

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY

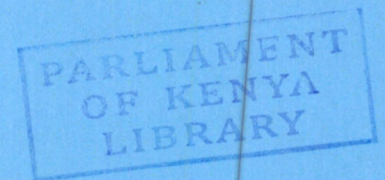
DATE: 15 FEB 2022

OF

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THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
NAMBALE CONSTITUENCY**

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

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -NAMBALE
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020

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

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

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) (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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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 Nambale 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	Edwin K. Serem
2.	Sub-County Accountant	Jorim Agola
3.	Chairperson NGCDFC	Alfred Juma Okochil
4.	Member NGCDFC	James Okumu

(d) Fiduciary Oversight Arrangements

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

P.O. Box 27
50409 Nambale.
Opposite the Sub County Commissioner Office,
Off Nambale-Busia Road,
NAMBALE

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(f) NGCDF NAMBALE Constituency Contacts

Telephone: (254) 720028664
E-mail: cdfnambale@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF NAMBALE Constituency Bankers

Cooperative Bank of Kenya
Busia Branch

(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

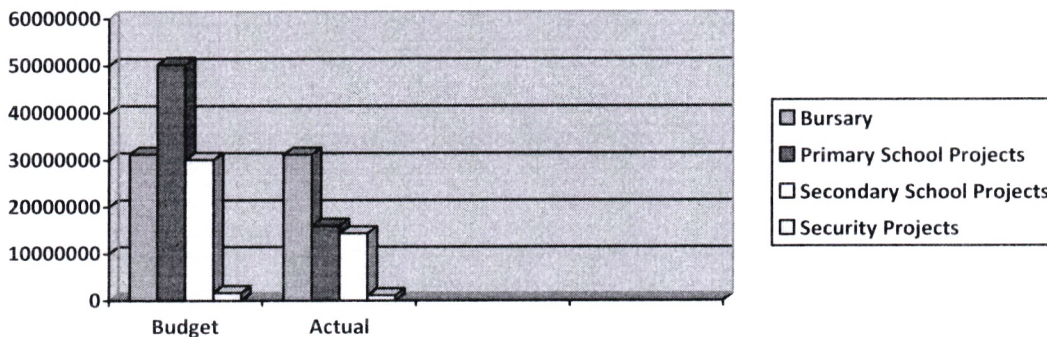
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

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II.FORWARD BY THE CHAIRPERSON NGCDF COMMITTEE

The financial year 2019/2020 that ended on 30th June 2020 was a great success in terms of implementation of the various projects within the constituency. The table below shows a summary of the budget and the implementation level

No.	SECTOR	BUDGET	ACTUAL EXPENDITURE
1.	Bursary	31,215,702	31,145,772
2.	Primary School Projects	50,251,000	15,996,000
3.	Secondary School Projects	30,075,000	14,430,000
4.	Security Projects	1,600,000	1,100,000



From the above analysis, the performance of Nambale NG-CDF has been above average and this is as a result of good working relationship between the NG-CDFC and the various stakeholders. We intend to do better in the coming financial year so that the residents of Nambale can get the value for money and better services.

During the financial year under review, Nambale NGCDF Committee achieved quite a lot key among them are listed below;

- I. Nambale NGCDF constructed modern chiefs' offices which brought services close to the people.
- II. Modern classrooms, administration blocks and laboratories were constructed and renovated for both primary schools and secondary schools across the constituency. The students and teachers are now able to learn under conducive environment.
- III. Bursaries were issued to over 6,000 needy students across the constituency. The students were able to learn without interruption.

Emerging Issues

During the financial year under review, the following were the emerging issues that the NGCDFC had to handle;

- I. Covid 19 pandemic that affected the operations of various public institutions including schools.
- II. The NGCDF Committee term came to an end during the financial year under review where a new committee had to be put in place to manage the fund at the constituency level.

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Challenges

Major challenges faced by the Fund include;

- 1) Delay in disbursement of funds from the board,
- 2) Infrastructural demands being higher than the amount allocated as a result of the Covid 19 pandemic which requires the schools to have more classrooms and sanitation.
- 3) Inadequate capacity of the project management committee

Way forward

Board need to release funds in good time, secondly the Board needs to lobby for increase of funding to every constituency and finally the various institutions need to lobby for funding from other agencies including the NGOs to avoid overreliance on the NGCDF funding.

