

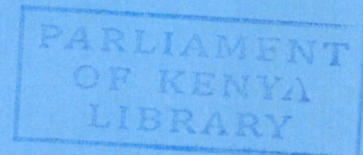
Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY		THE NATIONAL ASSEMBLY	
DATE: 08 FEB 2022		DAY: Tues	RECEIVED
TABLED BY: LDM	OF	15 DEC 2021	DEPUTY CLERK
CLERK-AT THE-TABLE: B. Inzofu		P.O. Box 41842 - 00100, NAIROBI	

THE AUDITOR-GENERAL

ON



**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – MWINGI NORTH CONSTITUENCY**

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

Revised Template 30th June 2020



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -
MWINGI NORTH CONSTITUENCY**

AMMENDED 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)
MWINGI NORTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

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MWINGI NORTH CONSTITUENCY
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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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Core Values

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

(b) Key Management

The NGCDF MWINGI NORTH 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:

No	Designation	Name
1.	A.I.E holder	Peter Katoni
2.	Sub-County Accountant	Titus Kimuyu
3.	Chairman NGCDFC	Gideon Mwiyei
4.	Member NGCDFC	N/A

(d) Fiduciary Oversight Arrangements

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

P.O. Box 179-90401
Mwingi North NG-CDF Office
Kyuso, KENYA

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(f) NGCDF MWINGI NORTH Constituency Contacts

Telephone: (254) 712449205
E-mail: mwinginorth@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF MWINGI NORTH Constituency Bankers

1. Equity Bank Ltd
A/C Name: Mwingi North NGCDF Account
A/C No. 0590292513495
Mwingi Town

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

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II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

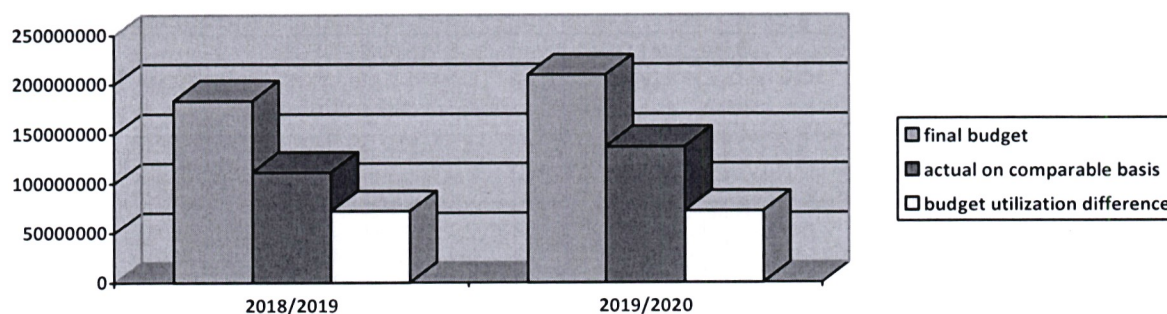
Its with great pleasure to present the unaudited financial statements for Mwingi North constituency for the financial year ended 30th June 2020.

Mwingi North constituency is one of the largest constituencies located in Kitui county lower eastern region in Kenya. The constituency borders Mwingi Central, Tharaka, Mbeere and Mwingi national park to the east. Mwingi North constituency has four Sub counties namely; Tsikuru, Kyuso, Mumoni and Thagicu and five administrative wards namely; Tseikuru, Kyuso, Ngomeni, Mumoni and Tharaka.

The constituency has a population of one hundred forty five thousand inhabitants with the dominant ethnic groups being the Kamba and Tharaka communities.

Under the leadership of Hon. (Eng) Paul Musyimi Nzengu, Mwingi North NGCDF has supported the establishment of many primary and secondary schools, supported construction of security projects, water projects, and many students have benefited from the bursary kitty.

Overall budgetary allocation and utilization



During the financial year, the constituency received a total allocation of one hundred thirty seven million, two hundred forty thousand eight hundred seventy six (kshs.137,240,876) being a slight increase compared to ninety three million, five hundred forty eight thousand two hundred seventy six (kshs.93, 548,276) received in the previous financial year 2018/2019. The final budget increased to two hundred ten million twenty two thousand thirty nine (kshs.210,022,039) compared to one hundred eighty three million eight hundred twenty nine thousand seven hundred eighty three (kshs.183, 829,782) in the financial year 2018/2019. The budget utilization difference increased from seventy two million, three hundred seventy seven thousand eighty two (kshs.72, 377,082) to seventy two million five hundred three thousand nine hundred thirty (ksh.72,503,930) in financial year 2019/2020

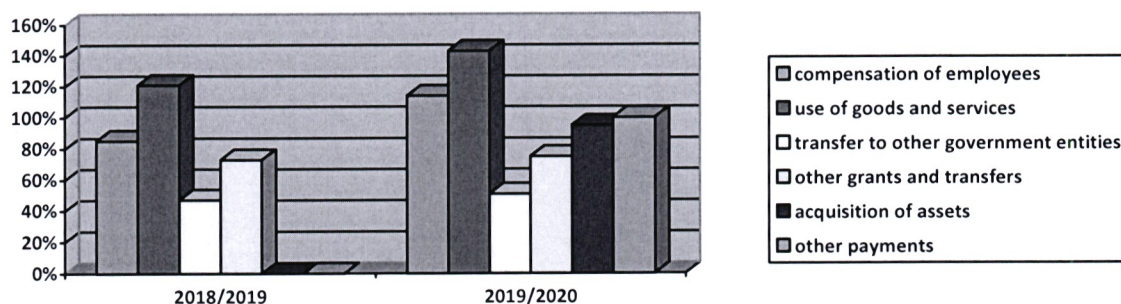
Percentage utilization

	2018/2019	2019/2020	
Tranfers from NGCDF board	61%	65%	
Total payments	60%	65%	

In the financial year 2019/2020, only 65% of the total budget was released from the board as compared to 61% in the financial year 2018/2019. These lead to a utilization of 65% of the budgeted amount in the financial year 2019/2020 as compared to 60% in the financial year 2018/2019.

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Comparable sectorial funds utilization



Despite the fact that the most of funds were received towards the closure of the financial year, the constituency managed to utilize the funds in an efficient manner. The utilization percentages were: compensation of employees 114%, use of goods and services 143%, transfer to other government units 51%, other grants and transfers 75% acquisition of assets 95% and other payments 100%.

The overall impact of the national government constituency development fund was felt across the constituency.

Some of the challenges encountered during the implementation of the projects in the constituency includes poor roads network, insecurity in parts of the constituency, the constituency being large in size.

It's my hope that the relevant government agencies will address the challenges to the constituent's for a better living.

