

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS L AID	
REPORT	
DATE: 10 NOV 2021	DAY: Wed AM.
TABLED BY:	Majority Whip Hon Wabuge
CLERK-AT-THE-TABLE:	M. Mado

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2019**

11



11



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

MUMIAS EAST CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2019

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	1
II. FORWARD BY THE NGCDF COMMITTEE CHAIRMAN	4
III. STATEMENT OF NGCDF COMMITTEE MANAGEMENT RESPONSIBILITIES	6
IV. STATEMENT OF RECEIPTS AND PAYMENTS	7
V. STATEMENT OF ASSETS AND LIABILITIES	8
VI. STATEMENT OF CASHFLOW	9
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED 10	
VIII BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES.....	11
IX. SIGNIFICANT ACCOUNTING POLICIES	14
X. NOTES TO THE FINANCIAL STATEMENTS.....	18

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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



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

**Reports and Financial Statements
For the year ended June 30, 2019**

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 MUMIAS EAST Constituency day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	MALAKI O. MAGERO
2.	Sub-County Accountant	NICHANOR O. ACHOLA
3.	Chairman NGCDFC	TABITHA O. WASHIKA
4.	Member NGCDFC	JUVENALIS O. ODONGO

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF MUMIAS EAST Constituency Headquarters

P.O. Box 142 -50106
CDF HOUSE
SHIANDA – MALAHA ROAD
SHIANDA, KENYA

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

(f) NGCDF MUMIAS EAST Constituency Contacts

Telephone: (254) 721836530
E-mail: cdfmumiaseast@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF MUMIAS EAST Constituency Bankers

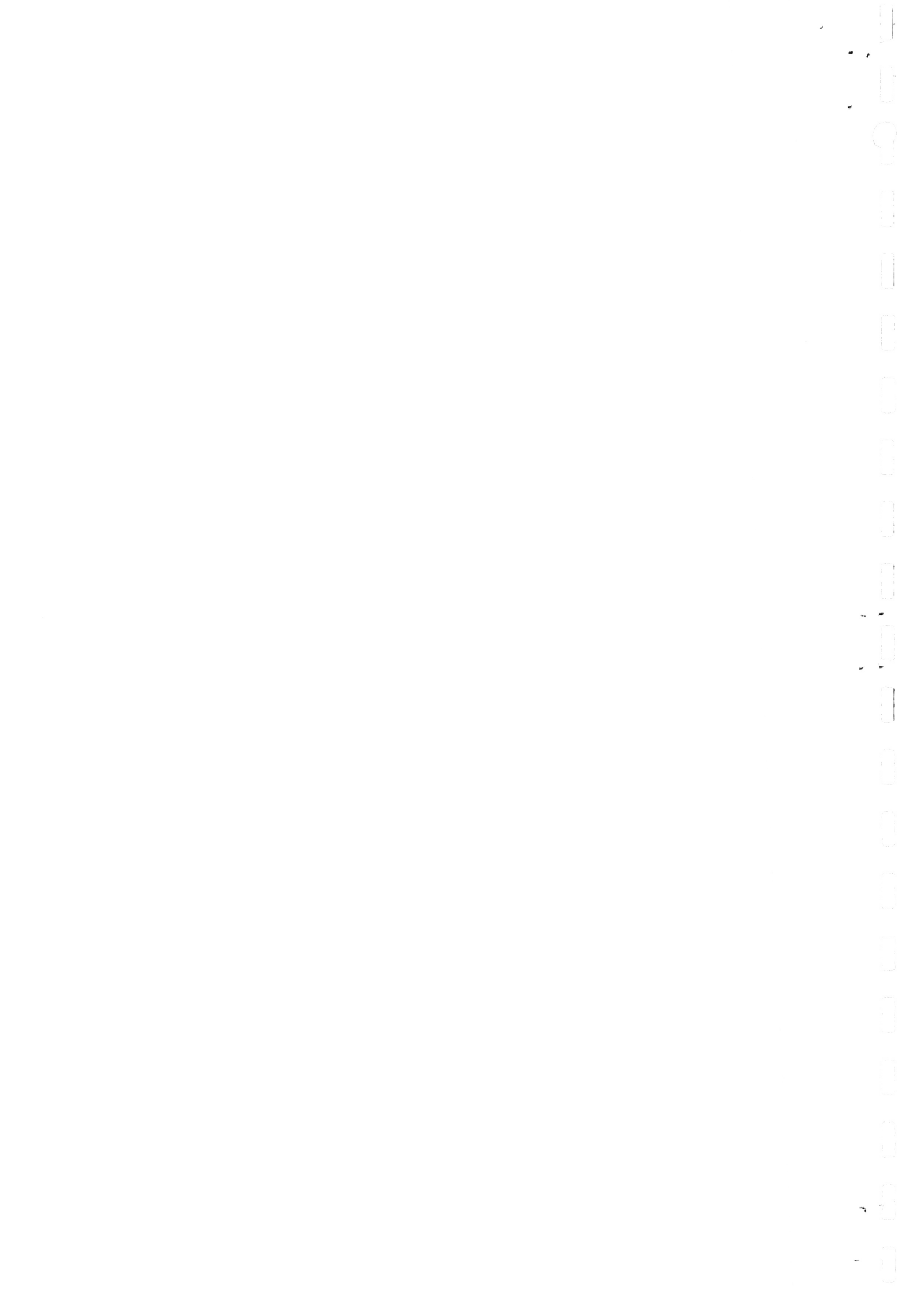
1. Kenya Commercial Bank
Mumias Branch,
Account No. 1147339775,
Mumias, Kenya.

(h) Independent Auditors

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

(i) Principal Legal Adviser

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

II.FORWARD BY THE CHAIRPERSON NGCDF COMMITTEE

I am pleased to present to you the annual report and financial statement for the year ended 30th June 2019. This being sixth year since Mumias East Constituency was carved off the larger Mumias constituency. We are pleased to report ongoing growth momentum because we have witnessed real progress towards improvement of own schools, security and other infrastructural development. The impressive results not only reflect good leadership at committee management level but also confirm the stakeholder's involvement and teamwork embraced in Mumias East constituency development matters and decisions

Financial Statements

The financial statements set out below were prepared on cash basis of accounting regulated by the international public sector accounting standards.

In the Financial Year 2018/2019 we had a budget ceiling of Kshs. 109,040,875.52. the board approved a code list of Kshs. 101590,875.2 which so far has been funded fully by June 30, 2019. We thank the NGCDF Board for that support. On the same point Kshs. 7,450,000.00 (Purchase of office Toyota Landcruizer Kshs. 7,000,000.00 and Mwichina Primary School Construction of Classroom Kshs. 450,000) was not approved, we are in process of submitting the request for approval.

Approximate 94% of the funds has been utilised and approximate 6% unutilised due to delayed fund i.e our last AIE No. B047574 of Kshs 47,590,875.50 was received on June 17, 2019 just 2 weeks to the close of FY 2018/2019 hence it was not easy for the management to spend all funds before June 30,2019.

Mumias East NGCDF Projects in summary

SECTOR	STATUS	REMARKS
Security: Construction of police station and posts, DCC office, and ACC's offices	Most of the building are 95% complete and in partly use	Wananchi are getting services in a more organised structure and closer to them.
Education: Construction of classrooms, dormitory, and laboratories in primary and secondary schools	Almost all Primary Schools have received facelift to accommodate the increased number of students	NGCDFC is targeting to improve all dilapidated structures in all learning institutions.
TVET	The NGCDF capitation has been accomplished and all the necessary infrastructure in place	The first intake of the college is scheduled for September 2019
KMTC	All necessary infrastructure have been accomplished	The college is set to be operational by March 2020



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

MUMIAS EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

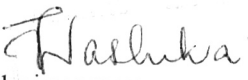
Challenges

Mumias East NGCDF is faced with a number of challenges like:

1. First being in a rural set up the constituency has no public land on which projects can be developed, land has to be acquired for each project to be undertaken. This consumes a substantial amount of the budget allocation. It is difficult to obtain land at strategic points where it is desired to locate projects especially if the owners are not willing to give up the land.
2. Procurement is mandatory requirement to acquire the rightful contractor, the process takes a long period to get completed at a time the evaluation team encounters non-responsive bidder a situation that leads to retendering.
3. Change of guard or rather transfer of Fund Account Manager also led the slow implementation of projects as handing over/taking over process took some time after transfer.
4. Delayed funding from the board also led to delayed implementation of the projects.
5. As a mandatory requirement management is required to liase with line ministries i.e Public Works and Procurement departments for preparation of Bills of Quantities and approval of projects. Many a times the officers are engaged with a lot of work in both National and County governments, hence it takes long before they clear CDF assignments

Lastly, we thank the Board for the continued support especially on the major projects of putting up tertiary institution i.e. KMTC Shianda and Wanga College of Science and Technology which is now Wanga Technical and Vocational College, they are aimed to promoted the government top four agenda.

