Member NGCDFC	Sylvia N. Thuo

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**(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -THIKA TOWN 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) NG-CDF THIKA TOWN Constituency Headquarters**

P.O BOX 461-01000

THIKA

Section 9-Near Thika Nursing Home

**(f) NG-CDF THIKA TOWN Constituency Bankers**

1. EQUITY BANK

Equity bank A/C no 0090261620323

Thika Plaza Branch

**(g) NG-CDF Thika Town Constituency Contacts**

Telephone – (+254)728969920

[Email-ngcdfthikatown@ng-cdf.go.ke](mailto:Email-ngcdfthikatown@ng-cdf.go.ke)

Website-[www.thikatown.go.ke/](http://www.thikatown.go.ke/) [www.thikadelivery.go.ke](http://www.thikadelivery.go.ke)

**(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)  
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**II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE**

It is my pleasure to present Thika Town Constituency 2019/2020 financial report on behalf of the committee and all the stakeholders.

During the financial year, Thika Town NG-CDF received a total of 116,888,831.70. This allocation consisting of 48,888,831.70 which was the unreceived balances from the board in the year 2018/2019 and 68,000,000 which was the first batch of the constituencies allocated funds in the financial year 2019/2020.

The funding of the 2018/2019 was disbursed in November 2019 to various projects that had earlier been approved by the board in the proposal for that year. This being 8 Primary schools and 9 secondary schools' projects, 15 security sectors projects. This also included sports and environment activities among other sectors.



**The chairman NG-CDFC**

The money for the F/Y 2019/2020 received was then disbursed to the various institutions that are eligible for funding whose projects were voted by the public as needy and some fund set aside for eligible projects as shown below;

S/NO	PROJECT SECTOR	AMOUNT
1	Primary schools	48,600,000.00
2	Secondary School	27,895,123.00
3	Security Sector	19,851,343.00
	<b>Total</b>	<b>96,346,466</b>

**Achievements.**

Thika Town constituency strives to improve the lively hoods of the constituents by delivering services that are value for money.

- Projects

During the financial year, the NG-CDF committee was able to implement several development projects ranging from renovations, construction of classrooms, construction of laboratories, toilets and perimeter walls. Some primary schools were able to get complete facelift which has enhanced the student's morale which in the long run will boost the academic performance of the schools.

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Challenges and Way Forward.

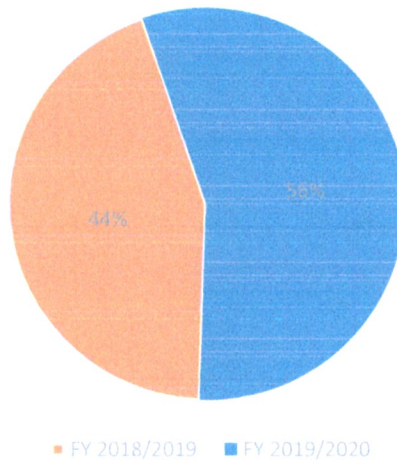
The office strives to achieve its targets, however there are inherent challenges that are faced during project implementation. These are; unrealistic demand by the public who think that the NG-CDF fund can fund for their health and other individual financial needs and businesses. Delay of fund disbursement by the NG-CDF Board which makes it impossible to achieve performance contract targets which stipulates that projects are to be implemented within the financial year proposed.

Civic education should be improved to educate the public on the roles of the NG-CDF fund which should be done continuously and promptly to the individuals- This will be possible if the M/E vote is increased to also cater for the trainings.

**Comparative Graphs and charts financial year 2019/2020 and 2018/2019**

1. Fund allocation in the two financial years.

Fund allocation for FY 2019/2020 compared to FY 2018/2019



2. Total amount of fund received during the two years

Total amount received in FY 2018/2019 compared to FY 2019/2020

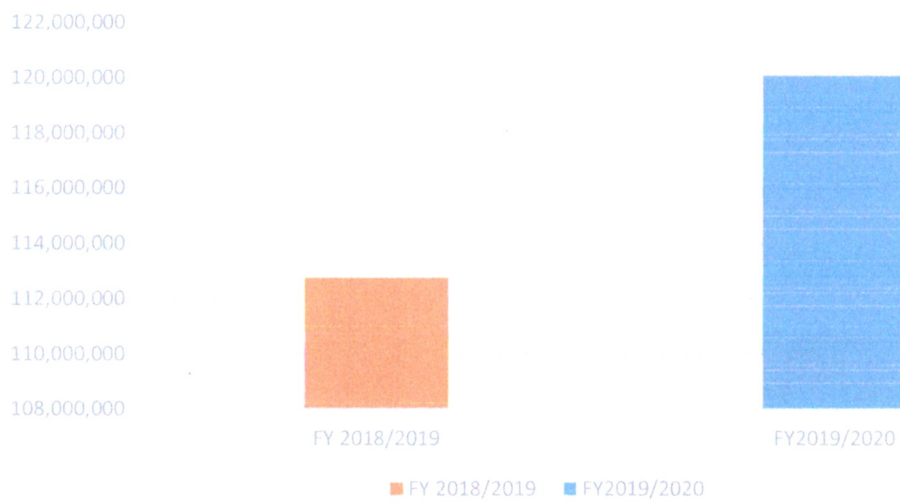


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3. Total expenditure in the two financial years

Total fund expenditure in FY 2018/2019 compared to FY 2019/2020



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Development projects.

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There are several successfully completed projects among them are;

1. Magogoni Secondary School Science Laboratory



2. Magana Primary School –School Facelift



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**3. Munyu Girls Secondary School- Classroom Block**



**5.Ngoliba Primary School-Whole School Renovation(Section)**



I hope this keeps you updated on the constituency activities during the Financial Year 2019/2020.

Thank you.

**WILSON HURUKO**

**CHAIRMAN; NG-CDF COMMITTEE**

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**4. 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 NG-CDF-THIKA TOWN 2017-2022 Strategic plan are;**

- a) To promote a safe and secure environment for Thika Town constituents.
- b) To promote quality education through financial support to studying constituents at Primary, secondary and tertiary levels.
- c) To develop an ethical working environment with good governance initiatives and institute conflict management mechanisms.
- d) To develop and enhance physical infrastructure in schools and administrative offices
- e) To enhance usage of technology to support NG-CDFC operations in order to enhance the service delivery to Thika Town Constituents.