Sign

CHAIRMAN NGCDF COMMITTEE

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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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-MWINGI NORTH Constituency's *2018-2022* plan are to:

In underscoring the above, the key development objectives of Mwingi North constituency's 2018-2022 plan included but not limited to:

Strategic Area 1: Education

Objective: Become an exemplary national model for educational excellence by improving schools' infrastructure, improving students' and pupils' academic performance, reducing dropout rates and increasing primary, secondary, tertiary and university transition rates.

Initiative: Develop and enhance schools' infrastructure to enhance facilities and provide conducive learning environment for pupils and students alike.

Initiative: Ensure equity in the disbursement of bursary funds to bright and needy students using an integrated participatory approach at the ward level in the identification and prioritization of deserving cases.

Initiative: Enhance and develop social programmes that support education within the constituency.

Initiative: Acquire relevant revision books targeting KCPE and KCSE candidates.

Initiative: Support and coordinate printing and distribution of mock examinations and continuous assessment tests for pupils and secondary schools students in the constituency.

Strategic Area 2: Security

Objective: Equip, facilitate and enhance capacity of coordination and interior organs in order to improve service delivery and make the constituency secure

Initiative: Improving infrastructure

Initiative: Securing deployment of security personnel to completed police stations and posts.

Strategic Area 3: Water and Environment

Objective: Improve access to clean water and a more sustainable and conserved environment in Mwingi North through natural resources conservation initiatives

Initiative: Initiate and enhance conservation programmes: tree-planting, building of sub-surface dams, rehabilitation of catchments points, afforestation of degraded areas and training of Community Environment Committees (CEC), as well as formation of Community Forest Associations

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(CFAs) to play a key role in the protection of forest cover are among strategies meant to address environmental sustainability.

Initiative: Water and Sanitation: To ensure water sustainability in the constituency through scooping of dams, drilling of boreholes and distribution of water tanks.

Initiative: Levelling and flattening of playgrounds in both primary and secondary schools.

Strategic Area 4: Infrastructure

Objective: Improve road infrastructure within the constituency to adequately serve residents, visitors and business people

Initiative: Support grading of roads in the constituency

Strategic Area 5: Gender and Information Communication and Technology

Objective: Use gender differentiated approach in enhancing access to information and technology and use ICT to enhance service delivery

Initiative: Enhancement of infrastructure and accessibility of ICT resources in the constituency.

Strategic Area 6: Sports:

Objective: Empower and develop youth actualize sporting prowess for economic growth and development

Initiative: Empower and develop youth through sports

Strategic Area 7: Disaster Management

Objective: Support unexpected occurrences in the constituency in a timely manner

Initiative: Reroofing of classrooms blown off by wind.

Initiative: Bush clearing of roads within the insecure areas of Ngomeni and specifically; Kasiluni-Mandongoi-Boka roads.

Initiative: Support educational and security institutions with sanitary facilities once dire need is expressed more so as a result of weather effects.

Strategic Area 8: Agriculture and Business

Objective: Boost agricultural and business ventures amongst the constituents.

Initiative: Involve locals in the construction works of NG-CDF funded projects.

Initiative: Support farmers within Wikithuki Irrigation Scheme in Tseikuru ward through close collaboration with the Ministry of Agriculture and networking with like-minded development agents.

Strategic Area 9: Coordination & Monitoring and Evaluation

Objective: Embrace and enhance participatory planning, coordination, implementation & monitoring and evaluation.

Initiative: Encourage the effective participation and involvement of the community in project identification, implementation, monitoring and evaluation.

Initiative: Promote good governance and accountability through projects/programme impact analysis, monitoring and evaluation of funds.

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Initiative: Enhance visionary leadership and foster continuity of development initiatives

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 of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	In FY 19/20 -we increased number of classrooms from 20 to 26; dormitories from 5 to 5 ,reroofed classrooms from 16 to 24 ;laboratories from two to four, dining halls from 2 uncomplete to 2 complete ones; administration block and education office from 2 - Bursary beneficiaries at all levels were as per the attached schedules
Security	Equip, facilitate and enhance capacity of provincial administration and other security agents in order to improve security and coordination services	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub-locations and police stations	No. of completed assistant chiefs' offices increased from 0 to 5 Number of completed chiefs' offices increased from one to 2 Number of

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				<p>police lines increased from one to 3</p> <p>Number of assistant county commissioner's office increased from zero to one.</p>
Environment	Safeguard the environment for future generations	Provide tree seedlings to schools to improve the forest cover Scoop sub-surface dams	Number from trees plants Number of sub surface dams scooped	<p>Number of trees planted increased from 100 to 700</p> <p>Number from sub surface dams scooped increased from one to two</p>
Sports	Empower and develop youth actualize sporting prowess for economic growth and development	Reduced dependence and spur economic growth through a cohesive framework for sports specific development	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports programme increased from 20 to 30
Disaster Management	Support unexpected occurrences in the constituency in a timely manner	Reduce (avoidance if possible) the potential losses from hazards- assure prompt and appropriate assistance to deserving cases when necessary	Number of emergency cases addressed during the financial year.	Number of emergencies cases mitigated upon.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – MWINGI NORTH 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.

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1. Sustainability strategy and profile

Mwingi North NG-CDFC endeavoured to work within the existing policy guidelines that helped in focusing on service delivery geared towards better performance with the involvement of relevant stakeholders. The relevance of this was attributed to our vision, mission and core values as provided for in our strategic plan.

Vision

“United and developed society living in a secure environment, enhancing quality of life where all opportunities and resources are equitably shared”

Mission

“To create and strengthen institutions & structures to attain the agreed objectives by incorporating all stakeholders towards a collective well-being”

Core values

- i. Networking among stakeholder groups
- ii. Transparency and accountability
- iii. Commitment
- iv. Integrity
- v. Excellence

To realize effective sustainability, the constituency relied on the set targets as a sign of performance ambition. The Goals as provided in our strategic plan remained the focal point for inside and outside stakeholders with a clear set of objectives for management, and a yardstick by which external audiences can judge our progress and achievements against their expectations. The frameworks under which we operated included projects identification, allocation of funds, approval, implementation and monitoring.

2. Environmental performance

Environmental policy and action plan

Protection of the environment in which we co-exist is part of Mwingi North NG-CDF initiatives. Care for the environment is one of our key responsibilities and an integral aspect in the manner in which we carry out our operations.

Our Environmental policy

In this policy statement Mwingi North NG-CDF commits to:

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Comply with all relevant environmental legislation, regulations and approved codes of practice
Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air and water

Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources

Managing and disposing off all wastage in a responsible manner

Providing training to our NG-CDFC and staff so that all work in accordance with this and within an environmentally sensitive culture

Regularly communicate our environmental performance to our employees and other significant stakeholders

Developing our management processes that ensure that environmental factors are considered during planning and implementation

Monitoring and continuously improving our environmental performance

Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance

Our environmental action plan

Mwingi North NG-CDF has identified one area in which we as an organization have direct and indirect environmental impact, where we can implement initiatives to manage and reduce these impacts.