We owe the success of our development agenda to your unwavering support and assure you that we will always endeavour to make Mumias East constituency as the best constituency in the country.


Chairperson,
Mumias East NGCDF.



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

Reports and Financial Statements

For the year ended June 30, 2019

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF-MUMIAS EAST Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. 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-MUMIAS EAST Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-MUMIAS EAST Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The NGCDF-MUMIAS EAST Constituency financial statements were approved and signed by the Accounting Officer on August 5, 2019.



Fund Account Manager

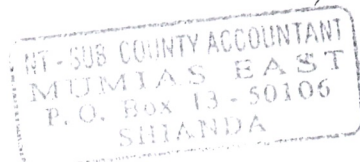
Name: M. O. NAGORO

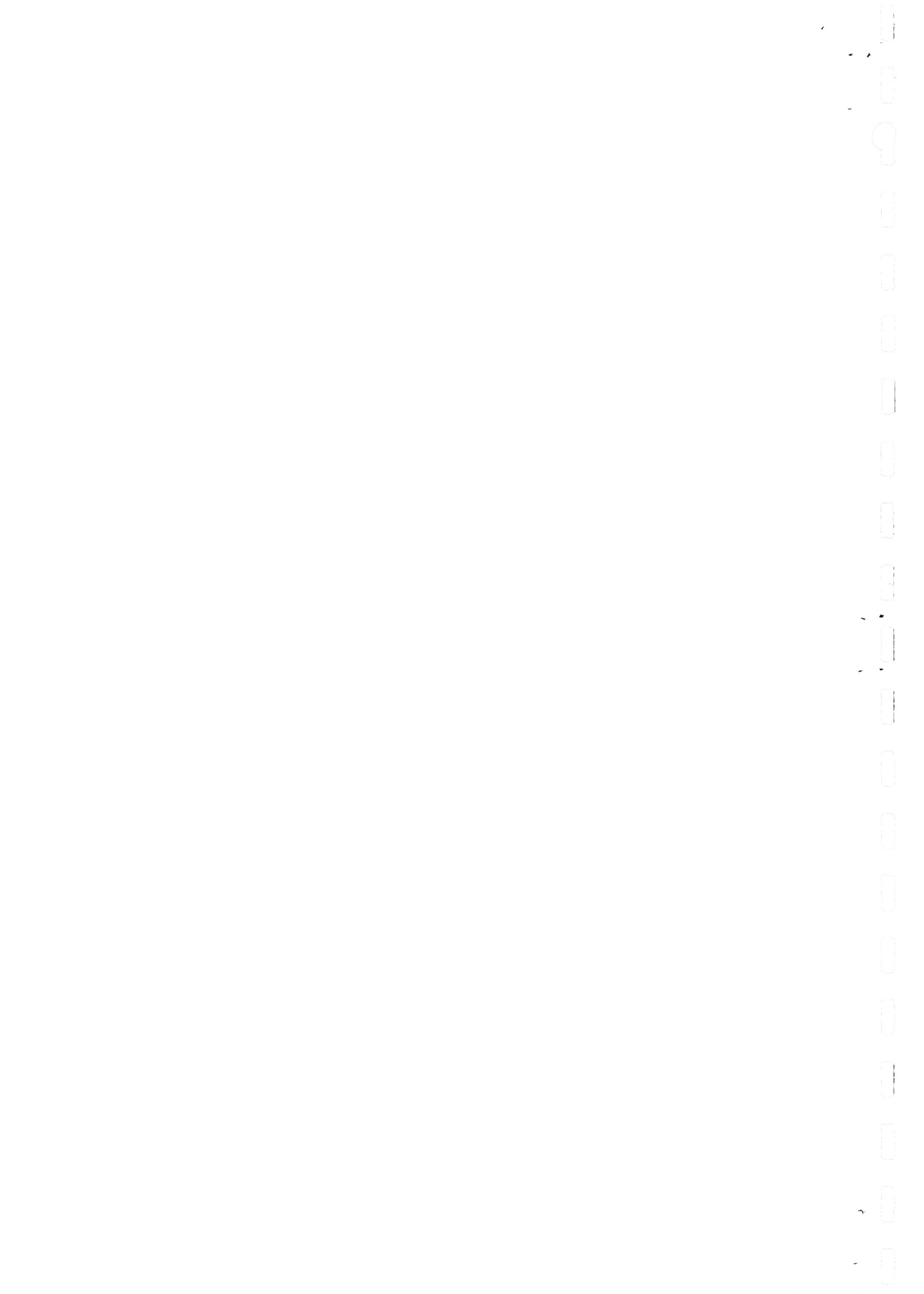


Sub-County Accountant

Name: NICHANOR D. ACHOLA

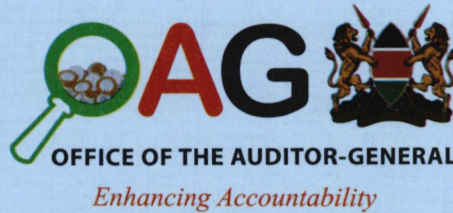
ICPAK Member Number: 24617





REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Mumias East Constituency set out on pages 7 to 41, which comprise the statement of financial assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, the financial position of the National Government Constituencies Development Fund - Mumias East Constituency as at 30 June, 2019, and of its receipts and payments and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Understated and Unsupported Cash and Cash Equivalents

The bank reconciliation statement in support of the cash and cash equivalents balance of Kshs.19,843,194 as at 30 June, 2019 reflect unrepresented cheques totalling Kshs.52,008 which had become stale and had not been reversed in the cashbook.

Further, the bank balance of Kshs.52,773,498 reflected in the bank reconciliation statements for the month of June, 2019 was not supported with a certificate of bank balance.

In the circumstances, the cash and cash equivalents balance of Kshs.19,843,194 as at 30 June, 2019 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation - recurrent and development reflects final receipts budget and actual on comparable basis of Kshs.197,383,497 and Kshs.184,973,497 respectively resulting to an under-funding of Kshs.12,410,000 or 6% of the budget. Similarly, the Fund spent Kshs.165,130,303 against an approved budget of Kshs.197,383,497 resulting to an under-expenditure of Kshs.32,253,193 or 16% of the budget. The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the residents of Mumias East Constituency.

2. Projects Implementation Status

During the year under review, the constituency budgeted to spend Kshs.112,225,688 on fifty-four (54) projects. However, according to project implementation status report availed for audit review, twenty-six (26) projects costing Kshs.18,042,865 were completed, seventeen (17) projects costing Kshs.87,455,877 were on going while eleven (11) projects costing Kshs.6,726,946 had not started.

In view of the foregoing, value for money may not have been realized where projects were not completed on time leading to delay in service delivery to the constituents.

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 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. Anomalies in Construction of Kenya Medical Training College at Shianda

The Fund established a Project Management Committee (PMC) under the name KMTC Shianda to construct a medical training college in the Constituency. During the year under review, the Fund transferred Kshs.40,634,812 to the PMC.

However, the following anomalies were noted in the commissioning of the KMTC Project;

- (i) No evidence was availed to the effect that public participation was conducted for commissioning the Project.
- (ii) No evidence was provided for audit to the effect that approval was sought from the parent ministry and KMTC Board of Directors.
- (iii) No evident was availed for audit on the estimated cost of the Project.
- (iv) Payments totalling Kshs.40,634,812 were made to a private land valuer, the preparer of sale agreements and land sellers before establishing a Project Management Committee (PMC).
- (v) No updated project status report was availed for audit review on the security and ownership of purchased parcels of land on which the KMTC stands.