**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:

<b>Constituency Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and	Construction of 20 new classrooms, 6 laboratories, construction of 2 dormitories and to facelift 10 schools in	In FY 19/20 we increased number of <ol style="list-style-type: none"> <li>i. classrooms from 16 to 20 new classrooms</li> <li>ii. dormitories from 1 to 2</li> </ol>

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		tertiary institutions	the 2019/2020 proposals	<p>iii. laboratories from 4 to 6 in number</p> <p>iv. Facelift of schools increased in number from 2 to 8 schools</p>
Security	To improve the security in Thika Town Constituency	Improved security in the constituency	To allocate funds to 20 administrative offices within the constituency, either by construction of new offices or improving the facilities in place.	In FY 2019/2020 Thika Town Constituency was able to fund 18 administrative offices as compared to 3 funded in the previous year.
Environment	To improve environmental conservation in the constituency	Improved health	Purchase and installation of water tanks, gutters in 12 institutions of learning.	In FY2019/2020; 12 Schools received each 10,000 litre water storage tank to improve water harvesting in the schools.
Sports	To enhance youth involvement	Inclusivity in the developments of the constituency	Conduct sports tournaments	In FY2019/2020 The constituency allocated funds for conducting ward tournaments in the constituency where more than 30 clubs benefited from the

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Disaster Management	To increase level of preparedness in case of emergency	To reduce level of severity in case of occurrence of disaster	Set aside funding amounting to ksh 7,198,241 from the constituency's allocation for emergency occurrence in the constituency.	In the year 2019/2020, We were able to aid schools that had suffered losses caused by the heavy rains experienced in December 2019, Thika NG-CDF funded construction of ablution blocks in Kimuchu Sec School after their latrine sunk. Thika Town NG-CDF was able implement projects whose funding could not be postponed until the next financial year.
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**5. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

NGCDF – THIKA TOWN 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**

*a) SUSTAINABLE EFFORTS*

**1. Professionalism:**

We consistently demonstrate competence, knowledge, resourcefulness, quality, cooperation and a positive attitude, related to how we provide our professional services.

**2. Result oriented:**

We embrace a goal-oriented culture that focuses on outcomes and drives accountability and growth.

**3. Efficiency and effectiveness:**

We continuously seek effective and efficient ways to solve problems, better our services, and to remain fiscally responsible. We constantly demonstrate a commitment to be good stewards of the

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resources allocated to us, discover and apply safer, better, faster and more cost-efficient ways to provide the services.

**4. Teamwork:**

We create effective working relationships with team members by treating others fairly, maintaining an approachable atmosphere, sustaining open and honest two-way communication, and involving others in decision-making processes when appropriate.

**5. Integrity and Transparency:**

We conduct business honestly and ethically, expect and exemplify trust, respect, fairness and high character. We conduct ourselves with openness in all aspects of our work. We seek feedback from all stakeholders in order to achieve open communication and foster collaboration.

**6. Innovativeness:**

We are driven by continuous improvement and unique cutting-edge concepts that optimize results by working better and smarter.

**TRENDS IN POLITICAL AND MACROECONOMIC AFFECTING SUSTAINABILITY PRIORITIES**

**1. POLITICAL ASPECT**

- There is heightened public expectations and increased focus on Counties as service delivery units, with demands on Constituencies to improve on service delivery
- Devolution of some functions to the county government such as healthcare, roads and water comes with challenges. Therefore, cooperation with county government for development is paramount but instances have been noted of a lack of commitment at the county level to implement projects under their mandate.
- The stalemate in devolving some employees such as health workers has negatively affected service delivery to the constituents.
- Conflicts between county and national government

**2. MACRO ECONOMIC ASPECT**

- Increased focus on Counties as economic zones.
- Increased unemployment rates among the youth.
- Poor infrastructure increases the cost of production and discourages investment within the constituency.
- Over reliance on agriculture sector that is prone to climate change negatively impacts on household farm income.

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- Limited natural resource base limits the constituency from generating more revenue.
- Inflation caused by macroeconomic instability lowers the purchasing power of the constituents.
- Insecurity negatively affects potential investors.

## 2. ENVIRONMENTAL PERFORMANCE

Our goal is to create a just and cohesive society enjoying equitable social development in a clean and secure environment. The Plan recognizes the need to promote sustainable development that upholds environmental protection, management and efficient resource utilization.

### Success

1. Cooperation from schools in maintaining the trees planted by the Thika Town NG-CDF Committee.

### Shortcomings

1. Environmental degradation
2. Long dry spell in the eastern part of the county
3. over use of available water resources
4. Climatic change
5. National macro-economic instability
6. High levels of insecurity in some low income areas
7. There is lot of industrial waste in Thika which is damaging the environment

## 3. EMPLOYEE WELFARE

Thika Town NG-CDF Staff development is an on-going process of investing in the individuals that make up the organization and ensuring that each individual has the confidence and skills necessary to excel at his/her work.

Thika Town NG-CDF strives to build an organizational culture that values each staff member and creates cohesion and a feeling of team work among staff members. To sustain its employees, the organization invests in its employees, reward Initiatives and competence, and provide transparency and flexibility.

Hiring of NG-CDF Staff is always done in accordance with the law governing the hiring and firing of staff; two third gender rule being observed.

A contingency planning is conducted to take care of the general eventuality that might arise in terms of risks.

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**4. MARKET PLACE PRACTICES**

*i. Responsible competition practice.*

Good governance is a hallmark of good leadership. It is increasing becoming important for leaders to lead from the front on matters of good governance. This is especially critical as it is the constitution that demands for a higher threshold of probity in the conduct of public affairs.

**Activities:**

- Identification of areas of unethical practice.
- Training of NG-CDFCs on chapter 6 expectations and financial regulations.
- Partnership with institutions that facilitate capacity building on ethics and good governance.
- Transparent and participatory budgeting to bring the citizens voice into the budgeting process through greater inclusion.

*ii. Responsible Supply chain and supplier relations-*

- Thika Town NG-CDF follows well defined procurement laws with 30 percent preferential procurement rule. The suppliers are paid promptly within 7 working days' after delivery of service and presentation of requisite documents.

*iii. Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices*

We conduct business honestly and ethically, expect and exemplify trust, respect, fairness and high character.

We conduct ourselves with openness in all aspects of our work. We seek feedback from all stakeholders in order to achieve open communication and foster collaboration.

*iv. Product stewardship- outline efforts to safeguard consumer rights and interests*

- Existence of health and safety, and consumer protection laws.

**5. COMMUNITY ENGAGEMENTS.**

*Thika Town NG-CDF Has been able to undertake several activities within the community including*

- Conducting Public Participation meetings during projects identification. During development of annual projects proposal,

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)***  
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Thika Town NG-CDF Convenes meetings at the community level who propose the projects to be funded and implemented. The NG-CDF Committee thereafter scrutinizes the projects proposed for funding to ensure that it is in line with the projects eligible for funding as guided by the NG-CDF Act.

- Taking an active role in Corporate Social Responsibility activities. Thika Town NG-CDF within the financial year received CSR grant from the NG-CDF Board and proposed construction of 2 classrooms to start a new school to decongest Kimuchu Primary school whose population stands at over 1,500 pupils. The new school will have a high impact as it will serve Kiang'ombe settlement scheme residents of about 45,000 dwellers.
- Periodical publications from projects and activities. These publications are uploaded on social media platforms to reach all the constituents to ensure that the constituents are aware of what the Thika Town NG-CDF office is implementing in the Education sector, Security sector, Sports and Environment sector.
- Enhancement of public relations and outreach activities both within and outside the constituency

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**6. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES**

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

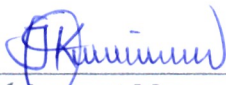
The Accounting Officer in charge of the NG-CDF Thika Town is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2020. This responsibility 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 NG-CDF Thika Town 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 *NG-CDF Thika Town* 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-Thika Town Constituency further confirms the completeness of the accounting records maintained for NG-CDF Thika Town 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 NG-CDF Thika Town Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants and that NG-CDF Thika Town 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-THIKA TOWN Constituency financial statements were approved and signed by the Accounting Officer on 30/8 2020.