The two areas together with our approach and targets for each are:

Impact Area	Approach
Environmental Protection and conservation	To encourage tree planting in the constituency to improve the forest cover, We have constructed sur-surface dams to help retain water and prevent soil erosion

3. Employee welfare

Terms and conditions of service

This highlights the general rules governing employment of NG-CDFC staff in such matters as appointment, promotions and related matters.

Categories of employment

Mwingi North NG-CDFC offers only categories of employment, which are contract employees who are employed for 3 years on a renewable contract. Such employees are eligible for employee benefits in line with statutory requirements.

Casual employees are hired to perform specific duties on a daily or weekly basis on a piece rate payment system. Casuals are not allowed to work continuously for more than 3 three months and are not eligible for any employee benefits in line with statutory requirements.

Recruitment procedure

The NG-CDFC has an employment policy stating the cadre and number of staff to be recruited, their skills and competencies, the terms of the employment which is contractual for a period of three years; benefits including medical, leave and house allowances, gratuity, staff training and development and safety at the workplace.

4. Market place practices-

The organization adheres to ethical practices by adhering to competitive tendering process, ensuring compliance with the law in order to avoid corruption and malpractices.

Advertisements of tenders are made and winning bidders enter into contractual obligation with the project management committees on behalf of the NG-CDFC.

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Prompt payment to suppliers and contractors are made upon satisfactory delivered of supplies and works respectively.

5. Community Engagements-

The community actively participates in projects prioritization in every two years at the ward level in the five wards of the constituency.

Again, in every financial year the community actively engages in the vetting and award of education bursaries to bright and needy students in the 33 locations of Mwingi North constituency.

During the sporting activities the community is actively engaged in selecting the youth teams to present each ward in the constituency sports tournaments. During such tournaments trophies are presented to the winning teams in the presence of community members.

The above activities have contributed greatly to the (i) participatory development approach in which community members engage and prioritize on their felt needs (ii) to nurturing of talent among the youth (iii) transparency in the award of education bursaries and (iv) community empowerment in decision making.

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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.

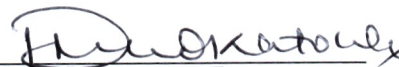
The Accounting Officer in charge of the NGCDF-MWINGI NORTH Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 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.

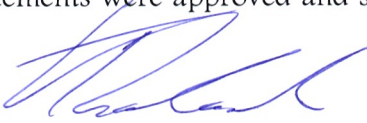
The Accounting Officer in charge of the NGCDF-MWINGI NORTH Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting 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-MWINGI NORTH 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-MWINGI NORTH 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

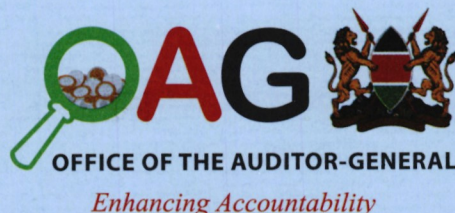
The NGCDF-MWINGI NORTH Constituency financial statements were approved and signed by the Accounting Officer on 30/03 2021.


Fund Account Manager
Name: PETER KATENI


Sub-County Accountant
Name: TITUS KIMANI
ICPAK Member Number:

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MWINGI NORTH 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 - Mwingi North Constituency set out on pages 16 to 52, which comprise of the statement of assets and liabilities as at 30 June, 2020, statement of receipts and payments, statement of cash flows and the 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 effects of the matter 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 - Mwingi North Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Summary Statement of Appropriation

Statement of receipts and payments reflects other grants and transfers totalling to Kshs.62,070,321 and acquisition of assets totalling to Kshs.4,002,000. However, the expenditures differ from other grants and transfers totalling to Kshs.62,544,321 and acquisition of assets totalling to Kshs.3,528,000 reflected in the summary statement of appropriation - recurrent and development combined. The resultant variances amounting to Kshs.474,000 each on the two accounts were not explained.

Consequently, the accuracy, completeness and validity of the summary statement of appropriation for the year ended 30 June, 2020 could not be confirmed.

Report of the Auditor-General on National Government Constituencies Development Fund - Mwingi North Constituency for the year ended 30 June, 2020

2. Inaccuracies in the Statement of Budget Execution by Programmes and Sub-programmes

The statement of budget execution by programmes and sub-programmes reflects primary and secondary schools projects adjustments totalling to Kshs.52,721,088. However, the verified balance totalled to Kshs.50,971,088 resulting to an unreconciled variance amounting to Kshs.1,750,000.

Further, the grand total under adjustments totalling to Kshs.72,654,314 differs with the re-computed total of Kshs.72,354,314 resulting to an unreconciled variance amounting to Kshs.300,000. The actual on comparable basis column reflects a balance for primary schools, secondary schools and security projects totalling to Kshs.65,662,194, whereas casted balance totalled to Kshs.59,563,194 resulting to unreconciled variance amounting to Kshs.6,099,000.

In addition, the grand total under actual on comparable basis totalling to Kshs.113,817,983 differs with a recomputed total of Kshs.135,911,994 and also differs with the total of Kshs.136,711,994 reflected in the summary statement of appropriation - recurrent and development combined. Budget utilization difference totalling to Kshs.75,310,044 differs with the re-computation total of Kshs.76,139,942 resulting to an unexplained variance amounting to Kshs.829,898.

In the circumstances, it was not possible to confirm the completeness and accuracy of the statement of budget execution by programmes and sub-programmes for the year ended 30 June, 2020.

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

Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis totalling to Kshs.210,022,039 and Kshs.137,240,875 respectively, resulting to an under-funding amounting to Kshs.72,503,931 or 35% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totalling to Kshs.210,022,039

and Kshs.136,711,994 respectively, resulting to an under expenditure amounting to Kshs. 73,310,045 or 35% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

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. Non-compliance with the Public Sector Accounting Standards Board Requirements

The Accountant has not signed the statement of assets and liabilities and details of ICPAK membership were missing. In addition, the financial statements did not indicate page numbers under significant accounting policies and Notes to the financial statements from pages 30 to 43.

Further, the Management did not disclose prior year recommendations in the provided format. This is contrary to Public Sector Accounting Standards Board (PSASB) reporting template.

In the circumstances, the presentation of the financial statements for the year under review is not in accordance with the prescribed PSASB format.