In the circumstances, it was not possible to confirm the viability and value for money of the project to the constituents of Mumias East.

2. Anomalies in Construction of Lusheya Assistant County Commissioner's Office

A payment of Kshs.2,500,000 was made to Lusheya AP Camp Project Management Committee vide payment voucher No.90 of 14 September, 2018 for the proposed construction of the Assistant County Commissioner's Office. A local contractor was awarded the contract at a cost of Kshs.3,549,620. However, the following anomalies were noted:

- (i) There was no evidence that the contract was advertised to bidders.
- (ii) No contract agreement between the contractor and the PMC of Lusheya Assistant County Commissioner's Office to show the contract sum, commencement and completion dates of the project was not availed for audit.
- (iii) It was noted that all gutters fitted were not connected hence rain water did not flow to the tank installed.
- (iv) The floors had several cracks casting doubts as to the quality of work done.

In the circumstances, the validity and value for money of the total expenditure of Kshs.3,549,620 could not be ascertained.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standard requires 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 services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or cease operations.

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the Management 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

26 October, 2021

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	166,375,359	43,405,172
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		166,375,359	43,405,172
PAYMENTS			
Compensation of employees	4	2,146,040	2,231,681
Use of goods and services	5	9,345,361	3,924,319
Transfers to Other Government Units	6	86,636,193	10,785,000
Other grants and transfers	7	67,002,709	20,767,890
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		165,130,303	37,708,890
SURPLUS/(DEFICIT)		<u>1,245,056</u>	<u>5,696,282</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MUMIAS EAST Constituency financial statements were approved on August 5, 2019 and signed by:



Fund Account Manager

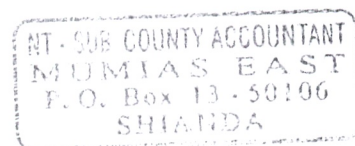
Name: N. O. MAGRO



Sub-County Accountant

Name: NICHANOR D. ACHOLA

ICPAK Member Number: 24617





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

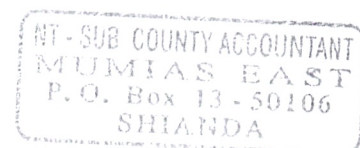
V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019 Kshs	2017-2018 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	19,843,194	18,598,138
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		19,843,194	18,598,138
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		19,843,194	18,598,138
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		19,843,194	18,598,138
REPRESENTED BY			
Fund balance b/fwd	13	18,598,138	12,886,516
Surplus/Deficit for the year		1,245,056	5,696,282
Prior year adjustments	14		15,340
NET FINANCIAL POSITION		19,843,194	18,598,138

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MUMIAS EAST Constituency financial statements were approved on August 5, 2019 and signed by:


Fund Account Manager
Name: M. O. MAGORO


Sub-County Accountant
Name: NICHANER O. ACHOLA
ICPAK Member Number: 24617





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

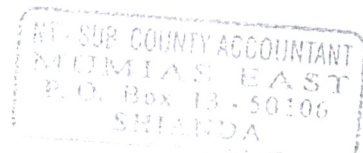
VI. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from NGCDF Board	1	166,375,359	43,405,172
Other Receipts	3	-	-
Total receipts		166,375,359	43,405,172
Payments			
Compensation of Employees	4	2,146,040	2,231,681
Use of goods and services	5	9,345,361	3,924,319
Transfers to Other Government Units	6	86,636,193	10,785,000
Other grants and transfers	7	67,002,709	20,767,890
Other Payments	9	-	-
Total payments		165,130,303	37,708,890
Total Receipts Less Total Payments		1,245,056	5,696,282
Adjusted for:			
Outstanding imprest	11	-	-
Retention Payable	12A	-	-
Gratuity Payable	12B	-	-
Prior year adjustments	14	-	15,340
Net Adjustments		-	-
Net cash flow from operating activities		1,245,056	5,711,622
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT			
Cash and cash equivalent at BEGINNING of the year	13	18,598,138	12,886,516
Cash and cash equivalent at END of the year		<u>19,843,194</u>	<u>18,598,138</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MUMIAS EAST Constituency financial statements were approved on August 5, 2019 and signed by:


Fund Account Manager
Name: M. O. NAGORO


Sub-County Accountant
Name: NICHANOR O. ACHOLA
ICPAK Member Number: 24617



VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	109,040,876	88,342,621	197,383,497	184,973,497	12,410,000	93.7%
Proceeds from Sale of Assets			-	-	-	
Other Receipts	0	-	-	-	-	
TOTAL RECEIPTS	109,040,876	88,342,621	197,383,497	184,973,497	12,410,000	93.7%
PAYMENTS						
Compensation of Employees	2,220,000	1,062,448	3,282,448	2,146,040	1,136,408	65.4%
Use of goods and services	7,593,679	1,800,000	9,393,678.80	9,345,361	48,317	99.5%
Transfers to Other Government Units	47,150,000	39,486,193	86,636,193	86,636,193	0	100.0%
Other grants and transfers	44,627,197	28,493,980	73,121,176.72	67,002,709	6,118,468	91.6%
Acquisition of Assets	0	0	-	-	-	0.0%
Other Payments			-	-	-	
Unapproved Budget	7,450,000	17,500,000	24,950,000.00	-	24,950,000	
TOTAL	109,040,876	88,342,621	197,383,497	165,130,303	32,253,193	83.7%

(a) The variation percentage of implementation is due to the delayed AIE No. B047574 of Kshs. 47,590,875.50 which was received 17th June 2019 made it not possible for the management to spend all the allocation within 13 days to the close of financial year. The NGCDF-MUMIAS EAST Constituency financial statements were approved on August 5, 2019 and signed by:

Fund Account Manager

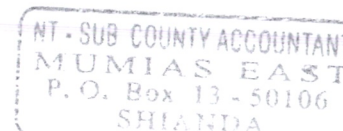
Name:

M.O. MAGERO

Sub-County Accountant

Name: NICHANOR O. ACHOLA

ICPAK Member Number 24617



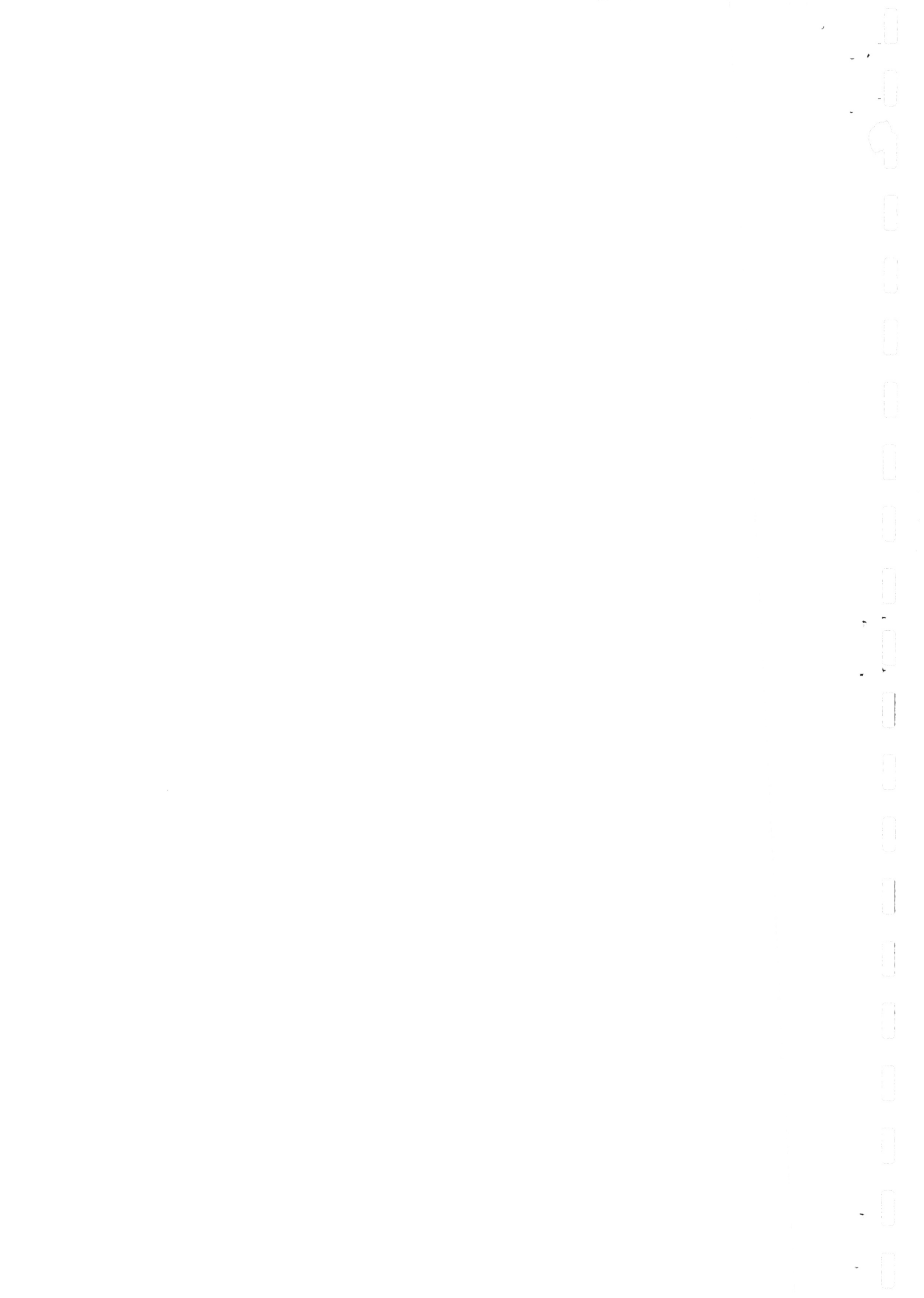


VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2018/2019		2018/2019	30/06/2019	
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,220,000.00	1,062,448.00	3,282,448.00		4,232.17
1.2 Committee allowances	3,000,000.00	-	3,000,000.00	3,000,000.00	-
1.3 Use of goods and services	1,322,452.53	-	1,322,452.53	1,322,452.00	-
2.0 Monitoring and evaluation					
2.1 Capacity building	1,200,000.00	-	1,200,000.00	582,745.73	617,254.27
2.2 Committee allowances	1,500,000.00	-	1,500,000.00	1,500,000.00	-
2.3 Use of goods and services	571,226.27	-	571,226.27		-
3.0 Emergency					
3.1 Emergency	5,738,993.45	1,568,965.51	7,307,958.96	3,614,965.84	3,692,993.12
4.0 Bursary and Social Security					
4.2 Secondary Schools	13,000,000.00	-	13,000,000.00	13,000,000.00	-
4.3 Tertiary Institutions - Colleges/Universities	14,260,218.88	1,749,999.87	16,010,218.75	14,333,499.87	1,676,718.88
4.5 Social Security	2,766,349.37	6,681,034.00	9,447,383.37	9,447,383.37	-
5.0 Sports					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

5.1 Constituency Sports Tournament	2,180,817.51	1,736,206.00	3,917,023.51	3,917,023.51	998,725.47
6.0 Environment					
6.1 Environment Activities	2,180,817.51	1,736,206.00	3,917,023.51	3,917,023.51	
7.0 Primary Schools Projects					
7.1 Ikoli Primary School	50,000.00	50,000.00	100,000.00	150,000.00	-
7.2 Ebubole Primary School	750,000.00	-	750,000.00	750,000.00	-
7.3 Eshisenye Primary School	1,100,000.00	-	1,100,000.00	1,100,000.00	-
7.4 Shibinga W. Primary School	600,000.00	-	600,000.00	600,000.00	-
7.5 Rise and Shine Special School	1,200,000.00	-	1,200,000.00	1,200,000.00	-
7.6 Emusoma Primary School	1,100,000.00	-	1,100,000.00	1,100,000.00	-
8.0 Secondary Schools Projects					
St. Stephen's Maraba Sec. School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
St. Martha's Mwitoti Sec. School	1,500,000.00	-	1,500,000.00	1,500,000.00	-
Emakhwale Sec. School	500,000.00	-	500,000.00	500,000.00	-
St. Gabriel Isongo Sec. School	200,000.00	-	200,000.00	200,000.00	-
St. Patricks Ebubre Sec. School	550,000.00	-	550,000.00	550,000.00	-
Musango Sec. School	100,000.00	-	100,000.00	100,000.00	-
Mahola Sec. School	1,500,000.00	-	1,500,000.00	1,500,000.00	-
Eshiakhulo Sec. School	1,500,000.00	-	1,500,000.00	1,500,000.00	-
Shianderema ACK Mixed Sec.	1,500,000.00	-	1,500,000.00	1,500,000.00	-
Shitoto Primary School	-	1,500,000.00	1,500,000.00	1,500,000.00	
Eshikufu Primary School	-	1,100,000.00	1,100,000.00	1,100,000.00	-
Eshimuli Primary School	-	750,000.00	750,000.00	750,000.00	-
Khwiondwe Primary School	-	750,000.00	750,000.00	750,000.00	-



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
for the year ended June 30, 2019

Khungoyokosi Primary School	-	750,000.00	750,000.00	750,000.00	-
Ebulechia Primary School	-	750,000.00	750,000.00	750,000.00	-
Emusoma Primary School	-	750,000.00	750,000.00	750,000.00	-
Ikoli Primary School	-	750,000.00	750,000.00	750,000.00	-
Ebung'ale Primary School	-	750,000.00	750,000.00	750,000.00	-
Ebwaliro Primary School	-	60,000.00	60,000.00	60,000.00	-
Ebubole Primary School	-	60,000.00	60,000.00	60,000.00	-
Kamashia Primary School	-	60,000.00	60,000.00	60,000.00	-
Emachina Primary School	-	60,000.00	60,000.00	60,000.00	-
Indangalasia Primary School	-	60,000.00	60,000.00	60,000.00	-
Mwichina Primary school	-	60,000.00	60,000.00	60,000.00	-
Emakhwale Primary School	-	60,000.00	60,000.00	60,000.00	-
Shianderema Primary School	-	60,000.00	60,000.00	60,000.00	-
Lubinu Primary School	-	60,000.00	60,000.00	60,000.00	-
Shitoto Primary School	-	60,000.00	60,000.00	60,000.00	-
Bumwende Primary School	-	60,000.00	60,000.00	60,000.00	-
Elwasambi Primary School	-	60,000.00	60,000.00	60,000.00	-
Shibinga Primary School	-	60,000.00	60,000.00	60,000.00	-
Malaha Primary School	-	60,000.00	60,000.00	60,000.00	-
Muroni Primary School	-	60,000.00	60,000.00	60,000.00	-
Epanja Primary School	-	60,000.00	60,000.00	60,000.00	-
Petros Primary School	-	60,000.00	60,000.00	60,000.00	-
Isongo Primary School	-	60,000.00	60,000.00	60,000.00	-
Khaimba Primary School	-	60,000.00	60,000.00	60,000.00	-
Eshisenye Primary school	-	60,000.00	60,000.00	60,000.00	-
Mabanga Primary School	-	60,000.00	60,000.00	60,000.00	-
Emutetemo Primary School	-	60,000.00	60,000.00	60,000.00	-
Eshiakhulo Primary School	-	60,000.00	60,000.00	60,000.00	-
Emukhalari Primary School	-	60,000.00	60,000.00	60,000.00	-