  
Fund Account Manager  
Name: Joan Koehn

  
Sub-County Accountant  
Name: Peter Kamau  
ICPAK Member Number: PL4903

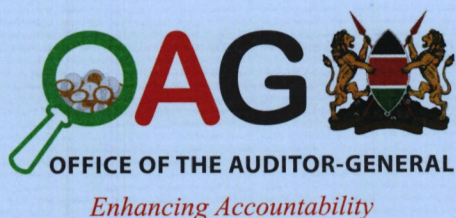
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7. REPORT OF THE INDEPENDENT AUDITORS ON THE *NGCDF- THIKA TOWN*  
*CONSTITUENCY*

# REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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

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

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### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Thika Town Constituency set out on pages 19 to 49, which comprise the statement of assets and liabilities as at 30 June, 2020 and, the statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development 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 - Thika Town Constituency as at 30 June, 2020 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

#### Basis for Qualified Opinion

##### 1. Cash and Cash Equivalents

###### 1.1 Bank Balances

The statement of assets and liabilities reflects bank balances of Kshs.7,364,881 as at 30 June, 2020. However, included as part of reconciling items in the bank reconciliation statement were unrepresented cheques amounting to Kshs.472,471 which were already stale as at 30 June, 2020 and had not been reversed in the cash book.

No reason was given for failure to reverse the stale cheques or reconcile and clear the long outstanding items.

As a result, the accuracy and completeness of bank balances of Kshs.7,364,881 30 June, 2020 could not be confirmed.

## **1.2. Un-Utilized Balances**

Note 17.3 to the financial statements reflects unutilized fund balances of Kshs.77,130,284 and Kshs.65,416,640 as at 30 June, 2020 and 30 June, 2019 respectively and as detailed under Annex 3. However, computation of the unutilized balances amounted to Kshs.75,961,027 and Kshs.72,307,616 resulting in an unexplained difference of Kshs.1,169,257 and Kshs.6,890,976 for the 2019/2020 and 2018/2019 financial years respectively.

As a result, the accuracy of unutilized fund balances of Kshs.77,130,284 could not be confirmed.

## **2. Project Management Committees (PMC) Bank Accounts**

Disclosed under Annex 3 to the financial statements are unutilized balances totalling Kshs.77,130,284 in respect of Project Management Committee (PMC) bank accounts as at 30 June, 2020. However, the balance excludes bank balances amounting to Kshs.3,000,000 and Kshs.500,000 in respect of Ngoigwa Police Post and Ngoliba Police Division projects respectively. The disbursements for the two projects were made in 2019/2020 but had not been utilized as at the time of the audit in February, 2021. Available information indicates that the delay in utilization of the funds is due to failure by Deputy County Commissioner to identify and allocate space for construction of Ngoigwa Police Post to completion.

Further, the Constituency Committee requested to reallocate the funds allocated to Ngoliba Police Division project intended for construction of semi-permanent houses to Kimuchu Police Post for renovation works which was declined by the CDF Board. No reason has however been provided as to why the balances were excluded as part of the PMC unutilized funds reported in the financial statements.

Failure to include the two bank balances understated the total available unutilized balance totalling Kshs.77,130,284 by Kshs.3,500,000.

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

### **Key Audit Matters**

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

### **Other Matter**

#### **1. Budgetary Performance**

The summary statement of appropriation, during the financial year under review, Thika Town NG-CDF received a total of Kshs.127,506,587 from the National Government

Constituencies Development Fund Board and other receipts against a budget of Kshs.196,874,311 resulting in a shortfall of Kshs.69,367,724 or 35% of the budgeted receipts.

Further, the CDF incurred a total expenditure of Kshs.120,141,707, which is equivalent to 94% of the actual receipts of Kshs.127,506,587. The under-utilization of the approved budget impacted negatively on service delivery to the residents of Thika Town Constituency.

## **2. Project Implementation**

### **2.1 Implementation of Schools Projects**

As disclosed in Note 6 to the financial statements, the statement of receipts and payments reflects transfers to other government units of Kshs.76,495,123 which includes transfers to primary schools and transfers to secondary schools totalling Kshs.48,600,000 and Kshs.27,895,123 respectively. The funds disbursed were for implementation of various projects approved by the CDF Board. However, out of the forty (40) projects the Fund Management intended to implement during the year under review, only five (5) were completed, twelve (12) were at different stages of implementation, while twenty-three (23) had not commenced, as of 30 June, 2020, respectively. The projects not commenced comprised of fourteen (14) in primary schools, eight (8) in secondary schools and one (1) tertiary institution.

Although the Management attributes the low absorption of funds mainly to delay by the National Government Constituencies Development Fund Board in releasing funds to the Fund, the CDF Committee should take appropriate measures to ensure that approved projects were implemented within the set timelines.

### **2.2 Other Grants and Transfers Projects**

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects Kshs.33,199,515 spent on other grants and transfers. The CDF Committee had allocated the funds to undertake thirty-eight (38) projects. However, only fifteen (15) projects were completed, one (1) was on going while twenty-two (22) had not commenced during the year under review.

Failure to implement and complete projects impacted negatively on service delivery to the residents of the Thika Town Constituency.

## **3. Prior Year Audit Issues**

The financial statements for the year ended 30 June, 2020 presented for audit did not capture unresolved issues raised in the Auditor-General's report for 2018/2019 contrary to the guidelines provided by the Public Sector Accounting Standards Board on follow up of the Auditor-General's recommendations.

No explanation has been provided for the omission.

# REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

## **Conclusion**

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

The statement of appropriation - recurrent and development combined budget for the year ended 30 June, 2020 revealed that, out of the total budget allocation of Kshs.196,752,311, the CDF Committee set aside Kshs.11,008,461 or 5.6% for emergencies thus over funding the item by Kshs.1,170,845. This is contrary to Section 8 (1) of the National Government Constituencies Development Fund Act, 2015 which states that a Constituency Committee shall apportion an equivalent of five percent (5%) of the total allocation to emergency and shall be available for emergencies that may occur within the Constituency.

Consequently, the Management was in breach of the law.

### **2. Project Verification**

#### **2.1 Delay in Implementation of Kiangombe Primary School Project**

Included in transfer to primary schools' expenditure of Kshs.48,600,000 are disbursements totalling Kshs.4,000,000 to Kimuchu Primary School for in respect of construction of 3 new classrooms and 400 metres of barbed wire and concrete poles fence for the proposed Kiangombe Primary School. Records indicated that the funds were disbursed on 4 April and 14 June, 2020 to Kimuchu Primary School's account incorporating the PMC members from both Kiang'ombe area and Kimuchu Srimary School.

However, a review of project file revealed that the funds had not been utilized as at the time of audit in March 2021. Management attributed the failure to utilize funds to disputes on land for the proposed school. However, the funds had not been returned to the CDF account as provided for under Section 6 (3) of National Government Constituencies Development Fund Act, 2015 which requires that if for any reason a particular project is cancelled or discontinued during the financial year, funds allocated for such a project shall be returned to the Fund and credited to the account of the Constituency from which the funds were withdrawn.