2. Unapproved Expenditure

During the year, Management overspent on items as shown below:

Item	Actual Amount (Kshs.)	Budgeted Amount (Kshs.)	Variance (Kshs.)
Use of Goods and Services	8,262,002	5,776,820	2,485,182
Compensation of Employees	4,150,477	3,656,084	494,393
Purchase of a Generator	874,931	400,000	474,931
Construction of the Fund Office Building	13,901,796	13,056,871	844,925
Total			4,299,431

Further, during the year under review, the Fund disbursed an amount of Kshs.1,060,000 to Nzanzeni Primary School for construction of a classroom. However, physical verification of the project on 3 February, 2021 revealed that the Project Management Committee changed the works from construction of a classroom to re-roofing of four (4) classrooms, an office and a store without approval of the Board. This is contrary to the NGCDF regulations, 2016. The project was also not branded.

Consequently, the Management is in breach of the law.

3. Unexplained Increase in Compensation of Employees

During the year under review, expenditure on compensation of employees was more than the total of Kshs.2,363,760 incurred in the previous year representing a total of Kshs.1,786,717 or 76% increase. Management did not explain the huge increase in the expenditure considering that the activities of the Fund remained unchanged in the two years.

Consequently, I am unable to confirm whether the public obtained value for money on increase totalling to Kshs.1,786,717 on compensation of employees for the year ended 30 June, 2020.

4. Unaccounted for Office Furniture

The Management purchased office furniture and general equipment totalling to Kshs.1,500,000 during the year. Review of records and physical verification of the assets revealed that assorted items valued at Kshs.215,900 comprising of; two (2) executive visitors chairs costing Kshs.79,000, a mahogany coat hanger costing Kshs.17,500, two (2) Mahogany office desks costing Kshs.79,600 and one (1) waiting lobby link chairs costing Kshs.39,800 were delivered to the Member of Parliament's Constituency Office instead of the NGCDF Offices. Further, a five-seater lounge leather sofa set valued at Kshs.235,000 could not be accounted for.

Consequently, regularity and value for money on the expenditure of furniture items all valued at Kshs.450,900 for the year ended 30 June, 2020 could not be confirmed.

5. Delay in Project Implementation

The Fund had allocated a total of Kshs.127,620,370 for implementation of sixty-nine (69) projects under the 2019/20 budget. However, review of the project implementation documents revealed that, only sixteen (16) projects worth Kshs.14,500,000 were completed during the year while twelve (12) projects with allocation total of Kshs.63,976,945 were on-going. The remaining forty-one (41) projects, with allocation total of Kshs.49,143,325 were not commenced.

In the circumstances, I am unable to confirm whether the public will obtain value for money for the delayed projects during the year ended 30 June, 2020.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that

govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall 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 overall governance.

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

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

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

Those charged with Governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to 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.


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

15 November, 2021

Report of the Auditor-General on National Government Constituencies Development Fund - Mwingi North Constituency for the year ended 30 June, 2020

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MWINGI NORTH CONSTITUENCY**

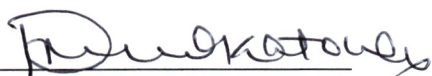
Reports and Financial Statements

For the year ended June 30, 2020

VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	137,240,876	93,548,276
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		137,240,876	93,548,276
PAYMENTS			
Compensation of employees	4	4,150,477	2,363,760
Use of goods and services	5	8,262,002	9,784,934
Transfers to Other Government Units	6	57,727,194	44,511,669
Other grants and transfers	7	62,070,321	54,515,103
Acquisition of Assets	8	4,002,000	-
Other Payments	9	<u>500,000</u>	-
TOTAL PAYMENTS		136,711,994	111,175,466
SURPLUS/(DEFICIT)		<u>528,882</u>	<u>(17,627,190)</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MWINGI NORTH Constituency financial statements were approved on 30/03/2021 and signed by:



Fund Account Manager
Name: Peter Katoni



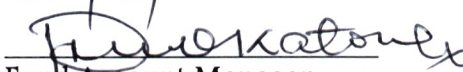
National Sub-County Accountant
Name: Titus Kimuyu

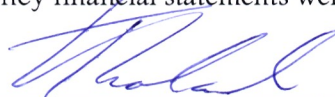
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MWINGI NORTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	806,115	72,233
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		806,115	72,233
Accounts Receivable			
Outstanding Imprests	11	-	205,000
TOTAL FINANCIAL ASSETS		806,115	277,233
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Deposits (Gratuity)	12B	-	-
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		806,115	277,233
REPRESENTED BY			
Fund balance b/fwd	13	277,233	17,904,423
Prior year adjustments	14	-	-
Surplus/Deficit for the year		528,882	(17,627,190)
NET FINANCIAL POSITION		806,115	277,233

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MWINGI NORTH Constituency financial statements were approved on 30/03/2021 and signed by:


Fund Account Manager
Name: Peter Katoni


National Sub-County Accountant
Name: Titus Kimuyu
ICPAK Member Number:

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MWINGI NORTH CONSTITUENCY**

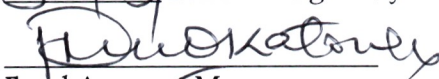
Reports and Financial Statements

For the year ended June 30, 2020

IX. STATEMENT OF CASHFLOW

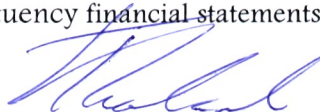
		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	137,240,876	93,548,276
Other Receipts	3	=	=
Total receipts		137,240,876	93,548,276
Payments for operating expenses			
Compensation of Employees	4	(4,150,477)	(2,363,760)
Use of goods and services	5	(8,262,002)	(9,784,935)
Transfers to Other Government Units	6	(57,727,194)	(44,511,669)
Other grants and transfers	7	(62,070,321)	(54,515,103)
Other Payments	9	(500,000)	-
Total payments		(132,709,994)	(111,175,467)
Total Receipts Less Total Payments		4,530,882	(17,627,191)
Adjusted for:			
Decrease/ (Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/ (Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
Net cash flow from operating activities		4,530,882	(17,627,191)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(4,002,000)	-
Net cash flows from Investing Activities		(4,002,000)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		528,882	(17,627,191)
Cash and cash equivalent at BEGINNING of the year	13	277,233	17,904,423
Cash and cash equivalent at END of the year		<u>806,115</u>	<u>277,233</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MWINGI NORTH Constituency financial statements were approved on 30/03/2021 and signed by:



Fund Account Manager

Name: **PETER KATONI**



National Sub-County Accountant

Name: **Timis Kiamu**

ICPAK Member Number:

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

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	137,367,724	72,654,315	210,022,039	137,518,109	72,503,930	65%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTAL	137,367,724	72,654,315	210,022,039	137,240,875	72,503,931	65%
PAYMENTS						
Compensation of Employees	3,231,122	424,962	3,656,084	4,150,477	(494,393)	114%
Use of goods and services	7,303,973	(1,527,153)	5,776,820	8,262,002	(2,485,182)	143%
Transfers to Other Government Units	60,600,000	53,021,089	113,621,089	57,727,194	55,893,895	51%
Other grants and transfers	65,030,629	17,235,417	82,266,046	62,544,321	20,195,725	75%
Acquisition of Assets	1,202,000	3,000,000	4,202,000	3,528,000	200,000	95%
Other Payments	-	500,000	500,000	500,000	-	100%
TOTALS	137,367,724	72,654,315	210,022,039	136,711,994	73,310,045	65%