Key achievements

Nambale NGCDFC during the financial year under review achieved so much in various sectors; education, security, environment and sports.

For instance, we were able to construct modern laboratories, administration blocks and classrooms for various schools in the constituency.

The following is one of the best projects that Nambale NGCDF Committee implemented during the financial year under the review;



Figure 1: Mukemo Primary school. -Finished two classrooms

Alfred Juma Okochil

CHAIRMAN-NAMBALE 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.

Nambale is a constituency with great potential for physical and economic growth considering its geographical position within the country and dedicated constituents to development represented by a highly capable team of NG-CDF committee and NG-CDF staff.

Nambale NG-CDFC in its strategic plan (2018-2022) outlined key strategic objectives that are a guidance in decision making on development matters within the constituency. The plan sort to contribute towards attainment of the constituency's vision "a leading constituency in the efficient and effective planning and management of public resources for sustainable development".

The key development objectives of NG-CDF Nambale constituency's 2018-2022 strategic plan included but not limited to;

Strategic Area One: Education

Objective: Improve the academic performance, infrastructure and the enrolment rate in all learning institutions.

Initiative: Infrastructure has been improved in schools through construction of modern classrooms housing 45 students each, construction of administration blocks, laboratories and purchase of land for schools which required land expansion.

Bursaries have been awarded to needy students in various learning institutions.

Strategic Area Two: Security

Objective: Improve the overall security of all residents and reduce crimes.

Initiative: Chiefs offices have been constructed in several locations.

Police camps have been constructed to help in security matters

Strategic Area Three: Environment & Sanitation

Objective: Increase access to safe water, improved sanitation and conservation of natural resources.

Initiative: Modern pit latrines have been constructed in several learning institutions in other to improve of sanitation.

Strategic Area Four: Electrification

Objective: Improve accessibility and access to electricity for continued economic development.

Initiative: Through government program of last mile, most residents of Nambale Constituency have benefited from electricity.

Strategic Area Four: Disaster management

Objective: Ensure transparent, accountable, responsive governance and sustainable use of public resources.

Initiative:

Nambale NGCDFC have ensured that all the institutions which got emergency cases during the financial year were helped through constructing of modern pit latrines

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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	Improve the academic performance, infrastructure and the enrolment rate in all learning institutions.	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 	<p>In FY 19/20 we increased number of classrooms over 60 in the various institutions as per the approved codelist through construction and renovation.</p> <p>Four laboratories were allocated funds in during the financial year Over 6000 students benefited from bursary at all levels.</p>
Security	Improve the overall security of all residents and reduce crimes.	Enhanced presence of security personnel	% coverage of security personnel and Number of facilities constructed	We increased the security infrastructure by completion the following; Nambale Deputy County Commissioners (Renovation) Tanga Corner AP Camp Mungatsi Assistant Chief Office Lupida Police Post Malanga Chiefs Office
Environment	Increase access to safe water, improved sanitation and conservation of natural resources.	Clean environment conducive for humanity Access to water	The number of pit latrines constructed and bore holes drilled	Pit latrines of four doors each have been constructed in 14 schools across the constituency.

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IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile –

In order to make progress, the constituency has constantly reviewed the strategic factors influencing its ability to implement its projects sustainably. A strategic analysis has thus been done for both external and internal environment, identified factors that are likely to influence its operations and their implications. or its future review.

PESTEL analysis

PESTEL analysis indicates the external factors that have an impact in the development of projects in Nambale Constituency. PESTLE results were used to identify threats and weaknesses for the SWOT analysis