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

Makunga Primary School	-	60,000.00	60,000.00	60,000.00	-
Isango Primary School	-	60,000.00	60,000.00	60,000.00	-
Maraba Primary School	-	60,000.00	60,000.00	60,000.00	-
Mutono Primary School	-	60,000.00	60,000.00	60,000.00	-
Musango Primary School	-	60,000.00	60,000.00	60,000.00	-
Mukambi Primary School	-	60,000.00	60,000.00	60,000.00	-
Rise & Shine Special School	-	60,000.00	60,000.00	60,000.00	-
Khabakaya Primary School	-	60,000.00	60,000.00	60,000.00	-
Eluche Primary School	-	60,000.00	60,000.00	60,000.00	-
Mwitoti Primary School	-	60,000.00	60,000.00	60,000.00	-
Munganga Primary School	-	60,000.00	60,000.00	60,000.00	-
Mungabira Primary School	-	60,000.00	60,000.00	60,000.00	-
Bumini Primary School	-	60,000.00	60,000.00	60,000.00	-
Khaunga Primary School	-	60,000.00	60,000.00	60,000.00	-
Mahola Primary School	-	60,000.00	60,000.00	60,000.00	-
Khabondi Primary School	-	60,000.00	60,000.00	60,000.00	-
Ebung'ale Primary School	-	60,000.00	60,000.00	60,000.00	-
Eshimuli Primary School	-	104,000.00	104,000.00	104,000.00	-
Ebulechia Primary School	-	60,000.00	60,000.00	60,000.00	-
Ikoli Primary School	-	60,000.00	60,000.00	60,000.00	-
Khwiondwe Primary School	-	60,000.00	60,000.00	60,000.00	-
Eshikufu Primary School	-	60,000.00	60,000.00	60,000.00	-
Khungoyokosi Primary School	-	60,000.00	60,000.00	60,000.00	-
Kamashia Primary School	-	145,000.00	145,000.00	145,000.00	-
Munganga Primary School	-	145,000.00	145,000.00	145,000.00	-
Eshiakhulo Primary School	-	145,000.00	145,000.00	145,000.00	-
Shitoto Girls Secondary School	-	1,500,000.00	1,500,000.00	1,500,000.00	-
Emakhwale Secondary School	-	1,500,000.00	1,500,000.00	1,500,000.00	-
Musango Secondary School	-	360,000.00	360,000.00	360,000.00	-



Reports and Financial Statements

For the year ended June 30, 2019

Eshiakhulo Secondary School	-	360,000.00	360,000.00	360,000.00	-
Ebubole Secondary School	-	360,000.00	360,000.00	360,000.00	-
Shanderema Secondary School	-	360,000.00	360,000.00	360,000.00	-
Mahola Secondary School	-	360,000.00	360,000.00	360,000.00	-
Ebubere Secondary School	-	360,000.00	360,000.00	360,000.00	-
Ebwaliro Secondary School	-	360,000.00	360,000.00	360,000.00	-
Epanja Secondary School	-	360,000.00	360,000.00	360,000.00	-
Khabakaya Secondary School	-	360,000.00	360,000.00	360,000.00	-
Khaunga Secondary School	-	360,000.00	360,000.00	360,000.00	-
Isongo Secondary School	-	1,000,000.00	1,000,000.00	1,000,000.00	-
Bumini Secondary School	-	750,000.00	750,000.00	750,000.00	-
St.Peters Khabakaya Sec.School	-	300,000.00	300,000.00	300,000.00	-
Shanderema ACK Mixed Sec. School	-	100,000.00	100,000.00	100,000.00	-
Musango Sec School	-	875,000.00	875,000.00	875,000.00	-
Shianda Police Housing	-	400,000.00	400,000.00	400,000.00	-
Emusoma Primary School	-	250,000.00	250,000.00	250,000.00	-
Emachina Primary School	-	300,000.00	300,000.00	300,000.00	-
Ebwaliro Secondary School	-	100,000.00	100,000.00	100,000.00	-
St.Martha's Mwitoti Sec School	-	1,500,000.00	1,500,000.00	1,500,000.00	-
St Paul's Lubinu Girls Sec School	-	1,860,000.00	1,860,000.00	1,860,000.00	-
Ebulechia Primary School	-	100,000.00	100,000.00	100,000.00	-
Ebung'ale Primary School	-	100,000.00	100,000.00	100,000.00	-
Eshikufu Primary School	-	100,000.00	100,000.00	100,000.00	-
Emusoma Primary School	-	100,000.00	100,000.00	100,000.00	-
Eshimuli Primary School	-	100,000.00	100,000.00	100,000.00	-
Ikoli Primary School	-	50,000.00	50,000.00	50,000.00	-
St Paul's Lubinu Girls Sec School	-	3,000,000.00	3,000,000.00	3,000,000.00	-
Emakhwale Sec School	-	850,000.00	850,000.00	850,000.00	-
Emakhwale Sec School	-	1,860,000.00	1,860,000.00	1,860,000.00	-

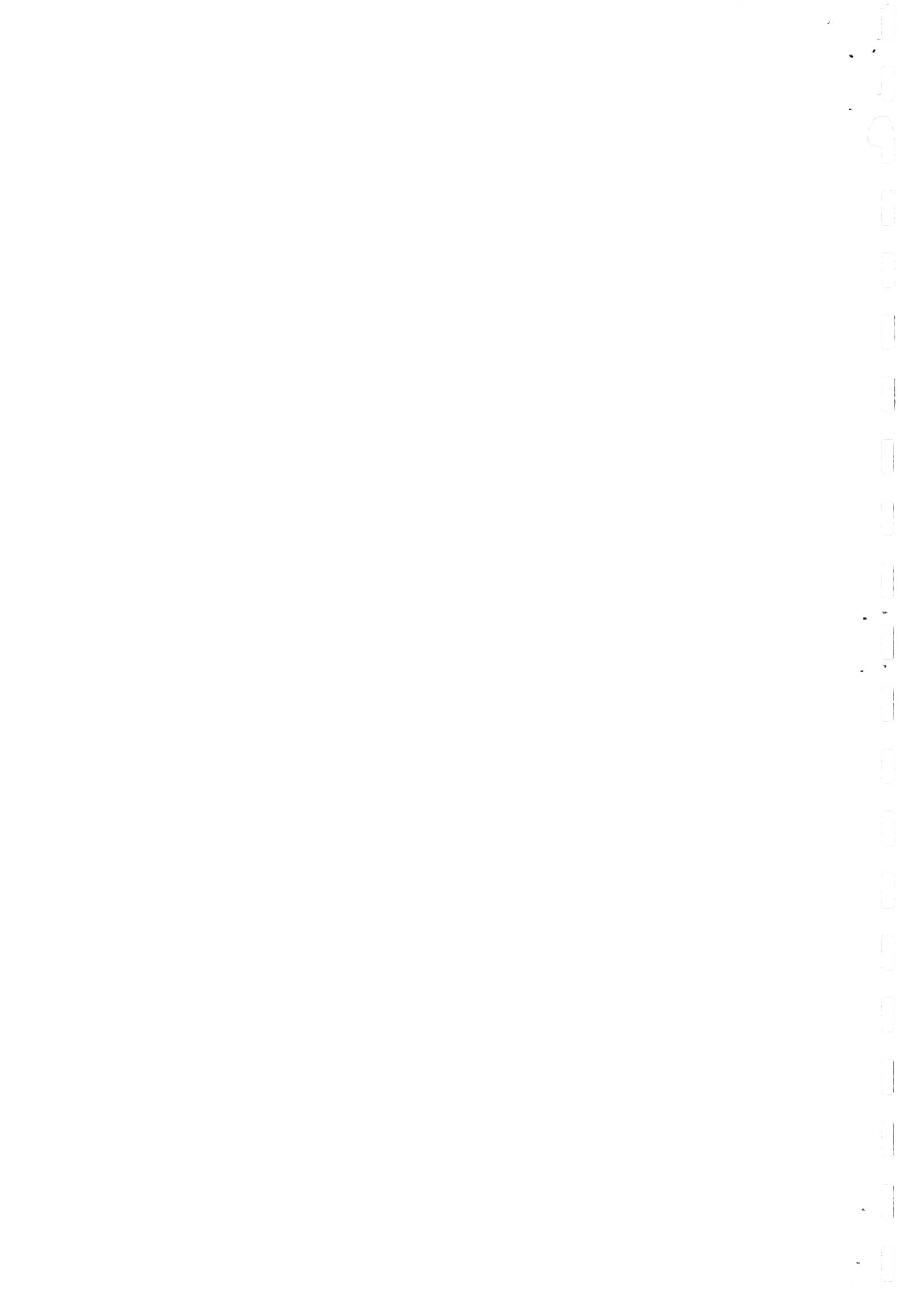
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