#### **2.2 Poor Workmanship in Construction of Police Posts**

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and other payments totalling Kshs.33,199,515 which includes Kshs.19,851,343 on security projects. Included in this expenditure are payments of

Kshs.1,500,000 each disbursed to Munyu for face-lifting and construction of two septic tanks and for construction of a police post in Makongeni respectively.

An audit inspection carried out in March, 2021 revealed poor workmanship. At Munyu Police Post, the ceiling was poorly done, windowpanes and verandah were incomplete, verandah and there was no washroom at the cell, while the door to one out of the build three offices had not been fixed.

Further, installation of floor tiles at Makongeni was incomplete, the doors were poorly fitted and were not painted. No evidence was provided indicating that the works were supervised by the Constituency Development Fund Committee and the County Public Works.

Consequently, value for money on the expenditure of Kshs.3,000,000 incurred on the two projects as at 30 June, 2020 could not be confirmed.

### **2.3 Unauthorized Change of Project Activity**

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and other payments totalling Kshs.33,199,515 which includes Kshs.19,851,343 on security projects. Included in this expenditure is a disbursement of Kshs.1,000,000 to Kimuchu Police Post for fencing of the station compound using barbed wire and concrete posts. However, the Project Management Committee (PMC) reallocated the amount to partitioning and renovation at the police post at an unspecified cost.

A physical inspection of the project on 10 March, 2021 revealed that the proposed fencing had not been done while the PMC had incurred a total of Kshs.489,685 for the new project. No evidence was provided indicating that the reallocation of funds from the initial project of fencing to partitioning and renovation contrary to Section 6(2) of the National Government Constituencies Development Fund which states 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.

As a result, the propriety and value for money of the expenditure of Kshs.1,000,000 disbursed to Kimuchu Police Post during the year ended 30 June, 2020 could not be confirmed.

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

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

### **Responsibilities of Management and those Charged with Governance**

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

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error,

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the ability of the Fund to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease sustaining its services.

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

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

08 February, 2022

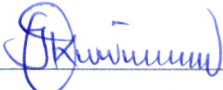
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**THIKA TOWN CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

**8. STATEMENT OF RECEIPTS AND PAYMENTS**

		2019/2020 Ksh	2018/2019 Kshs
<b>RECEIPTS</b>	<b>Note</b>		
Transfers from CDF board-AIEs' Received	1	116,888,831.70	111,284,483.00
Proceeds from Sale of Assets	2		
Other Receipts	3	122,000	94,000
<b>TOTAL RECEIPTS</b>		<b>117,010,832</b>	<b>111,378,483</b>
<b>PAYMENTS</b>			
Compensation of employees	4	2,214,080	1,542,477
Use of goods and services	5	7,713,309	9,197,840
Transfers to Other Government Units	6	76,495,123	51,997,695
Other grants and transfers	7	33,199,515	45,392,050
Acquisition of Assets	8	519,680	-
Other Payments	9	-	4,669,257
<b>TOTAL PAYMENTS</b>		<b>120,141,707</b>	<b>112,799,319</b>
<b>SURPLUS/DEFICIT</b>		<b>(3,130,875)</b>	<b>(1,420,836)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-THIKA TOWN Constituency financial statements were approved on

30/8 2020 and signed by:



Fund Account Manager

Name: Joan Koech



National Sub-County Accountant

Name: Peter Kaman

ICPAK Member Number:

R4903


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**THIKA TOWN CONSTITUENCY**  
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**9. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2019-2020	2018-2019
		Ksh	ksh
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	7,364,881	10,495,755
Cash Balances (cash at hand)	10B		
<b>Total Cash and Cash Equivalents</b>		<b>7,364,881</b>	<b>10,495,755</b>
Accounts Receivables - Outstanding Imprests	11		
<b>TOTAL FINANCIAL ASSETS</b>		<b>7,364,881</b>	<b>10,495,755</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables - Retention	12	-	
<b>Net Financial Position</b>		<b><u>7,364,881</u></b>	<b><u>10,495,755</u></b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	10,495,755 .00	11,916,591
Surplus/Deficit for the year		(3,130,874.00)	(1,420,836)
Prior year adjustments	14		
<b>NET FINANCIAL POSITION</b>		<b><u>7,364,881</u></b>	<b><u>10,495,755</u></b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-THIKA TOWN Constituency financial statements were approved on 30/8 2020 and signed by:

  
 Fund Account Manager  
 Name: Joan Koeh


  
 National Sub-County Accountant  
 Name: Peter Kanany  
 ICPAK Member Number: RLU903

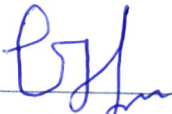
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
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**10. STATEMENT OF CASHFLOW**

Receipts for operating income	Note	2019-2020	2018-2019
		Kshs	Kshs
Transfers from CDF Board	1	116,888,831.70	111,284,483
Other Receipts	3	122,000.00	94,000
		<b>117,010,832</b>	<b>111,378,483</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	2,214,080.00	1,542,477
Use of goods and services	5	7713308.75	9,197,840
Transfers to Other Government Units	6	76,495,123.00	51,997,695
Other grants and transfers	7	33,199,515.00	45,392,050
Other Payments	9	-	4,669,257
		<b>119,622,027.00</b>	<b>112,799,319</b>
<b>Adjusted for:</b>			
Adjustments during the year	14		
<b>Net cash flow from operating activities</b>		<b>(2,611,195)</b>	<b>(1,420,836)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(519,680)	-
<b>Net cash flows from Investing Activities</b>		<b>(519,680)</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(3,130,875)</b>	<b>(1,420,836)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	13	10,495,756	11,916,591
<b>Cash and cash equivalent at END of the year</b>		<b><u>7,364,881</u></b>	<b><u>10,495,755</u></b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-THIKA TOWN Constituency financial statements were approved on 30/8 2020 and signed by:

  
 Fund Account Manager  
 Name: Joan Koech

  
 National Sub-County Accountant  
 Name: Peter Kauray  
 ICPAK Member Number: RP4903

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – THIKA TOWN CONSTITUENCY**  
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**11. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	137,367,724	59,384,587	196,752,311	127,384,586.85	69,367,724	64.7%
Proceeds from Sale of Assets			-		-	
Other Receipts	-	122,000	122,000	122,000	-	
<b>TOTAL RECEIPTS</b>	<b>137,367,724</b>	<b>59,506,587</b>	<b>196,874,311</b>	<b>127,506,587</b>	<b>69,367,724</b>	<b>64.8%</b>
<b>PAYMENTS</b>						
Compensation of Employees	2,105,000	-	2,105,000	2,214,080	(109,080)	105.2%
Use of goods and services	10,258,095	1,440,233	11,698,328	7,713,308.75	3,985,019	65.9%
Transfers to Other Government Units	74,760,000	34,295,123	109,055,123	76,495,123	32,560,000	70.1%
Other grants and transfers	50,244,629	21,960,294	72,204,923	33,199,515	39,005,408	46.0%
Acquisition of Assets	-	519,680	519,680	519,680	519,680	100.0%
Other Payments	-	1,169,257	1,169,257	-	1,169,257	
<b>TOTAL</b>	<b>137,367,724</b>	<b>59,384,587</b>	<b>196,752,311</b>	<b>120,141,707</b>	<b>77,130,284</b>	<b>61.1%</b>