- a. **Political context:** Despite the desired support for a conducive environment for development, Nambale Constituency has experienced some local political interference; unhealthy political competition; partisan alignments both at community and individual level; uncertain changing political landscape from old to new dispensation, thus disrupting continuity of development projects.
The management have remained steadfast and always acted without bias in discharging their duties despite the politics within the constituency.
- b. **Economic context:** Nambale Constituency is directly affected by unprecedented demand for expanding infrastructure, inadequate and delay in disbursement funding, stringent and lengthy procurement requirements for youth and women, unemployment and expanding economy of the constituency. NG-CDFC has adhered to the procurement requirements and presidential directive of 30% youth, women and PWDs; and 40% of buy Kenya build Kenya.
- c. **Social context:** The Constituency is growing amidst challenges brought about by social dynamics both at the local level and nationally. Some of the issues include high dependency ratio, effects of HIV/Aids, high infant mortality rate, inadequate primary health care programs, drugs and alcohol abuse, effects of social media, gender mainstreaming, youth empowerment, access to quality education and urbanization. Amidst the aforesaid issues, NG-CDFC has created awareness in core support areas.
- d. **Legal Context:** The Constituency operates within the existing legislations that directly or indirectly affects its development agenda. NG-CDFC has endeavoured to operate within the confines of the law to ensure probity in finances and other resources. In areas where there are legislative gaps, the constituency will strive to foster to support formulation of relevant laws.

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- e. **Technological context:** In the recent past, Nambale Constituency has seen advancement in technology. Notable, progress has been witnessed in Information and Communication Technology (ICT), green energy and agribusiness among others. The constituency has therefore formulated strategies in this planning process to entrench modern technology through establishment of ICT hubs and a website to improve on communication

2. Environmental performance

Environmental Context: Environmental conservation is a major concern world over, and our country Kenya is party to many treaties and international agreements signed in a collaborative effort to save Mother Nature. Kenya domesticated and enacted laws such as the NEMA Act, Forest Act 2005, NG-CDF Act 2015 are all efforts toward laying down structures of mitigating environmental issues. Nambale constituency through its NG-CDFC and other stakeholders such as Ministry of Environment, Forest Department and NEMA are complementing the international and national efforts in the achievement of a sanitized environment. However, the good gains made from laid down interventions are derailed by some economic activities which are environmentally unfriendly, this includes illegal logging, charcoal burning, sand harvesting and stone mining activities and cultivation along river banks among others. Enforcement of the laid down laws is required to save Nambale constituency from further environmental degradation. A proper dumping site and solid waste management of bio-degradable and nonbio- degradable materials such as plastics, glassware among others should be put in place. Nambale NG-CDFC will collaborate with other stakeholders in achieving objectives of environment conservation

3. Employee welfare

Nambale NGCDF has nine employees who were employed in January 2018 based on two categories of employment; contract employees and casual employees.

Contract employees are six and are employed for 3 years contract renewable based on their individual performance. These employees are eligible to benefits in line with the statutory requirements such as gratuity and salaries.

Hiring process.

The Fund Account Manager declares vacancies in the office to the NG-CDFC and seeks approval for advertisement of the posts. When approved, the advert is placed in different places in the constituency.

The advertisement specifies the job title, main purpose of the job, key responsibilities of the job, academic and professional requirements for the job, location of the job, how and where to submit the application for the job and the closing date for receiving applications for the job.

A selection and interview subcommittee are then formed by the NGCDFC to formulate the selection criteria, conduct interviews and oversee the recruitment process without discrimination.

The successful candidates are offered appointment letters which they may accept or reject within the stipulated time. If accepted, a written contract of service is signed by the Fund Account Manager and the NG-CDFC chairperson which states the terms of employment of the employee.

Orientation and induction of the new employees is done by the NG-CDFC so as to familiarise the parties with the common mandate, vision, mission and core values of Nambale NG-CDF.

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4. Market place practices-

All works, goods and services required by Nambale NG-CDF are acquired through the procurement process with the guide of the sub-county supply chain management officer in compliance with the full public procurement and asset disposal act.

In case of need for specific works, goods or/and services, the NG-CDF committee is informed by the fund account manager in a meeting. The works, goods and services are then advertised after approval of the NG-CDF committee.

The tendering process is thereafter conducted diligently as per the regulations and Act provision. Nambale NGCDFC have no pending bills due to its approach to contracting whereby services are only procured when the funds are available

Procurement process has been made as transparent as possible by allowing various bidders to compete and the lowest evaluated bidder awarded the contract.

Nambale NGCDF have also ensured that the products meet the government standards to avoid counterfeits by checking on the quality through the inspection and acceptance committee.