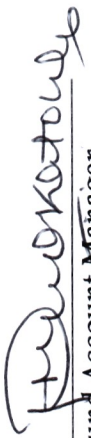
(a) REASONS FOR OVERUTILIZATION AND UNDERUTILIZATION


- i. The overutilization of use of goods and services arose as a result increased committee expenses meant for monitoring and evaluation of projects which were well distributed among all the wards and the constituency being large in size
- ii. The overutilization of bursary funds arose due to participatory approach used during bursary vetting at 35 locational levels.
- iii. The underutilization was as a result of delayed release of funds from the board as a result of budgetary allocations

(b) The changes between the original and final budget are a result of funds held by the board carried forward to the reporting financial year plus the cashbook balance carried forward to the reporting financial year.

The NGCDF-MWINGI NORTH Constituency financial statements were approved on 30/03/2021 and signed by:

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


Fund Account Manager
Name: PETER KATONI


Sub-County Accountant
Name: Mrs Kimani
ICPAK Member Number:

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

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020 Kshs	Adjustments Kshs	Final Budget 2019/2020 Kshs	Actual on comparable basis 30/06/2020 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	3,231,122.40	424,962	3,656,084	4,150,477	(494,392)
1.2 Committee allowances	1,440,000	(325,949)	1,114,051	2,283,320	(1169269)
1.3 Use of goods and services	1,742,941	(33872)	1,709,069	1,688,103	20,966
Sub-Total	6,414,063	65141	6,479,204	8,121,900	(1,642,696)
2.0 Monitoring and evaluation					
2.1 Capacity building	2,000,000	(13706)	1,450,755	396,000	1,054,755
2.2 Committee allowances	1,450,000	(604,381)	845,619	2,852,800	(2,007,181)
2.3 Use of goods and services	671,032	(549,245)	657,326	1,041,779	(384,453)
Sub-Total	4,121,032	(1167332)	2,953,700	4,290,579	(1,336,879)
3.0 Emergency	6,724,241	4,200,159	10,924,400		
3.1 Primary Schools					
3.12 Nguuku primary schoool				330,000	
3.13Kathumulani primary school				230,000	
3.14Itulu primary school				300,000	
3.15Kalole primary school				137,000	
3.16Twimyua primary school				1,000,000	
3.17Tulanduli primary school				400,000	
3.18Malawa primary school				1500,000	
3.19Konyu primary school				400,000	
3.2 Secondary schools					
3.21 usueni girls sec school				900,000	
3.22 Kamathitu secondary school				500,000	
3.3 Tertiary institutions					
3.4 Security projects					

**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
3.41 Kimu chiefs office				40,000	
3.42 Kasiluni - mandongoi road				3,000,000	
3.43 Switch port tech				3,220,000	
Sub-Total	6,724,241	4,200,159	10,924,400	11,957,000	(1,032,599)
4.0 Bursary and Social Security					
4.1 Primary Schools	-				
4.2 Secondary Schools	26,078,703	(16,322,797)	9,755,906	23,565,969	(13,810,063)
4.3 Tertiary Institutions	20,002,000	10,154,021	30,156,021	7,601,649	22,554,372
4.4 Social Security	1,998,000	2,000,000	3,998,000	-	3,998,000
Sub-Total	48,078,703	(4,168,777)	43,909,967	31,167,618	12,742,308
5.0 Sports					
5.1 mwingi north sports				4,428,171	
Sub-total	2,747,254	2,421,493	5,168,747	4,428,171	740,576
6.0 Environment					
6.1 itiva nzou secondary school				2,180,818	
6.2 kyuso primary school				1,637,921	
6.3 nguuku primary school				1,736,207	
6.4 mwingi north NGCDF env. Activities project				227,585	
Sub-Total	2,147,354	5,782,542	7,929,896	5,782,532	2,147,364
7.0 Primary Schools Projects (List all the Projects)					
7.1 tyaa kamuthale primary school		1,250,000	1,250,000	1,250,000	0
7.2 kaimea primary school	500,000	625,000	1,125,000	1,125,000	0
7.3 kwa mutisya primary school		1,000,000	1,000,000	1,000,000	0
7.4 nzaalani primary school		1,000,000	1,000,000	1,000,000	0
7.5 mwambani primary school		1,000,000	1,000,000	1,000,000	0
7.6 sumoni primary school		1,100,000	1,100,000	1,100,000	0

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
7.7 kaliwa primary school		1,000,000	1,000,000	1,000,000	0
7.8 ndunguni primary school		1,000,000	1,000,000	1,000,000	0
7.9 kamwengi primary school		300,000	300,000	80,000	0
7.10 gankanga primary school		1,000,000	1,000,000	500,000	500,000
7.11 kwa ngandu primary school		1,000,000	1,000,000	1,000,000	0
7.12 kithayoni primary school		600,000	600,000	0	6,000,000
7.13 nzanzeni primary school		1,100,000	1,100,000	1,100,000	0
7.14 kaseluni primary school		1,100,000	1,100,000	1,100,000	0
7.15 mutiuni primary school		1,000,000	1,000,000	1,000,000	0
7.16 kaghui primary school		1,000,000	1,000,000	1,000,000	0
7.17 ngomeni primary school		960,000	960,000	10,000	950,000
7.18 usueni primary school		500,000	500,000	500,000	0
7.19 katama primary school		1,000,000	1,000,000	1,000,000	0
7.20 kingingo primary school		1,000,000	1,000,000	1,000,000	0
7.21 matooni primary school		1,000,000	1,000,000	1,000,000	0
7.22 kikuli primary school		1,100,000	1,100,000	1,100,000	0
7.23 kamboya primary school		1,100,000	1,100,000	1,100,000	0
7.24 katakani primary school		1,200,000	1,200,000	1,200,000	0
7.25 ngomeni CSO office		1,500,000	1,500,000	2,000,000	-500,000
7.26 kandwia primary school		364,221.8	364,221.8	329,393.80	34,828
7.27 ngakone primary school		50,000	50,000	35,000	15,000
7.28 kikumini primary school		150,000	150,000	0	150,000
7.29 kimela primary school		50,000	50,000	35,000	15,000
7.30 muguusi primary school		50,000	50,000	35,000	15,000
7.31 yamwenze primary school		50,000	50,000	35,000	15,000
7.32 kakunguu primary school		198,800	198,800	183,800	15,000
7.33 kakunike primary school		25,000	25,000	0	25,000
7.34 kalima mundu primary school		50,000	50,000	50,000	0