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

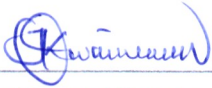
(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – THIKA TOWN CONSTITUENCY**  
**Reports and Financial Statements**  
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- i. Only 50% of the allocated amount was received by the end of the financial year thus translating to underutilization of funds in all the budgeted items.
- ii. During the year , the constituency realised AIA amounting ksh 122,000

The NGCDF-THIKA TOWN Constituency financial statements were approved on 30/8 2020 and signed by:



Fund Account Manager

Name: Joan Koedh



Sub-County Accountant

Name: Peter Karani

ICPAK Member Number:

P44903.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – THIKA TOWN CONSTITUENCY**  
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**12. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES**

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020		2019/2020		
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>					
1.1 Compensation of employees	2,105,000		2,105,000	2,214,080	(109,080)
1.2 Committee allowances	2,500,000	1,410,313	3,910,313	3,192,367.00	717,946
1.3 Use of goods and services	3,637,063	473,679	4,110,742	1,131,712	2,979,031
	<b>8,242,063</b>	<b>1,883,992</b>	<b>10,126,055</b>	<b>6,538,159</b>	<b>3,587,897</b>
<b>2.0 Monitoring and evaluation</b>					
2.1 Capacity building	2,500,000	949,600	3,449,600	1,491,700	1,957,900
2.2 Committee allowances	1,500,000		1,500,000	1,500,000	-
2.3 Use of goods and services	121,032	295,578	416,610	397,530	19,080
	<b>4,121,032</b>	<b>1,245,178</b>	<b>5,366,210</b>	<b>3,389,230</b>	<b>1,976,980</b>
<b>3.0 Emergency</b>	<b>7,198,241</b>	<b>3,810,220</b>	<b>11,008,461</b>	<b>10,500,000</b>	<b>508,461</b>
3.1 Primary Schools			-		-
3.2 Secondary schools			-		-
3.3 Tertiary institutions			-		-
3.4 Security projects			-		-
			-		-
<b>4.0 Bursary and Social Security</b>					
4.1 Primary Schools			-		-
4.2 Secondary Schools	22,000,000	-	22,000,000	20,000	21,980,000
4.3 Tertiary Institutions	11,500,000	-	11,500,000		11,500,000
4.4 Special schools	841,931	-	841,931		841,931

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – THIKA TOWN CONSTITUENCY**  
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	-	-	-	-	-
	34,341,931	-	34,341,931	20,000	34,321,931
<b>5.0 Sports</b>					
Constituency Sports tournament	2,747,354	80,818	2,828,172	80,817.52	2,747,354
<b>6.0 Environment</b>	2,747,354	-	2,747,354	2,747,354.48	-
<b>7.0 Primary Schools Projects</b>					
Magogoni Primary School	4,000,000		4,000,000	4,000,000	-
Gatunyaga Primary school	4,000,000	3,000,000	7,000,000	7,000,000	-
Matathia Primary School	1,000,000	2,000,000	3,000,000	2,000,000	1,000,000
Kianjahi Primary School	1,200,000		1,200,000	-	1,200,000
Githima Primary School	1,500,000	2,000,000	3,500,000	2,000,000	1,500,000
Magana Primary School	2,500,000	-	2,500,000	2,500,000	-
Komo Primary school	4,000,000	1,000,000	5,000,000	5,000,000	-
Munyu Primary School	500,000		500,000	-	500,000
Kilimambogo Primary School	500,000		500,000	-	500,000
Kenyatta Harambee Primary School	2,000,000	3,000,000	5,000,000	5,000,000	-
Thika Barracks Primary School	2,000,000		2,000,000	2,000,000	-
Kiang'ombe Primary school	4,000,000		4,000,000	4,000,000	-
Kiganjo Primary School	500,000		500,000	500,000	-
Kamenu Primary School	4,000,000	-	4,000,000	4,000,000	-
Kianjau Primary School	500,000		500,000	-	500,000
Gatumaini Primary School	1,500,000		1,500,000	-	1,500,000
Thika Muslim Primary school	1,500,000		1,500,000	-	1,500,000
Jamhuri Primary school	3,500,000		3,500,000		3,500,000
Umoja Primary School	4,000,000		4,000,000	4,000,000	-
Karibaribi Primary School	4,000,000		4,000,000	-	4,000,000
Kisiwa Primary School	1,500,000		1,500,000	-	1,500,000
Ngoliba Primary School	1,300,000		1,300,000	1,300,000	-

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Mountain View Primary School		1,000,000	1,000,000	1,000,000	-
Kimuchu Primary School		2,000,000	2,000,000	2,000,000	-
Powerline Primary School	-	2,300,000	2,300,000	2,300,000	-
	<b>49,500,000</b>	<b>16,300,000</b>	<b>65,800,000</b>	<b>48,600,000</b>	<b>17,200,000</b>
<b>8.0 Secondary Schools Projects (List all the Projects)</b>			-		-
Magogoni Secondary school	2,000,000	2,500,000	4,500,000	4,500,000	-
St Pauls Boys Gatuanyaga Sec Sc	4,000,000		4,000,000	4,000,000	-
Kenya Girls Sec Sch	2,400,000		2,400,000	2,400,000	-
Thika Garisson Sec School	2,500,000	1,000,000	3,500,000	1,000,000	2,500,000
Queen OF Rosary Sec School	2,000,000		2,000,000	2,000,000	-
Thika High School	2,000,000	1,000,000	3,000,000	1,000,000	2,000,000
Chania Girls High School	2,500,000		2,500,000	-	2,500,000
Maryhills Girls High School	1,500,000		1,500,000	-	1,500,000
Thika Girls Karibaribi Sec School	4,000,000	1,000,000	5,000,000	5,000,000	-
Mbagathi Secondary school		2,500,000	2,500,000	-	2,500,000
Munyu Girls Sec School		2,000,000	2,000,000	2,000,000	-
Gatuanyaga Secondary School		2,000,000	2,000,000	2,000,000	-
Komo Secondary School		2,000,000	2,000,000	2,000,000	-
Kimuchu Secondary School		1,995,123	1,995,123	1,995,123	-
	<b>22,900,000</b>	<b>15,995,123</b>	<b>38,895,123</b>	<b>27,895,123</b>	<b>11,000,000</b>
<b>9.0 Tertiary institutions Projects</b>					
Kilimambogo Teachers College	2,360,000	-	2,360,000		<b>2,360,000</b>
<b>10.0 Security Projects</b>			-		-
Thika Police Headquarters	1,000,000	1,500,000	2,500,000	1,500,000	1,000,000
ACC Thika West	1,000,000		1,000,000	1,000,000	-
Kiandutu Sub Location	1,000,000		1,000,000	-	1,000,000
Gataanyaga Sub Location	84,874		84,874	-	84,874
Magogoni Sub Location	124,874		124,874	-	124,874