5. Community Engagements-

In compliance with the provisions of NG-CDF Act 2015 (Amended 2016) Nambale NG-CDFC organized for public participation in June 2018 which was undertaken at the ward level in all the six wards within the constituency. This provided a platform for the constituents' participation in service delivery of NAMBALE NG-CDF.

Among the constituents were stakeholders from various sectors including education, sports, healthcare, security and the sub county environmental department.

The decision-making team of NAMBALE NG-CDF is the NG-CDF committee which comprises of representatives from every ward among them a representative of persons living with disabilities, male and female youth representatives thus resulting to full community engagement.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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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-Nambale 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 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-Nambale 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 Nambale NGCDF 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 Nambale NGCDF financial position as at that date. The Accounting Officer charge of the NGCDF-Nambale Constituency further confirms the completeness of the accounting records maintained for the Nambale NGCDF, 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-Nambale Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants, 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.

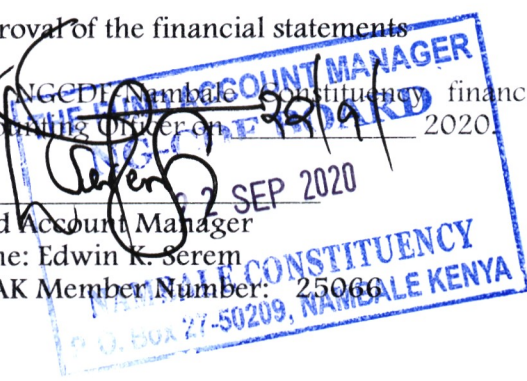
Approval of the financial statements

The NGCDF Nambale Constituency financial statements were approved and signed by the Accounting Officer on 29/9/2020

Fund Account Manager

Name: Edwin K. Serem

ICPAK Member Number: 25066



Sub-County Accountant

Name: Jorim Ogola

ICPAK Member Number:

REPUBLIC OF KENYA



Enhancing Accountability

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 - NAMBALE 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 - Nambale Constituency set out on pages 1 to 40, which comprise the statement of assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development 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 matters described in the Basis for Qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Nambale Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Accuracy of the Financial Statements

1.1 Unexplained Variances on Transfers from NGCDF Board

The summary statement of appropriation - recurrent and development combined reflects Kshs.125,595,547 in respect to Transfers from NGCDF Board. However, the statement of receipts and payments reflects a transfer of Kshs.123,040,876 resulting to unexplained variance of Kshs.2,554,671.

In the circumstances, the accuracy of the Kshs.123,040,876 in respect to Transfers from NGCDF Board could not be confirmed.

1.2 Variances on Unutilized Balance

The summary statement of appropriation - recurrent and development combined reflects budget utilization difference of Kshs.74,146,799. However, Note 14.3 to the financial statements reflects Kshs.75,076,890 in respect to unutilized funds resulting to unexplained variance of Kshs.930,091.

In the circumstances, the accuracy of the unutilized funds for the year under review could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Nambale 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. I have determined that there are no key audit matters to communicate in my report.

Other Matter

1. Budgetary Control and Performance

1.1 Budget Shortfall

The Fund's summary statement of appropriation - recurrent and development combined for the year ended 30 June, 2020 reflects approved receipt budget of Kshs.194,955,272 against actual receipts of Kshs.125,595,547 resulting to budget shortfall of Kshs.69,359,725 (36%).

Overall, the Fund failed to actualize its budget by Kshs.69,359,725 or (34%) an indication that some of the programs and activities that had been planned were not implemented.

1.2 Under Expenditure

The summary statement of appropriation - recurrent and development combined reflects an approved payment budget of Kshs.194,955,271 and actual payments of Kshs.120,808,472 resulting to under expenditure of Kshs.74,146,799 (38%).

In the circumstances, the Fund failed to implement all its planned projects as approved and subsequently not achieving set goals and programs for the benefit of the residents of Nambale Constituency.