**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
7.35 kisiuni primary school		50,000	50,000	35,000	15,000
7.36 kitithini primary school		50,000	50,000	35,000	15,000
7.37 kanyoeni primary school		50,000	50,000	35,000	15,000
7.38 kamwengi primary school		750,000	750,000	20,000	730,000
7.39 ngaai special school		1,015,000	1,015,000	0	1,015,000
7.40 ithingili primary school		50,000	50,000	35,000	15,000
7.41 kamusiliu primary school		50,000	50,000	35,000	15,000
7.42 mutairu primary school		210,000	210,000	0	210,000
7.43 kasyathu primary school		50,000	50,000	0	50,000
7.44 miramba ikamba primary school		40,000	40,000	0	40,000
7.45 nguuni primary school		500,000	500,000	250,000	250,000
7.46 kaisinga primary school		1,000,000	1,000,000	85,000	915,000
7.47 mukauru primary school		85,000	85,000	85,000	0
7.48 ngengi primary school		85,000	85,000	0	85,000
7.49 muthwani primary school		1,000,000	1,000,000	0	1,000,000
7.50 mitamisayi special school		660,000	660,000	0	660,000
7.51 manguu primary school		60,000	60,000	0	60,000
7.52 kaisinga primary school		85,000	85,000	0	85,000
7.53 ngombeni primary school		415,000	415,000	0	415,000
7.54 mangulu primary school		300,000	300,000	0	300,000
7.55 mitamisayi special school		300,000	300,000	0	300,000
7.56 kaundu special school		200,000	200,000	200,000	0
7.57 gakombe primary school	1,100,000	0	1,100,000	0	1,100,000
7.58 ikaayuni primary school	1,000,000	0	1,000,000	0	1,000,000
7.59 inyanzae primary school	1,000,000	0	1,000,000	0	1,000,000
7.60 ithoka primary school	1,100,000	0	1,100,000	1,100,000	0
7.61 itinda primary school	1,000,000	0	1,000,000	0	1,000,000
7.62 kaivrya primary school	1,100,000	0	1,100,000	0	1,100,000

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
7.63 kakauni primary school	1,100,000	0	1,100,000	0	1,100,000
7.64 kalwa primary school	1,000,000	0	1,000,000	0	1,000,000
7.65 kamulyo primary school	1,000,000	0	1,000,000	0	1,000,000
7.66 kasyathyuni primary school	1,100,000	0	1,100,000	0	1,100,000
7.67 kathaingo primary school	1,000,000	0	1,000,000	0	1,000,000
7.68 katalani primary school	1,000,000	0	1,000,000	1,000,000	0
7.69 kathungu primary school	500,000	0	500,000	0	500,000
7.70 katuka primary school	1,000,000	0	1,000,000	0	1,000,000
7.71 kingingo primary school	1,000,000	0	1,000,000	1,000,000	0
7.71 kwa mutisya primary school	1,000,000	0	1,000,000	1,000,000	0
7.72 kyumbe primary school	1,000,000	0	1,000,000	1,000,000	0
7.73 manguu primary school	1,000,000	0	1,000,000	0	1,000,000
7.74 marisi primary school	1,000,000	0	1,000,000	0	1,000,000
7.75 mutairu primary school	1,000,000	-	1,000,000	1,000,000	0
7.76 ndatani primary school	1,000,000	0	1,000,000	1,000,000	0
7.78 ngaaka primary school	1,000,000	0	1,000,000	0	1,000,000
7.79 malili primary school	1,000,000	0	1,000,000	0	1,000,000
7.80 tii primary school	1,000,000	0	1,000,000	1,000,000	0
7.81 twathi primary school	1,000,000	0	1,000,000	0	1,000,000
7.82 mbarani primary school	1,000,000	0	1,000,000	0	1,000,000
7.83 ngengi central primary school	1,000,000	0	1,000,000	1,000,000	0
7.84 nkaraku primary school	1,200,000	0	1,200,000	0	1,200,000
7.85 muringani primary school	1,000,000	0	1,000,000	0	1,000,000
Sub-Total	29,700,000	32,678,022	62,678,021	36,468,194	28,209,827
8.0 Secondary Schools Projects (List all the Projects)					
8.1 kalonzo secondary school	400,000	2,100,000	2,500,000	2,500,000	0
8.2 itiva nzou secondary school	0	1,500,000	1,500,000	1,500,000	0

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
8.3kaundu secondary school	0	1,000,000	1,000,000	1,000,000	0
8.4 kamayang primary school	1,000,000	1,500,000	2,500,000	2,460,000	40,000
8.5 kasyalani secondary school	1,000,000	1,500,000	2,500,000	1,460,000	1,040,000
8.6 masyungwa primary school	0	2,450,000	2,450,000	1,800,000	650,000
8.7 precious blood nthangani secondary school	1,500,000	1,034,711	2,534,711	1,000,000	1,534,711
8.8 tyaa kamuthale secondary school	0	1,503,355	1,503,355	0	1,503,355
8.9 gai secondary school	0	1,585,000	1,585,000	1,540,000	45,000
8.10 kalatine girls secondary school	0	1,000,000	1,000,000	1,000,000	0
8.11 tulanduli secondary school	0	1,015,000	1,015,000	0	1,015,000
8.12 kyumulutu day secondary school	0	1,100,000	1,100,000	0	1,100,000
8.13 ngungani secondary school	0	85,000	85,000	0	85,000
8.14 kandwia secondary school	0	1,000,000	1,000,000	0	1,000,000
8.15 ngalange day secondary school	200,000	85,000	285,000	0	285,000
8.16 mitamisiyi secondary school	0	85,000	85,000	85,000	0
8.17 ikime secondary school	1,000,000	0	1,000,000	1,000,000	0
8.18katumbi secondary school	1,000,000	0	1,000,000	0	1,000,000
8.19 kamusiliu secondary school	1,000,000	0	1,000,000	0	1,000,000
8.20 kamuwongo secondary school	7,000,000	0	7,000,000	0	7,000,000
8.21kandwia secondary school	1,500,000	0	1,500,000	0	5,000,000
8.22 karangeni secondary school	1,100,000	0	1,100,000	0	1,100,000
8.23 kwa katile secondary school	1,500,000	0	1,500,000	1,500,000	0
8.24 kimangao boys secondary school	1,000,000	0	1,000,000	0	1,000,000
8.25 mandala secondary school	1,000,000	0	1,000,000	0	1,000,000
8.26 masukanioni secondary school	1,000,000	0	1,000,000	0	1,000,000
8.27 musavani secondary school	1,200,000	0	1,200,000	1,200,000	0
8.28 musosya secondary school	1,500,000	0	1,500,000	0	1,500,000
Sub-Total	23,900,000	20,043,066	43,943,066	21,259,000	22,714,066