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Ngoliba Police Station		500,000	500,000	500,000	-
Ngoliba Chiefs Office		2,300,000	2,300,000	2,300,000	-
DCC Office Thika East		1,000,000	1,000,000	951,343	48,657
Munyu Police Post		1,500,000	1,500,000	1,500,000	-
Divisional Police HQ(Makongeni)		500,000	500,000	500,000	-
Dapc Kiang'ombe		1,500,000	1,500,000	1,500,000	-
Chief Biashara Location		500,000	500,000	500,000	-
Chief Gatiguru Office		1,000,000	1,000,000	1,000,000	-
DCC Thika West		1,200,000	1,200,000	1,200,000	-
Ngoingwa Police Post		3,000,000	3,000,000	3,000,000	-
Komo Police Post		1,400,000	1,400,000	1,400,000	-
Githima Police Post		1,000,000	1,000,000	1,000,000	-
Makongeni Police Station		1,000,000	1,000,000	1,000,000	-
Kimuchu Police Post		1,000,000	1,000,000	1,000,000	-
	<b>3,209,748</b>	<b>18,900,000</b>	<b>22,109,748</b>	<b>19,851,343</b>	<b>2,258,405</b>
<b>11.0 Acquisition of assets</b>			-		-
11.1 Motor Vehicles (including motorbikes)			-		-
11.2 Construction of CDF office			-		-
11.3 Purchase of furniture and equipment				519,680	(519,680)
11.4 Purchase of computers			-		-
11.5 Purchase of land			-		-
<b>12.0 Others</b>			-		-
12.1 Strategic Plan			-		-
12.2 Innovation Hub		1,169,257	1,169,257		1,169,257
<b>TOTAL</b>	<b>137,367,724</b>	<b>59,384,587</b>	<b>196,752,311</b>	<b>120,141,707</b>	<b>77,130,284</b>

### **13. 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 NG-CDF-Thika Town 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.

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**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 30<sup>th</sup> June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

**Other receipts**

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

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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sense of the overall net cash position of Thika Town NG-CDF at the end of the year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

**10. Unutilized Fund**

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

**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 1<sup>st</sup> July 2019 to 30<sup>th</sup> 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 30<sup>th</sup> 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.

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**SIGNIFICANT ACCOUNTING POLICIES( CONTINUED)**

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.

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**14. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

	Description		F/Y 2019/2020	F/Y 2018-2019
			KSH	KSH
1330407	Normal Allocation	AIE NO. 5322		2,500,000.00
		AIE NO 5362		54,784,483.15
		AIE NO.30123		10,000,000.00
		AIE NO. 7488		8,000,000.00
		AIE NO. 5485		12,000,000.00
		AIE NO. 42848		11,000,000.00
		AIE NO 47057		13,000,000.00
		AIE NO 48201.	48,888,831.70	
		AIE NO 4221.	4,000,000.00	
		AIE NO 4176.	20,000,000.00	
		AIE NO. B049186	6,000,000.00	
		AIE NO B104160	14,000,000.00	
		AIE NO 104494	24,000,000.00	
1330408	Conditional grants			
1330409	Receipt from another Constituency			
	<b>TOTAL</b>		<b>116,888,831.70</b>	<b>111,284,483.00</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	Description	2019/2020	2018-2019
		Ksh	Kshs
3510202	Receipts from the Sale of Buildings	0	0
3510601	Receipts from the Sale of Vehicles and Transport Equipment	0	0
3510801	Receipts from the Sale Plant Machinery and Equipment	0	0
3510803	Receipts from the Sale of Office and General Equipment	0	0
	<b>TOTAL</b>	<b>0</b>	<b>0</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**3. OTHER RECEIPTS**

	Description	2019/2020	2018/2019
		Kshs	Kshs
1410107	Interest Received	0	0
1410405	Rents		0
1420601	Sale of Tender Documents	122,000.00	94000
1450207	Other Receipts Not Classified Elsewhere (specify)		0
	<b>TOTAL</b>	<b>122,000.00</b>	<b>94000</b>

**4. COMPENSATION OF EMPLOYEES**

	Description	2019/2020	2018/2019
		Kshs	Kshs
2,110,201.00	Basic wages of contractual employees	1,246,320.00	1,216,917.00
2,110,202.00	Basic wages of casual labour	260,000.00	213,000.00
	<b>Personal allowances paid as part of salary</b>	0	0
2,110,301.00	House allowance	0	0
2,110,314.00	Transport allowance	0	0
2,110,320.00	Leave allowance	0	0
2,110,326.00	Other personnel payments	34,800.00	34,800.00
2,120,101.00	Employer contribution to NSSF	77,760.00	77,760.00
2,710,120.00	Gratuity-contractual employees	595,200.00	-
	<b>TOTAL</b>	<b>2,214,080.00</b>	<b>1,542,477.00</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

	Description	2019/2020	2018-2019
		Kshs	Kshs
2210100	Utilities, supplies and services	697,206.88	570,720.00
2210101	Electricity		-
2210102	Water & sewerage charges		-
2210104	Office rent	832,760.00	1,050,000.00
2210200	Communication, supplies and services	160,660.00	76,320.00
2210300	Domestic travel and subsistence		
2210500	Printing, advertising and information supplies & services	187,359.00	170,068.00
2210600	Rentals of produced assets		
2210700	Training expenses	1,491,700.00	679,955.00
2210800	Hospitality supplies and services	45,734.00	
2210802	Other committee expenses		918,520.00
2210809	Committee allowance	3,192,367.00	4,406,000.00
2210900	Insurance costs	101,243.38	128,666.25
2211000	Specialized materials and services		
2211100	Office and general supplies and services	680,474.00	487,319.00
2211200	Fuel , oil & lubricants	158,700.00	479,369.00
2211300	Other operating expenses		230,903.00
2211301	Bank service commission and charges	31,330.11	
2211313	Security operations		
2220100	Routine maintenance - vehicles and other transport equipment	133,774.38	
2220200	Routine maintenance- other assets		
	<b>TOTAL</b>	<b>7,713,308.75</b>	<b>9,197,840.25</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

	Description	2019/2020	2018/2019
		Ksh	Kshs
2630204	Transfers to Primary schools	48,600,000.00	36,151,725.00
2630205	Transfers to Secondary schools	27,895,123.00	15,845,970.00
2630206	Transfers to Tertiary institutions		-
2630207	Transfers to Health institutions		-
	<b>TOTAL</b>	<b>76,495,123.00</b>	<b>51,997,695.00</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	Description	2019/2020	2018/2019
		Kshs	Kshs
2640101	Bursary -Secondary	0	22,420,500.00
2640102	Bursary -Tertiary	20,000.00	8,281,965.15
2640104	Bursary-Special schools	0	312,000.00
2640105	Mocks & CAT	0	0
2640504	Water	0	0
2640505	Food security	0	0
2640506	Electricity	0	0
2640507	Security	19,851,343.00	5,000,000.00
2640508	Roads and Bridges		-
2640509	Sports	80,817.52	3,563,792.20
2640510	Environment	2,747,354.48	2,663,792.20
2640512	Cultural Projects	0	0
2640513	Agriculture	0	0
2640200	<b>Emergency Projects</b>	<b>10,500,000.00</b>	<b>3,150,000.00</b>
	<b>TOTAL</b>	<b>33,199,515.00</b>	<b>45,392,049.55</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8. ACQUISITION OF ASSETS**