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 matter 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

Poor Workmanship in Construction of Buildings at Schools

As disclosed under Note 5 to the financial statements, the statement of receipts and payments reflects transfer to other government entities of Kshs.64,193,050 which includes transfers to primary schools and secondary schools' amount of Kshs.26,496,000 and Kshs.35,144,000 respectively. The transfer to other government units included transfers to secondary schools of Kshs.3,000,000 for completion of classrooms at Emukhuyu Secondary School and Mabunge RC Secondary School and Kshs.2,430,000 for completion of classrooms at Musoma Primary School and Namahindi Primary School. As at the time of audit in February, 2021, the classrooms had been done and put to use. However, the works were not done as per the bill of quantities and the quality of work was noted to be of substandard.

Consequently, the residents of Nambale Constituency did not get value for Kshs.5,430,000 incurred on the classroom 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 review so as to obtain limited assurance as to 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 procedures performed, 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 governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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 money is applied in an effective manner.

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance review is planned and performed to express a conclusion with limited assurance as to whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of 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.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 January, 2022

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

NAMBALE CONSTITUENCY

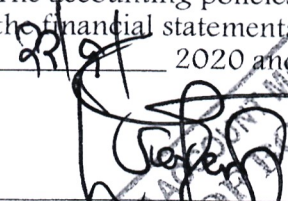
Reports and Financial Statements


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	₺ 123,040,876	○ 108,784,483
Other Receipts	2	₺ 19,000	-
TOTAL RECEIPTS		+ 123,059,876	○ 108,784,483
PAYMENTS			
Compensation of employees	3	₺ 2,935,715	○ 1,624,619
Use of goods and services	4	₺ 8,238,775	○ 14,317,751
Transfers to Other Government Units	5	₺ 64,193,050	○ 51,798,000
Other grants and transfers	6	₺ 44,467,522	○ 40,143,146
Acquisition of Assets	7	₺ 473,410	-
Other Payments	8	₺ 500,000	-
TOTAL PAYMENTS		+ 120,808,472	107,883,516
SURPLUS/(DEFICIT)		Δ 2,251,404	900,967

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Nambale Constituency financial statements were approved on 22/9/20 2020 and signed by:


 Fund Account Manager
 Name: Edwin K. Serem
 ICPAK Member Number: 25066


 National Sub-County Accountant
 Name: Jorim Agola
 ICPAK Member Number:

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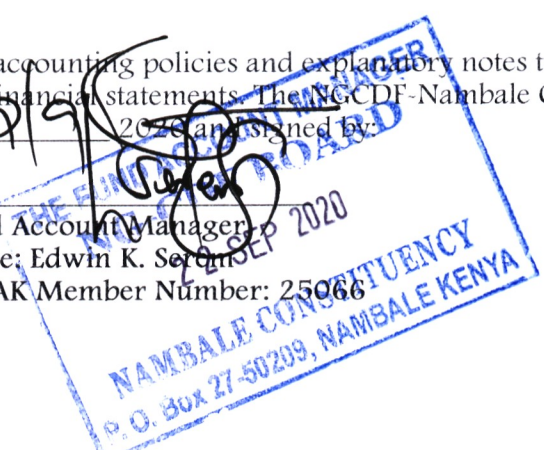
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NAMBALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

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)	9	5,709,166	2,527,672
Total Cash and Cash Equivalents		5,709,166	2,527,672
TOTAL FINANCIAL ASSETS		5,709,166	2,527,672
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	10A	(242,691)	-
Deposits (Gratuity)	10B	(679,400)	-
TOTAL FINANCIAL LIABILITES		(922,091)	-
NET FINANCIAL ASSETS		4,787,075	2,527,672
REPRESENTED BY			
Fund balance b/fwd	11	2,527,671	1,626,705
Prior year adjustments	12	8,000	-
Surplus/Deficit for the year		2,251,404	900,967
NET FINANCIAL POSITION		4,787,075	2,527,672

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Nambale Constituency financial statements were approved on 20/9/2020 and signed by:

Fund Account Manager
Name: Edwin K. Serem
ICPAK Member Number: 25066



National Sub-County Accountant
Name: Jorim Agola
ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