St Stephens Emaraba Mixed Sec.	-	1,740,344.80	1,740,344.80	1,740,344.80	-
9.0 Tertiary institutions Projects					
9.1 Sub County Education Office Shianda	3,000,000.00	-	3,000,000.00	3,000,000.00	-
9.2 KMTC Shianda	30,000,000.00	-	30,000,000.00	30,000,000.00	-
9.3 Wanga College of Sci Tec		2,000,000.00	2,000,000.00	2,000,000.00	
10.0 Security Projects					
10.1 Khaunga Police Post	1,750,000.00	-	1,750,000.00	1,750,000.00	-
10.2 Mutono Police Post	1,750,000.00	-	1,750,000.00	1,750,000.00	-
10.3 Deputy County Commissioners Office Shianda	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Khaunga Police Post	-	1,123,000.00	1,123,000.00	2,246,000.00	-
Mutono Police Post	-	1,123,000.00	1,123,000.00	2,246,000.00	-
Lusheya Assistant County Commissioner Office	-	2,500,000.00	2,500,000.00	2,500,000.00	-
Shikulu Assistant County Commissioner Office	-	2,500,000.00	2,500,000.00	2,500,000.00	-
Nyaporo Assistant County Commissioner Office	-	2,500,000.00	2,500,000.00	2,500,000.00	-
Shianda A.P Police Housing	-	1,500,000.00	1,500,000.00	1,500,000.00	-
Deputy County Commissioner's Office, Shianda	-	3,000,000.00	3,000,000.00	3,000,000.00	-
DCC Office Extension, Shianda	-	150,390.10	150,390.10	150,390.10	-
12.0 Others	-	-			-
12.1 Strategic Plan		2,000,000.00	2,000,000.00	1,006,159.00	993,841.00



12.2 Innovation Hub					
Constituency Innovation Hub Project					
Lusheya Assistant County Commissioner Hub		1,169,256.80	1,169,256.80	0	1,169,256.80
Shikulu Assistant County Commissioner Hub		1,169,256.80	1,169,256.80	0	1,169,256.80
Nyaporo Assistant County Commissioner Hub		1,169,256.80	1,169,256.80	0	1,169,256.80
Deputy County Commissioner Hub, Shianda		1,169,256.80	1,169,256.80	0	1,169,256.80
Not Approved	7,450,000.00	17,500,000.00	24,950,000.00		24,950,000.00
	109,040,875.52	88,342,621.48	197,383,497.00	165,130,303.00	32,253,194.00

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



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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 30th June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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) –
MUMIAS EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

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) –
MUMIAS EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

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 2018 for the period 1st July 2018 to 30th June 2019 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 2019.

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 transactions 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) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

X. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019	2017-2018
		Kshs	Kshs
NGCDF Board			
AIE NO:B005206	1	54,784,483.15	
AIE NO:B030202	2	10,000,000.00	
AIE NO:B005421	3	13,000,000.00	
AIE NO:B006468	4	7,000,000.00	
AIE NO:A724487	5	11,000,000.00	
AIE NO:B042952	6	13,000,000.00	
AIE NO:B047075	7	10,000,000.00	
AIE NO:B047574	8	47,590,875.50	
AIE NO:A855947	1		5,500,000.00
AIE NO:A896771	2		37,905,172.00
TOTAL		166,375,359.00	43,405,172.00

2. PROCEEDS FROM SALE OF ASSETS

	2018-2019	2017-2018
	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) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2018-2019	2017-2018
	Kshs	Kshs
Interest Received	–	–
Rents	–	–
Receipts from Sale of tender documents	–	–
Other Receipts Not Classified Elsewhere	–	–
Total	–	–

4. COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	1,565,642	1,262,355
Basic wages of casual labour	–	–
Personal allowances paid as part of salary		
House allowance	188,500	83,100
Transport allowance	273,000	119,000
Leave allowance	24,000	24,000
Employer Contribution to NSSF	84,240	39,000
Gratuity – paid	–	704,226
- Accrued	–	–
Other personnel payments(KRA Penalty)	10,658	0
Total	2,146,040	2,231,681

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

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2018-2019	2017-2018
	Kshs	Kshs
Interest Received	–	–
Rents	–	–
Receipts from Sale of tender documents	–	–
Other Receipts Not Classified Elsewhere	–	–
Total	–	–

4. COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	1,565,642	1,262,355
Basic wages of casual labour	–	–
Personal allowances paid as part of salary		
House allowance	188,500	83,100
Transport allowance	273,000	119,000
Leave allowance	24,000	24,000
Employer Contribution to NSSF	84,240	39,000
Gratuity – paid	–	–
- Accrued	–	–
Other personnel payments(KRA Penalty)	10,658	0
Total	2,146,040	2,231,681

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

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	Kshs	Kshs
Committee Expenses	2,753,000	904,700
Utilities, supplies and services	566,750	28,960
Electricity	34,129	–
Communication, supplies and services	174,830	45,000
Domestic travel and subsistence	594,000	304,700
Printing, advertising and information supplies & services	137,250	142,532
Rentals of produced assets	–	–
Training expenses	250,000	675,000
Hospitality supplies and services	114,113	485,737
Other Committee expenses	472,300	713,000
Insurance costs	33,378	–
Specialized materials and services	–	–
Office and general supplies and services	752,100	4,237
Fuel, oil and lubricants	700,000	300,000
Other operating expenses	157,968	–
Routine maintenance – vehicles and other transport equipment	554,600	320,453
Routine maintenance – other assets	133,050	–
Security operations	715,200	–
Bank Service commission and charges	205,603	–
Strategic Plan	997,090	–
Total	9,345,361	3,924,319

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

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017-2018
	Kshs	Kshs
Transfers to National Government entities	–	–
Transfers to primary schools (see attached list)	17,424,000	435,000
Transfers to secondary schools (see attached list)	25,577,381	8,350,000
Transfers to tertiary institutions (see attached list)	43,634,812	2,000,000
Transfers to health institutions (see attached list)	–	–
TOTAL	86,636,193	10,785,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools	11,020,000	10,269,000
Bursary – tertiary institutions	15,058,000	10,048,500
Bursary – special schools	191,000	–
Social Security Programme	10,890,489	–
Security projects	18,746,000	150,390
Sports projects	1,966,206	–
Environment projects	3,917,014	–
Emergency projects	5,214,000	300,000
Total	67,002,709	20,767,890

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

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2018-2019	2017-2018
	Kshs	Kshs
Purchase of Buildings	–	–
Construction of Buildings	–	–
Refurbishment of Buildings	–	–
Purchase of Vehicles and Other Transport Equipment	–	–
Overhaul of Vehicles and Other Transport Equipment	–	–
Purchase of Household Furniture and Institutional Equipment	–	–
Purchase of Office Furniture and General Equipment	–	–
Purchase of ICT Equipment, Software and Other ICT Assets	–	–
Purchase of Specialized Plant, Equipment and Machinery	–	–
Rehabilitation and Renovation of Plant, Machinery and Equip.	–	–
Acquisition of Land	–	–
Acquisition of Intangible Assets	–	–
Total	–	–

9. OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
ICT Hub	–	–

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
<i>Kenya Commercial Bank Mumias Branch Mumias East CDF _Account No: 1147339775</i>	19,843,194	18,598,138
—		
Total		
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	19,843,194	18,598,138
<i>[Provide cash count certificates for each]</i>		

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

Reports and Financial Statements

For the year ended June 30, 2019

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>	-	-	-	-
<i>Name of Officer or Institution</i>	-	-	-	-
Total				-

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

12A. RETENTION

	2018 - 2019	2017-2018
	Kshs	Kshs
Supplier 1	-	-
Supplier 2	-	-
Supplier 3	-	-
Total	-	-

[Provide short appropriate explanations as necessary]

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019	2017-2018
	Kshs	Kshs
NG-CDF Staff	597,353	-
Name 2	-	-
Name 3	-	-
Add as appropriate		
Total	597,353	-

[Provide short appropriate explanations as necessary]

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

13. BALANCES BROUGHT FORWARD

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	18,598,138	12,886,516
Cash in hand	-	-
Imprest	-	-
Total	18,598,138	12,886,516

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	-	15,340
Cash in hand	-	-
Imprest	-	-
Total	-	15,340

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

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019	2017-2018
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (specify)	-	-
Total	-	-