	<b>Non-Financial Assets</b>	<b>2019/2020</b>	<b>2018/2019</b>
		<b>Kshs</b>	<b>Kshs</b>
3110102	Purchase of Buildings	0	0
3110202	Construction of Buildings	0	0
3110302	Refurbishment of Buildings	0	0
3110701	Purchase of Vehicles	0	0
3110704	Purchase of Bicycles & Motorcycles	0	0
3110801	Overhaul of Vehicles	0	0
3111001	Purchase of office furniture and fittings	519,680.00	0
3111002	Purchase of computers/IT equipment	0	0
3111005	Purchase of photocopier	0	0
3111009	Purchase of other office equipment	0	0
3111112	Purchase of soft ware	0	0
3130101	Acquisition of Land	0	0
	<b>TOTAL</b>	<b>519,680.00</b>	<b>0</b>

**9. OTHER PAYMENTS**

	<b>2019/2020</b>	<b>2018-2019</b>
	<b>Ksh</b>	<b>Ksh</b>
Strategic plan	0	3,500,000.00
Innovation hubs	0	1,169,256.80
<b>TOTAL</b>	<b>0</b>	<b>4,669,256.80</b>

**10A: Bank Accounts (cash book bank balance)**

<b>Name of Bank &amp; currency</b>	<b>Account Number</b>	<b>2019-2020</b>	<b>2018-2019</b>
		<b>Kshs</b>	<b>Kshs</b>
<i>Equity Bank Thika branch( Kshs)</i>	<i>A/C 90261620323</i>	7,364,881	10,495,755.15
<b>Total Cash at Bank</b>		<b>7,364,881</b>	<b>10,495,755.15</b>

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**10B. CASH IN HAND**

	2019/2020	2018/2019
	Kshs	Ksh
Location 1	0	0
Location 2	0	0
Location 3	0	0
Others(Specify)	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer</i>	<i>Date imprest taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>
		<i>Kshs</i>	<i>Kshs</i>
			0
		0	0
		0	0

**12A. RETENTION**

Supplier/Contractor	PV No.	2019/2020	2018/2019
	N/A	0	0
<b>TOTAL</b>		<b>0</b>	<b>0</b>

**12B. GRATUITY DEPOSITS**

	2019 - 2020	2018-2019
	Kshs	Kshs
Name 1	0	0
Name 2	0	0
Name 3	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

*[Provide short appropriate explanations as necessary]*

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**13. BALANCES BRAUGHT FORWARD**

	2019/2020	2018/2019
	Ksh 1/7/2019	Kshs (1/7/2018)
Bank accounts	10,495,755.15	11,916,591.00
Cash in hand		
Imprest		
<b>TOTAL</b>	<b>10,495,755.15</b>	<b>11,916,591.00</b>

*[Provide short appropriate explanations as necessary]*

**14. PRIOR YEAR ADJUSTMENTS**

	Balance b/f FY2019 / 2020 per Financial statements	Adjusments	Adjusted balance b/f 2018 /2019
Description of the error	Kshs	Kshs	Kshs
Bank accounts balances	0	0	0
Cash in hand	0	0	0
Accounts Payable	0	0	0
Receivables	0	0	0
Others (specify)	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>

**15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST**

	2019/2020	2018/2019
Outstanding Imprest as at 1st July 2019 (A)	0	0
Imprest issued during the year (B)	0	0
Imprest surrendered during the Year ©	0	0
Net changes in accounts receivables (D=A+B-C)	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

**16 CHANGES IN ACCOUNTS PAYABLE-DEPOSITS AND RETENTION**

	2019/2020	2018/2019
	Kshs	Kshs
Deposits as at 1 <sup>st</sup> July 2019 (A)	0	0
Deposits and Retention held during the year (B)	0	0
Deposits and retention paid during the year (C )	0	0
Net changes in account payable (D=A+B-C)	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**17. OTHER IMPORTANT DISCLOSURES**

**17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

	2019-2020	2018-2019
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

**17.2: PENDING STAFF PAYABLES (See Annex 2)**

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Staff salaries	-	-
Staff Gratuity	-	-
Others (specify)	-	-

**17.3: UNUTILIZED FUND (See Annex 3)**

	2019/2020	2018/2019
	kshs	Kshs
Compensation of Employees	(109,080.00)	0
Use of goods and services	3,985,019	1,440,233
Transfers to Other Government Units	32,560,000.00	34,295,123
Other grants and transfers	39,005,407.98	21,960,294
Acquisition of Assets	519,680.00	519,680
Other Payments	1,169,257.00	1,169,256.20
<b>Total</b>	<b>77,130,284</b>	<b>59,384,587</b>

**17.4 : PMC ACCOUNT BALANCES(See Annex 5)**

	2019 /2020	2018 /2019
	Kshs	Kshs
PMC account Balances (see attached list)	26,641,441.78	4,777,104.40
<b>TOTAL</b>	<b>26,641,441.78</b>	<b>4,777,104.40</b>

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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
	A	b	C	d=a-c	
Construction of buildings					
1.					
2.					
Sub-Total					
Construction of civil works					
3.					
4.					
Sub-Total					
Supply of goods					
5.					
6.					
Sub-Total					
Supply of services					
7.					
8.					
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	
<b>Senior Management</b>						
1.						
2.						
<b>Sub-Total</b>						
<b>Middle Management</b>						
3.						
4.						
<b>Sub-Total</b>						
<b>Union sable Employees</b>						
5.						
6.						
<b>Sub-Total</b>						
<b>Others (specify)</b>						
7.						
8.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

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**ANNEX 3 – UNUTILIZED FUND**

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
		Kshs	Kshs	
Compensation of employees		(109,080)	3,090,408	
Use of goods & services		3,985,019	1,000,944	
Amounts due to other Government entities				
<b>1.PRIMARY SCHOOLS</b>				
Komo Primary	Fencing		1,000,000.00	
Githima Primary School	1 Classroom and fencing		2,000,000.00	
Gatuanyaga Primary School	Construction of 3 classrooms to completion		3,000,000.00	
Powerline Primary School	2 Classrooms construction		2,300,000.00	
Matathia Primary School	pipng of water to the school, water tank and gutters		2,000,000.00	
Mountain View Primary School	Construction of 1 classroom to completion		1,000,000.00	
Kenyatta Harambee Primary School	construction of 1 computer room,gutters		3,000,000.00	
Kimuchu Primary School	construction of 2 classrooms to completion		2,000,000.00	
General Kago Primary School	Renovations		3,000,000	
Kiboko Primary School	Painting		500,000	
Athena Primary School	Fencing		1,500,000	
Munyu Primary School	Water channeling		1,300,000	
Matathia Primary School	Construction of school fence	<b>43</b> 1,000,000		