NAMBALE CONSTITUENCY

Reports and Financial Statements

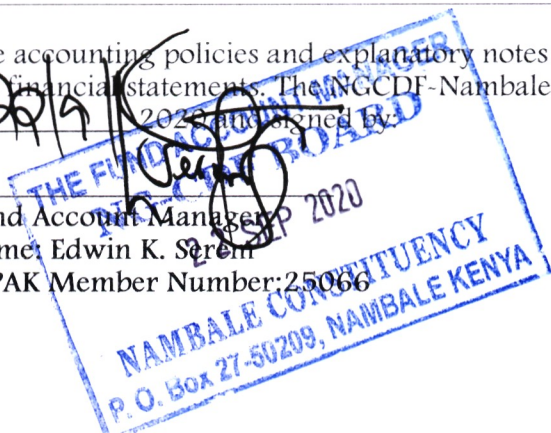
For the year ended June 30, 2020

IX. STATEMENT OF CASHFLOW

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	123,040,876	108,784,483
Other Receipts	2	19,000	-
Total receipts		123,059,876	108,784,483
Payments for operating expenses			
Compensation of Employees	3	2,935,715	1,624,619
Use of goods and services	4	8,238,775	14,317,751
Transfers to Other Government Units	5	64,193,050	51,798,000
Other grants and transfers	6	44,467,522	40,143,146
Other Payments	8	500,000	
Total payments		120,335,062	107,883,511
Total Receipts Less Total Payments		2,724,814	900,967
Adjusted for:			
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	10	922,091	-
Prior year adjustments	12	8,000	-
Net cash flow from operating activities		3,654,905	900,967
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	7	473,410	-
Net cash flows from Investing Activities		(473,410)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		3,181,495	900,967
Cash and cash equivalent at BEGINNING of the year	11	2,527,672	1,626,705
Cash and cash equivalent at END of the year		<u>5,709,166</u>	<u>2,527,672</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Nambale Constituency financial statements were approved on 20/9/2020 signed by

Fund Account Manager
Name: Edwin K. Sireni
ICPAK Member Number: 25066



National Sub-County Accountant
Name: Jorim Agola

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	57,568,548	194,936,272	125,595,547	69,340,725	64%
Other Receipts (AIA)	-	19,000	19,000	19,000	-	100%
TOTAL RECEIPTS	137,367,724	57,587,548	194,955,272	125,595,547	69,359,725	64%
PAYMENTS						
Compensation of Employees	3,039,400	1,150,416	4,189,816	2,935,715	1,254,101	70%
Use of goods and services	8,721,032	5,290,682	14,011,714	8,238,775	5,772,939	59%
Transfers to Other Government Units	80,326,000	42,469,000	122,795,000	64,193,050	58,601,950	52%
Other grants and transfers	44,178,629	7,650,172	51,828,801	44,467,522	7,361,279	86%
Acquisition of Assets	602,663.45	1,000,000	1,602,663	473,410	1,129,253	30%
Other Payments	500,000	8,277	508,277	500,000	8,277	98%
Unallocated A.I. A	-	19,000	19,000	-	19,000	0%
TOTALS	137,367,724	57,587,548	194,955,272	120,808,472	74,146,799	62%

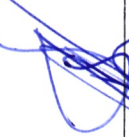
- i. 64.4% utilization of receipts is a result of delay in receiving funds from the board amounting to Ksh 69,340,725
- ii. 70.1% utilization of compensation of employees is due to delay in receiving funds from the board
- iii. 58.8% utilization of goods and services vote is due to delay in funding from the board
- iv. 52.3% utilization on schools and security is due to delay in funding from the board
- v. 85.8% on transfer to other government entities is due to delay in funding from the board
- vi. 29.5% utilization on acquisition of assets is a result of the renovation of the NGCDF office which was ongoing

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

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

The NGCDF-Nambale Constituency financial statements were approved on 29/9 2020 and signed by:


THE FUND ACCOUNT MANAGER
ICPAK BOARD
Fund Account Manager
Name: Joseph K. Mwangi
ICPAK Member Number 25066
NAMBALE CONSTITUENCY
P.O. Box 27-50209, NAMBALE KENYA


Sub-County Accountant
Name: Jorim Agola
ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