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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
9.0 Tertiary institutions Projects (List all the Projects)					
9.1 kmtc tseikuru	7,000,000	0	7,000,000	0	7,000,000
Sub -Total	7,000,000	-	7,000,000		7,000,000
10.0 Security Projects					
10.1 tseikuru police station	0	1,800,000	1,800,000	1,800,000	0
10.2 kalatine ACCs office	0	1,500,000	1,500,000	1,500,000	0
10.3 itivanzou shiefs office	0	200,000	200,000	0	200,000
10.4 mandongoi AP Line	0	50,000	50,000	35,000	15,000
10.5 kyuso docs office	0	500,000	500,000	0	500,000
10.6 masyungwa police line	0	450,000	450,000	0	450,000
10.7 nthangani AP line	0	3,000,000	3,000,000	2,200,000	800,000
10.8 Ngaaic AP Line	0	300,000	300,000	0	300,000
10.9 tharaka Dos residence	0	1,200,000	1,200,000	1,200,000	0
10.10 kamuwongo ACCS Office	500,000	0	500,000	0	500,000
10.11 katumulani Ass chiefs office	1,000,000	0	1,000,000	0	1,000,000
10.12 kyenini ass chiefs office	1,200,000	0	1,200,000	0	1,200,000
10.13 ndoo ass chiefs office	432,975	0	432,975	0	432,975
10.14 ngungani police station	1,000,000	0	1,000,000	0	1,000,000
10.15 tulanduli ass chiefs office	1,200,000	0	1,200,000	1,200,000	1,200,000
Sub-Total	5,332,975	9,000,000	14,332,975	7,935,000	6,397,975
11.0 Acquisition of assets					
11.1 Motor Vehicles (including motorbikes)	200,000		200,000	0	200,000
11.2 Construction of CDF office		1,500,000	1,500,000	1,500,000	0
11.3 Purchase of furniture and equipment		1,500,000	1,500,000	1,500,000	0

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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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-MWINGI NORTH 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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SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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For the year ended June 30, 2020

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the 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) –
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SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board			
AIE NO B005255	1		52,548,276
AIE NO B030331	2		10,000,000
AIE NO B005427	3		10,000,000
AIE NO B006475	4		6,000,000
AIE NO B047096	5		15,000,000
AIE No B041026	1	13,000,000	
AIE NO B047184	2	49,061,231	
AIE NO B041158	3	4,000,000	
AIE NO B041418	4	5,979,645	
AIE NO B041382	5	500,000	
AIE NO B041375	6	700,000	
AIE NO B047624	7	20,000,000	
AIE NO B047988	8	6,000,000	
AIE NO B049399	9	14,000,000	
AIE NO B104428	10	24,000,000	
TOTAL		137,240,876	93,548,276

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	-	-

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

3. OTHER RECEIPTS

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

4. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	2,877,040	2,230,310
Personal allowances paid as part of salary	-	-
Pension and other social security contributions (Gratuity)	1,208,637	34,250
Employer Contributions Compulsory national social security schemes	64,800	99,200
Total	4,150,477	2,363,760

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	5,136,120	5,016,925
Utilities, supplies and services	28,991	317,980
Communication, supplies and services	457,850	398,625
Domestic travel and subsistence	323,980	260,020
Printing, advertising and information supplies & services	63,355	49,000
Rentals of produced assets	-	-
Training expenses	396,000	2,549,245
Hospitality supplies and services	100,835	141,650
Insurance costs	-	69,325
Specialized materials and services	-	-
Office and general supplies and services	152,098	198,605
Other operating expenses	1,057,800	490,259
Routine maintenance – vehicles and other transport equipment	529,063	293,300
Routine maintenance – other assets	15,910	-
Total	8,262,002	9,784,934

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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Reports and Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	36,468,194	30,148,275
Transfers to secondary schools (see attached list)	21,259,000	14,363,394
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	-	-
TOTAL	57,727,194	44,511,669

7. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	23,565,969	32,487,104
Bursary – tertiary institutions (see attached list)	7,601,649	10,826,779
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	8,735,000	8,365,000
Sports projects (see attached list)	4,428,171	-
Environment projects (see attached list)	5,782,532	-
Emergency projects (see attached list)	1,197,000	2,837,220
Total	62,070,321	54,515,103

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

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	1,500,000	-
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	1,500,000	-
Purchase of ICT Equipment, Software and Other ICT Assets	128,000	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Purchase of other office equipment	874,000	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	4,002,000	-

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
Kyuso sub county accountants office	500,000	-
	500,000	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Name of Bank, Account No. 0590292513495</i>	806,115	72,233
Total	806,115	72,233
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

	2019 - 2020	2018-2019
	Kshs	Kshs
Supplier 1	~	~
Supplier 2	~	~
Supplier 3	~	~
Total	~	~

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	Kshs	Kshs
Name 1	~	~
Name 2	~	~
Name 3	~	~
Add as appropriate		
Total	~	~

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13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	72,233	17,904,424
Cash in hand	-	-
Imprest	205,000	-
Total	277,233	17,904,424

14. PRIOR YEAR ADJUSTMENTS

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

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST'

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

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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

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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	-	-
Others (<i>specify</i>)	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	(494,393)	424,962
Use of goods and services	(2,485,182)	(1,527,153)
Amounts due to other Government entities (see attached list)	55,893,895	53,021,089
Amounts due to other grants and other transfers (see attached list)	20,195,725	17,235,417
Acquisition of assets	200,000	3,000,000
Others -Kyuso sub county accountants office	-	500,000
	73,310,045	72,654,315

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17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	3,993,505	6,869,508
	3,993,505	6,869,508

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XIV. ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

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XV. 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						
7.						
8.						
9.						
	Sub-Total					
Others (specify)						
10.						
11.						
12.						
	Sub-Total					
	Grand Total					

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XVI. ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees		(494,393)	424062	
Use of goods & services		(2,485,182)	(1,527,153)	
Amounts due to other Government entities				
Sub-Total		55,893,895	53,021,089	
Amounts due to other grants and other transfers				
Sub-Total		20,195,725	17,235,417	
Acquisition of assets		200,000	3,000,000	
Total		200,000	3,000,000	
Others (<i>specify</i>)		-	500,000	
		-	500,000	
Sub-Total		73,310,045	72,654,315	
Grand Total				

XVII. 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

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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	14,144,000	1,500,000	-	1564,4000
Transport equipment	11,273,103	-	-	11,273,103
Office equipment, furniture and fittings	651,910	1,500,000	-	2,151,910
ICT Equipment, Software and Other ICT Assets	396,670	128,000	-	524,670
Other Machinery and Equipment	-	874,000	-	874,000
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	26,465,683	4,002,000	-	30,467,683