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND(NG-CDF)-THIKA TOWN CONSTITUENCY**  
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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Githima Primary School	1 classroom and 62 desks	1,500,000		
Munyu Primary School	62 Pupils desks	500,000		
Kilimambogo Primary School	62 Pupils desks	500,000		
Kianjau Primary School	62 pupils Desks	500,000		
Kianjahi Primary School	127 Pupils desks	1,200,000		
Gatumaini Primary School	Facelift	1,500,000		
Thika Muslim Primary School	Perimeter wall	1,500,000		
Jamhuri Primary School	Completion of facelift	3,500,000		
Karibaribi Primary School	Complete facelift of 10 classrooms	4,000,000		
Kisiwa Primary School	Pupils ablution block	1,500,000		
<b>2. SECONDARY SCHOOLS</b>				
Munyu Mixed Sec Sch	Lighting		400,000	
Munyu Girls Secondary School	Construction of 2 classrooms to completion		2,000,000.00	
Gatunyaga Mixed Day Secondary School	Construction of 2 NO of classrooms		2,000,000.00	
Maguguni Secondary School	Construction of a 1 twin laboratory to completion		2,500,000.00	
Komo Secondary School	Construction of a staff house		2,000,000.00	
Thika Girls Karibaribi Secondary School	Construction of 1 septic tank		1,000,000.00	
Thika High School	Construction of 2 classrooms/Purchase of cabros along the school driveway	2,000,000	1,000,000.00	

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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Thika Garrison Secondary School	Construction of science laboratory/Construction of 1 classroom to completion	2,500,000	1,000,000.00	
Kimuchu Secondary School	Construction of 1 laboratory (structure)		1,995,123.00	
Mbagathi Mixed Secondary School	Construction of 1 twin laboratory to completion.	2,500,000	2,500,000.00	
Chania Girls High School	Construction of Science Laboratory	2,500,000		
Maryhills Girls High School	Construction of ablution block	1,500,000		
<b>3.Tertiary Schools</b>				
Kilimambogo Teachers College	Water purification	2,360,000	0	
<b>Sub-Total</b>		<b>30,560,000</b>	<b>38,995,123</b>	
<b>Amounts due to other grants and other transfers</b>				
<b>1.Bursary</b>	To offer bursary support to students	34,321,931	3,271,226.26	
<b>2. Emergency</b>	To cater	508,461	3,838,993.45	
<b>3.Security Institutions</b>				
Ngoliba Chiefs Office	Construction of chiefs office ,fencing , furnishing		2,300,000.00	
D.C.C's Office Thika East Sub-County	Purchase Of Office Furniture Thika East Divison		1,000,000.00	
Deo Thika East	Purchase Of Furniture, And Renovation Of New Offices		1,200,000.00	
Komo Police Post	Construction of the chiefs office		1,400,000.00	
Munyu Police Post	Construction of the police station		1,500,000.00	
Githima Police Post	Renovation of the offices		1,000,000.00	
The Deputy Count Commissioner Thika West Subcounty	Office Refurbishment, Renovation of the DCC'S wing And Landscaping of the muddy compound	<b>45</b>	2,500,000.00	

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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Deputy Administration Police Commander Thika West Sub-County(Kiang'ombe)	Construction of 1 police post		1,500,000.00	
Divisional Police Headquarters Thika-Makongeni Police Station	Construction Of Septic Tank And 2 door Toilets		500,000.00	
Thika Police Headquarters	Construction of a toilet 1 door for the OCPD with and landscaping		1,500,000.00	
Chief Biashara Location Office	Renovation		500,000.00	
Ngoingwa Police Post	Construction of a police post to completion		3,000,000.00	
Chief Gatiguru Office	Construction of the chiefs office		1,000,000.00	
Thika Police headquarters	Children cells	1,000,000		
Kiandutu sub location	Chiefs office construction	1,000,000		
Gatuanyaga Sub location	Furniture	84,874		
Magogoni sub location	Furniture	124,874		
Doc office Thika East	Furniture	48,657		
4.Constituency Sports Tournament	Carry out Constituency Sports activities	2,747,354	80,817.52	
5.Environment Activities	Implementation of environment projects		980,817.52	
<b>Sub-Total</b>		<b>339,836,151</b>	<b>27,051,855</b>	
<b>Acquisition of assets</b>		519,680	1,000,000	
<b>Others (specify)</b>				
Innovation hubs		1,169,286	1,169,286	
<b>Sub-Total</b>		<b>1,688,937</b>	<b>2,169,286</b>	
<b>Grand Total</b>		<b>77,130,284</b>	<b>65,416,640</b>	

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**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

<b>Asset class</b>	<b>Historical Cost Kshs 2018/2019</b>	<b>Additions during the year</b>	<b>Disposals during the year</b>	<b>Historical Cost Kshs 2019/2020</b>
Land	0	0	0	0
Buildings and structures	0	0	0	0
Transport equipment	5,750,000	0	0	5,750,000
Office equipment, furniture and fittings	421,320	519,680	0	941,000
ICT Equipment, Software and Other ICT Assets	0	0	0	0
Other Machinery and Equipment	0	0	0	0
Heritage and cultural assets	0	0	0	0
Intangible assets	38,194	0	0	38,194
<b>Total</b>	<b>6,209,514</b>	<b>519,680</b>	<b>0</b>	<b>6,729,194</b>

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

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**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2020.**

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
GITHIMA PRIMARY SCHOOL	EQUITY	1710279073897	1,942,560	
POWERLINE PRY SCHOOL	EQUITY	1710279051781	1,049,984	
MATATHIA PRY SCHOOL	EQUITY	0090265960723	126,315	
GATUANYAGA PRY SCHOOL	EQUITY	0090265975444	2,442,330.20	
MOUNTAIN VIEW PRY SCHOOL	EQUITY	0090265412963	1,555,580	2,001,301.20
KIMUCHU PRY SCHOOL	EQUITY	0090265966907	186,406.50	570,006.50
KIMUCHU PRIMARY SCHOOL	EQUITY	0090279770488	3,939,880	
KAMENU PRY SCHOOL	EQUITY	0090270692228	2,275,100	
GATAUNYAGA MIXED SEC SCH	EQUITY	0340279082587	174,229.50	
KIMUCHU SEC SCHOOL	EQUITY	0090262232761	473,267.95	151,521.95
KOMO MIXED SEC SCH	EQUITY	0340279308918	983,558.70	
THIKA GIRLS KARIBARIBI SEC SCHOOL	EQUITY	0090263317823	3,645,865.90	
ST PAUL'S GATUANYAGA BOYS SEC SCHOOL	EQUITY	1710279825921	3,962,000	
MAGOGONI SEC SCHOOL	EQUITY	0340279342300	2,096,561	
KARIBAIRIBI MIXED SEC SCHOOL	EQUITY	0090262351616	33,900.75	685,874.75
DCC THIKA WEST	EQUITY	0090278588922	154,634	1,368,400
NGOLIBA CHIEFS OFFICE	EQUITY	0340279290775	99,268.28	
MAKONGENI POLICE POST	EQUITY	1710278949611	1,500,000	
<b>TOTAL</b>			<b>26,641,441.78</b>	<b>4,777,104.40</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND(NG-CDF)-  
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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)
TT/NG-CDF/ OAG/FY 019/020/001	Delayed projects implementation	Delays due to change of activity request	FAM	Resol	