15.3: UNUTILIZED FUND (See Annex 3)

	Kshs	Kshs
Compensation of employees	4,232	-
Use of goods and services	952,649	1,370,452
Amounts due to other Government entities	-	3,110,000
Amounts due to other grants and other transfers	675,445	14,102,346
Strategic Plan	993,841	
Acquisition of assets	-	-
Others (ICT HUBS)	4,677,027	-
Not approved	24,950,000	
	32,253,193	18,582,798

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

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 4)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	49,978,588.94	11,256,118.25
	49,978,588.94	11,256,118.25

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	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					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	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)					597,353	
10.NG-CDF Staff						
11.						
12.						
Sub-Total					597,353	
Grand Total					597,353	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	700,000	-	-	700,000
Buildings and structures	10,241,971	-	-	10,241,971
Transport equipment	3,504,212	-	-	3,504,212
Office equipment, furniture and fittings	760,375	-	-	760,375
ICT Equipment, Software and Other ICT Assets	351,499	-	-	351,499
Other Machinery and Equipment	176,735	-	-	176,735
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	15,734,792	-	-	15,734,792

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Khwihondwe Primary School	Kenya Commercial Bank	1178488152	61,459.50	
Eluche Secondary School	Kenya Commercial Bank	1156577357	3,128.00	
St.Martha's Mwitoti Secondary School	Kenya Commercial Bank	1178576353	3,018,498.00	
Mutono Police Post	Kenya Commercial Bank	1174860774	25,851.00	
Khaunga Police Post	Kenya Commercial Bank	1149794755	979,235.45	
Shianda Administration Police	Kenya Commercial Bank	1183736525	0	
DCC Office Extension	Kenya Commercial Bank	1208043986	0	152,635.00
Mumias East Bodaboda Sheds	Kenya Commercial Bank	1175230065	6,466.95	
Wanga College Of Science & Technology	Kenya Commercial Bank	1173232745	2,507,957.50	3,595,234.50
Mumias CDF Strategic	Kenya Commercial Bank	1156542197	351,290.00	
Mumias East CDF water	Kenya Commercial Bank	1153764776	11,865.00	11,865.00
Mumias East CDF Sports	Kenya Commercial Bank	1153916274	2,384.35	
Mumias East CDF Environment	Kenya Commercial Bank	1160097070	1,314,582.70	
Nyaporo ACC Office	Kenya Commercial Bank	1207075671	23,391.00	
Shikulu ACC Office	Kenya Commercial Bank	1207237493	1976.00	
Lusheya ACC Office	Kenya Commercial Bank	1206925817	0	
Mumias East NGCDF NHIF	Kenya Commercial Bank	1234942836	483.00	
KMTC Shianda	Kenya Commercial Bank	1250724627	22,879,790.00	
Ebubole Primary School	Equity Bank	0680298533144	360,791.00	
Ebulechia Primary School	Equity Bank	0680299136741	255,669.50	
Emachina Primary School	Equity Bank	0680299005632	1,705.75	
Emuberi Primary School	Equity Bank	0680299750442	937.00	
Emutetemo Primary School	Equity Bank	0680299767478	15,843.35	



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Eshikufu Primary School	Equity Bank	0680295367658	60,763.50	
Isongo Primary School	Equity Bank	0680299861025	3,233.00	
Kamashia Primary School	Equity Bank	0680298282964	367.50	152,347.50
Khaunga Primary School	Equity Bank	0680299780973	2,937.50	
Mung'ang'a Primary School	Equity Bank	0680295070358	4,790.50	148,580.50
Rise and Shine Special School For Physically Disabled	Equity Bank	0680294901823	1,205,914.00	
Ebubole Secondary School	Equity Bank	0680295062124	688,114.50	369,932.50
Emakhwale Secondary School	Equity Bank	0680297847167	54,255.55	716,058.00
Shanderema ACK Mixed Secondary School	Equity Bank	0680299769294	1,502,717.50	2,717.00
Shitoto Girls Secondary School	Equity Bank	0680295066232	1,252,151.50	1,507,191.50
St.Joseph's Shibinga W. Mixed Secondary School	Equity Bank	0680297378152	204,157.00	
St.Pauls Lubinu Girl's Secondary School	Equity Bank	0680294938836	1,818,905.00	
St.Theresa's Bumini High School	Equity Bank	0680295255215	21,893.80	771,055.80
Shianda Police Patrol Base	Equity Bank	0680298989066	41,683.50	
Shianda Police Housing	Equity Bank	0680272815755	3,496,805.00	
Eshimuli Primary School	Cooperative Bank	01141498728600	1,663.50	
Bumini Primary School	Cooperative Bank	1141067167000	1,276.25	
Bumwende Primary School	Cooperative Bank	01141068245000	75,559.25	
Ebubere Primary School	Cooperative Bank	01141068387800	3,836.20	
Ebung'ale Primary School	Cooperative Bank	01141234819500	64,563.00	
Ebwaliro primary School	Cooperative Bank	01141067545200	1,372.10	
Eluche primary School	Cooperative Bank	01141067000400	5,907.15	
Elwasambi Primarry School	Cooperative Bank	01141067173500	2,221.00	
Emakhwale Primary School	Cooperative Bank	01141067559600	35,313.75	
Emukhalari Primary School	Cooperative Bank	01141068239900	1,123.55	



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Emusoma Primary School	Cooperative Bank	01141234973600	1,559,142.00	
Epanja Primary School	Cooperative Bank	01141498101000	1,956.00	
Eshiakhulo Primary School	Cooperative Bank	01141067874000	2,254.95	11,254.95
Eshisenye Primary School	Cooperative Bank	01141234598800	1,114,645.00	
Ikoli Primary School	Cooperative Bank	01141234892500	948.50	
Indangalasia Primary School	Cooperative Bank	01141067544700	52,069.00	
Isango Primary School	Cooperative Bank	01141067126200	12,030.15	
Khabakaya Primary School	Cooperative Bank	01141067764600	64,368.00	
Khabondi Primary School	Cooperative Bank	01141067874400	4,479.00	
Khaimba Primary School	Cooperative Bank	01141234543900	3,709.50	
Khungoyokosi Muslim Primary School	Cooperative Bank	01141498737200	53,475.50	
Lubinu Primary School	Cooperative Bank	01141067708900	7,851.70	
Mabanga Primary School	Cooperative Bank	01141067873600	65,432.00	
Mahola Primary School	Cooperative Bank	01141068234300	1,139.80	
Makunga Primary School	Cooperative Bank	01141067029300	2,586.60	
Malaha Primary School	Cooperative Bank	01141067550700	400,552.00	
Maraba Primary School	Cooperative Bank	01139067874801	35,700.00	
Mukambi Primary School	Cooperative Bank	01141067577200	2,006,910.00	
Mungabira Primary School	Cooperative Bank	01141498113300	1,344.00	
Muroni Primary School	Cooperative Bank	01141067874300	12,283.10	
Musango Primary School	Cooperative Bank	01141067836600	8,859.95	
Mutono primary School	Cooperative Bank	01141068432600	72,245.65	
Mwichina Primary School	Cooperative Bank	01141067116600	298,343.00	
Mwitoti Primary School	Cooperative Bank	01141067474200	27,463.95	
Petros Primary School	Cooperative Bank	01141068399700	3,615.75	
Shanderema Primary School	Cooperative Bank	01141067141000	11,522.95	