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

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Kakunike Primary School NGCDF Project	KCB Bank Kyuso	1208133691	434.50	686.50
AEPC Kyeni Kya Gai primary School NGCDF Project	KCB Bank Kyuso	1236140451	471.00	269,975.00
Kalimamundu Primary School NGCDF Project	KCB Bank Kyuso	1234715465	470.00	848.00
Kalumu Primary School NGCDF Project	KCB Bank Kyuso	1208896598	63.50	65.00
Kamuwongo Primary School NGCDF Project	KCB Bank Kyuso	1208152912	506.00	632.00
Kaimea Primary School NGCDF Project	KCB Bank Kyuso	1224115880	977.00	1,672.00
Kanyoeni Primary School NGCF Project	KCB Bank Kyuso	1234715570	115,420.00	80,672.00
Kandwia Primary School NGCDF Project	KCB Bank Kyuso	1160044775	2,346.65	214,773.85
Kanzinwa Primary School NGCDF Project	KCB Bank Kyuso	1233915770	21.00	273.00
Kasiluni AP-line NGCDF Project	KCB Bank Kyuso	1234112841	672.00	924.00
Katithini Primary School NGCDF Project	KCB Bank Kyuso	1234719185	294.00	8,672.00
Kingingo Primary School NGCDF Project	KCB Bank Kyuso	1259954323	406.00	-
Kavaani Primary School NGCDF Project	KCB Bank Kyuso	1234112558	93,679.00	128,931.00
Kikumini Primary School NGCDF Project	KCB Bank Kyuso	1234607107	29,905.00	31,348.00
Kisiuni Primary School NGCDF Project	KCB Bank Kyuso	1234711346	2,003.50	3,446.50
Mandangoi AP Line NGCDF Project	KCB Bank Kyuso	1234023059	1,099.20	29,159.20

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Manguu Primary School NGCDF Project	KCB Bank Kyuso	1197673687	4,588.00	330.00
Manzolo primary school NGCDF Project	KCB Bank Kyuso	1252048084	1,534.00	375.00
Malili Primary School NGCDF Project	KCB Bank Kyuso	1241252378	1,000,856.00	2,299.00
Mitamisiyi Special School NGCDF Project	KCB Bank Kyuso	1234113791	2,607.00	3,924.00
Muumoni Police Station NGCDF Project	KCB Bank Kyuso	1252358989	51,215.00	53,975.00
Mugero Primary School NGCDF Project	KCB Bank Kyuso	1183518676	415.00	502,610.00
Mivukoni DO's Office NGCDF Project	KCB Bank Kyuso	1234445816	8,107.00	109,424.00
Nthangani AP Line NGCDF Project	KCB Bank Kyuso	1248048741	606.00	200.00
Kalatine ASS County Comm Off NGCDF Project	KCB Bank Kyuso	1260882888	506.00	-
Muguusi Primary School NGCDF Project	KCB Bank Kyuso	1234113813	1,028.00	68,597.00
Mumoni DCC's Residence NGCDF Project	KCB Bank Kyuso	1184137633	2,600.00	2,600.00
Muinge Primary School NGCDF Project	KCB Bank Kyuso	1233928333	798.00	924.00
Mwania Primary School NGCDF Project	KCB Bank Kyuso	1234715643	1,198.00	1,324.00
Mwangea Chiefs Office NGCDF Project	KCB Bank Kyuso	1242763570	881.00	584,175.00
Ngakone Primary School NGCDF Project	KCB Bank Kyuso	1234493969	593.00	5,572.00
Ngomeni AP Line NGCDF Project	KCB Bank Kyuso	1233984594	500.00	1,374.00
Ngomeni Secondary School NGCDF Project	KCB Bank Kyuso	1198861681	683.00	1,874.00
Ngomeni Primary School NG-CDF Project	KCB Bank Kyuso	1233981366	13,420.00	3,798.00

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Nguuku Primary School NG-CDF Project	KCB Bank Kyuso	1208382705	31,024.00	1,633.00
Miramba Ikamba Primary School NGCDF Project	KCB Bank Kyuso	1234820927	167,838.65	167,964.65
Mwingi North NGCDF Sports Project	KCB Bank Kyuso	1233805339	123.40	10,151.90
Kamusiliu Primary School NGCDF Project	KCB Bank Kyuso	1208022571	34,075.00	518.00
Ngaai Special School NGCDF Project	KCB Bank Kyuso	1234670372	13,438.00	15,007.00
Mukauru Primary School NGCDF Project	KCB Bank Kyuso	1169447740	98,631.00	514,135.00
Mutairu Primary School NGCDF Project	KCB Bank Kyuso	1234113716	1,000,103.00	1,798.00
Musosya Primary School NGCDF Project	KCB Bank Kyuso	1241375968	47,154.00	48,849.00
Mataka Primary School NGCDF Project	KCB Bank Kyuso	1252149824	49.00	179,175.00
Manzolo Primary School NGCDF Project	KCB Bank Kyuso	1171032773	1,534.00	1,534.00
Ndooni Primary School NGCDF Project	KCB Bank Kyuso	1183594364		714.50
Kamwengi Primary School NGCDF Project	KCB Bank Kyuso	1183594364	139.00	201,216.00
Kasyathu Primary School NGCDF Project	KCB Bank Kyuso	1212707516	722.50	1,352.50
Musavani Mixed Day secondary School NGCDF Project	KCB Bank Kyuso	1242754482	198,700.00	284,395.00
Katooni Mixed Secondary School NGCDF Project	KCB Bank Kyuso	1252839804	8,300.00	65,343.00
Kyuso Girls Secondary School NGCDF Project	KCB Bank Kyuso	1179394135	70.00	13,622.00
Ngungani Mixed Secondary School NGCDF Project	KCB Bank Kyuso	1242859942	576.00	415,395.00

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Gai Mixed Secondary School NGCDF Project	KCB Bank Kyuso	1252807279	12,574.00	914,395.00
Usueni Girls Secondary School NGCDF Project	KCB Bank Kyuso	1199726311	66,581.50	68,503.50
Ivonangya Secondary School NGCDF Project	KCB Bank Kyuso	1234216809	660.60	3,614.60
Ndoo Primary School NGCDF Project	KCB Bank Kyuso	1233127969	184.80	436.80
Ngalange Sec School NGCDF Project	KCB Bank Kyuso	1241433259	2,935.00	185,569.00
Maseki Water School NGCDF Project	KCB Bank Kyuso	1180705327S	905.75	1,479,981.75
Kalatine Girls Secondary School NGCDF Project	KCB Bank Kyuso	1200533259	960,745.50	88,537.00
Kalonzo Secondary School -CDF	KCB Bank Kyuso	1258223058	826.00	-
Kamula bore hole water project -CDF	KCB Bank Kyuso	1170584624	4,711.00	90,214.00
Total			3,993,505.05	6,869,508.25



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XIX. 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)
				All issues resolved	