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Shibinga W. Primary School	Cooperative Bank	01141234854700	608,209.00	
Shitoto Primary School	Cooperative Bank	01141067251600	1,506,509.00	
St.Patrick's Ebubere Sec. School	Cooperative Bank	01141498111100	7,472.50	367,272.50
Ebwaliro Secondary School	Cooperative Bank	01141498112800	36,905.00	436,805.00
Epanja Secondary School	Cooperative Bank	01141498098900	10,973.00	10,873.00
Eshiakhulo Secondary School	Cooperative Bank	01141498097000	424,090.00	972,940.00
Lubinu Boy's Secondary School	Cooperative Bank	01141498107100	15,970.85	
Mahola Secondary School	Cooperative Bank	01141498103500	449,540.00	614,140.00
Makunga Secondary School	Cooperative Bank	01141067248400	4,291.00	
Musango Secondary School	Cooperative Bank	01141498108200	108,483.50	33,383.50
St.Anne's Ingangalasia Secondary School	Cooperative Bank	01139068240001	24,718	
St.Gabriel Isongo Secondary School	Cooperative Bank	01139233804600	5,546.00	1,006,656.00
St.John's Khaimba Scondary School	Cooperative Bank	01141234427500	1,948.00	
St.Mathew's Mung'ang'a Secondary School	Cooperative Bank	01141068297300	13,677.45	
St.Paul's Ebusia Secondary School	Cooperative Bank	01141068272000	1,287.89	
St.Peter's Khabakaya Secondary School	Cooperative Bank	01141498086900	18,084.00	17,984.00
St.Peters's Khaunga Secondary School	Cooperative Bank	01139067309502	8,065.00	368,065.00
St. Stephens Kamashia Secondary School	Cooperative Bank	01141067118100	29,813.00	
St.Stephens's Maraba Sec. School	Cooperative Bank	01141498724700	144,919.30	
Mwitoti A.P Camp	Cooperative Bank	01141234580700	114,190.00	
Malaha A.P Camp	Cooperative Bank	01141498554900	32,590.50	
Kamashia A.P. Camp	Cooperative Bank	01141498602800	14,832.50	
Mumias East Constituency Office.	Cooperative Bank	01141234718700	103,776.25	
			49,978,588.94	11,256,118.25

100

100

100

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.1	Prior Year Adjustment The statements of assets reflect prior year adjustment of Kshs. 15,340 as disclosed under note 9 to the financial statements which had not been supported appropriate bank certificate of balance and transactions	<i>Checked revised reconciliation for 30/06/2018. Liaise with treasury for explanation of this adjustment of Ksh. 15, 340 to the reconciliation of 30/06/2018</i>	Sub County Treasury	Resolved	30/06/2020
1.2	Disclosure of Accounts Payable. The financial statements reflect other pending payables balance of Kshs. 18,582,978 under annex 1 to the financial statements which is not reflected anywhere on the statements of assets	The disclosure of other pending payables Annex 1 balance is part of the bank balance as per the cash book reflected on statement of assets under note 7.	Malaki Magero Fund Manager	Resolved	30/06/2020
1.3	Cash and Cash Equivalents. The cash and cash equivalents balance of Kshs. 18,598,138 does not include Kshs. 74,784,483 being receipt of disbursement from NG-CDF Board on 30th June 2018. The non-accounted for receipt of Kshs. 74,784,483 comprised	<i>Was received and Utilised</i>	Malaki Magero Fund Manager	Resolved	30/06/2020



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

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)
	<p>Kshs. 54,784,483 being balance for 2017/2018 and Kshs. 20,000,000 relating to 2016/2017.</p> <p>Further, the receipt of Kshs. 74,784,483 from the NGCDF Board has not been disclosed in the financial statements under other important disclosure as per the reporting format prescribed by the Public Sector Accounting Standards Board (PSASB).</p> <p>Further, The Bank reconciliation statements for the year ended 30 June 2018 revealed that the unrepresented cheques totaling Kshs. 5,822,426 includes cheques totaling Kshs. 972,853 relating to the period between March 2014 and October 2017 and were therefore stale. However, no explanation was given for failure to reverse the stale cheques to the cash book</p>				
1.4	<p>Project Management Committee (PMC) Bank Balances</p> <p>Annexure 3 to the financial statements discloses PMC bank account balances outstanding on twenty project accounts. However, the amount has not</p>	PMC bank balances is a disclosure and has been disclosed under Annex 3.	Malaki Magero Fund Manager	Resolved	30/06 /2020

100

100

100

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

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)
	<p>been disclosed in the financial statements under other important disclosures as per the reporting format prescribed by the PSASB. In addition, the bank reconciliation statements together with certificate of bank balances were not availed for audit review.</p> <p>Consequently, it was not possible to ascertain the accuracy and completeness of the financial statements for the year under review</p>				
2.0	<p>Summary Statement of Appropriation: Recurrent and Development Combined.</p> <p>The summary statement of appropriation: recurrent and development combined for the year under review shows final budget amount of Kshs. 111,076,171 after an adjustment of Kshs. 24,265,826 which comprised of bank balance brought forward from 2016/2017 of Kshs. 12,886,516 and NGCDF Board budget revision of Kshs. 11,379,310. However, the adjustment of Kshs. 24,265,826 excludes Kshs. 20,000,000 in respect of the NGCDF Board for 2016/2017.</p>	<p>The Ksh. 20,000,000 was not received until after closure of financial year. This amount therefore does not form part of the financial statements.</p>	<p>Malaki Magero Fund Manager</p>	Resolved	30/06/2020

1
2
3
4
5
6
7
8
9
10

11
12
13
14
15

16
17
18
19
20

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

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)
	Consequently, the accuracy and completeness of the summary statement of appropriation: recurrent and development for the year ended 30 th June 2018 could not be confirmed				
3.	<p>Summary of Fixed Asset Register.</p> <p>The summary of fixed asset register at annexure 2 to the financial statements reflects opening / historical cost figure of Kshs. 15,734,792, resulting in an increase of Kshs. 338,000. However, from the statement of receipts and payments for the year under review, there was no expenditure incurred in respect to acquisition of assets.</p> <p>Consequently, the accuracy of the summary of fixed asset register at annexure 2 for the year ended 30th June 2018 could not be confirmed</p>	<p>The figure of Ksh. 15,734,792 is erroneous. The summation of fixed assets items was wrongly done. The correct figure remains 15,396,792.</p>	<p>Malaki Magero Fund Manager</p>	Resolved	30/06/2020
4.1	<p>Unauthorized Expenditure.</p> <p>Included in the use of goods and services figure of Kshs. 3,924,319 are payments totaling Kshs. 107,200, that were made before authorization as analysed</p>	<p><i>The vouchers was prepared and authorize by sub county.</i></p>	<p>Sub County Treasury</p>	Resolved	30/06/2020

1
2
3
4
5
6
7
8
9
10

11
12
13
14
15

16
17
18
19
20

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

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)
	below				
5.0	<p>Transfers of Other Government Units.</p> <p>Included in transfers to other government units figure of Kshs. 10,785,000 is transfers to secondary schools of Kshs. 8,550,000 incurred on projects but were not supported by certificates of work done from state Department for Public works as detailed below</p> <p>In the circumstances, the probity of the expenditure of Kshs. 8,550,000 incurred on these projects during the year ended 30th June 2018 could not be confirmed</p>	These projects are long completed and certificate of work done are available.	Malaki Magero Fund Manager	Resolved	30/06 /2020
Other Matters 1.1	<p>Budget Performance.</p> <p>During the year under review, the fund had an approval budget of Kshs. 111,076,171 on various projects. During the same period, the fund incurred expenditure amounting to Kshs. 37,708,890 or 34% of the budget resulting to an under expenditure of Kshs. 73,367,281 or approximately 66% of the approved budget as below</p> <p>Non-utilization of funds is an</p>	The approved projects were implemented and completed after funds were disbursed in the subsequent financial year 2018/19.	Malaki Magero Fund Manager	Resolved	30/06 /2020



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MUMIAS EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

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)
	indication that services and approved programs were not delivered, and therefore the budget did not meet the intended objectives of improving service delivery to the residents of Mumias East Constituency				
1.2	<p>Project Implementation Status</p> <p>The fund budgeted to spend Kshs. 78,997,415 on implementation of ninety-two (92) projects during the year under review as indicated below:</p> <p>According to the project implementation status report availed for audit review, eleven (11) projects budgeted for Kshs. 3,750,390 were complete, fourteen (14) projects with total budget of Kshs. 37,174,964 were on-going at various levels of completion while sixty- seven (67) projects with total budget of Kshs. 31,391,027 had not started as at 30 June 2018. One (1) project budgeted for Kshs. 6,681,034 under bursary was indicated as re-allocated and no further details were provided to support the re-allocation.</p>	The approved projects were implemented and completed after funds were disbursed in the subsequent financial year 2018/19.	Malaki Magero Fund Manager	Resolved	30/06 /2020



1000

1000

1