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

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020		Adjustments		Final Budget 2019/2020		Actual on comparable basis 30/06/2020		Budget utilization difference	
	Kshs		Kshs		Kshs		Kshs		Kshs	
1.0 Administration and Recurrent										
1.1 Compensation of employees	3,039,400		1,150,416		4,189,816		2,935,715		1,254,101	
1.2 Committee allowances	2,800,000		1,430		2,801,430		603,500		2,197,930	
1.3 Use of goods and services	1,800,000		2,070,000		3,870,000		3,816,505		53,495	
Sub-Total	7,639,400		3,221,846		10,861,246		7,355,720		3,505,526	
2.0 Monitoring and evaluation										
2.1 Capacity building	1,000,000		1,166,000		2,166,000		1,058,170		1,107,830	
2.2 Committee allowances	2,400,000		1,082,000		3,482,000		1,760,100		1,721,900	
2.3 Use of goods and services	721,032		971,252		1,692,284		1,000,500		691,784	
Sub-Total	4,121,032		3,219,252		7,340,284		3,818,770		3,521,514	
3.0 Emergency										
3.1 Emergency balances	435,573		2,598,922		3,034,495		-		3,034,495	
3.2 Lwanyange secondary school	340,000		-		340,000		340,000		-	
3.3 Mungatsi	170,000		-		170,000		170,000		-	
3.4 St. Martin Kisoko Primary School	170,000		-		170,000		170,000		-	
3.5 Emukhuyu Secondary School	170,000		-		170,000		170,000		-	
3.6 Khwirale Centre Primary School	170,000		-		170,000		170,000		-	
3.7 Siera Secondary School	340,000		-		340,000		340,000		-	
3.8 Malanga Chief's Office	170,000		-		170,000		170,000		-	
3.9 Koshalai Primary School	170,000		-		170,000		170,000		-	
3.10 Maolo Primary School	170,000		-		170,000		170,000		-	
3.11 Makongeni primary school	170,000		-		170,000		170,000		-	
3.12 Sub County Education Office	220,000		-		220,000		220,000		-	
3.13 Namaindi Secondary School	400,000		-		400,000		400,000		-	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
3.14 Lupida AP Camp	170,000	-	170,000	170,000	-
3.15 St. Mary's Nambale Primary School	500,000	-	500,000	500,000	-
3.16 Lwanyange Secondary School	200,000	-	200,000	200,000	-
3.17 Nambale Urban Primary School	23	-	23	23	-
3.18 Sianda Primary School	170,000	-	170,000	170,000	-
3.19 Matili Primary School	170,000	-	170,000	170,000	-
3.20 Madende Primary School	170,000	-	170,000	170,000	-
3.21 Khayo Primary School	300,000	-	300,000	300,000	-
3.22 Maolo Primary School	170,000	-	170,000	170,000	-
3.23 St. Joseph Musokoto Secondary School	170,000	-	170,000	170,000	-
3.24 Mukemo Primary School	170,000	-	170,000	170,000	-
3.25 Emakina Primary School	250,000	-	250,000	250,000	-
3.26 Opedur Primary School	52,646	-	52,646	52,646	-
3.27 Khayo Primary School	170,000	-	170,000	170,000	-
3.28 Igara Secondary School	250,000	-	250,000	250,000	-
3.29 Matili Primary School	350,000	-	350,000	350,000	-
3.30 Deputy County Commissioner, Nambale	500,000	-	500,000	500,000	-
3.31 Sibembe Primary School	170,000	-	170,000	170,000	-
3.32 Kisoko Boys Primary School	170,000	-	170,000	170,000	-
Sub-Total	7,198,242	2,598,922	9,797,164	6,762,669	3,034,495
4.0 Bursary and Social Security					
4.1 Secondary Schools	16,000,000	1,319,000	17,319,000	17,319,000	-
4.2 Tertiary Institutions	15,015,702	-	15,015,702	13,826,772	1,188,930
4.3 Special School	200,000	-	200,000	-	200,000
Sub-Total	31,215,702	1,319,000	32,534,702	31,145,772	1,388,930

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
5.0 Sports					
5.1 Constituency Sports Tournament	1,017,354	1,145,750	2,163,104	1,145,750	1,017,354
5.2 Sponsorship of sports activities in regional and national competition	400,000	-	400,000	-	400,000
Sub-Total	1,417,354	1,145,750	2,563,104	1,145,750	1,417,354
6.0 Environment					
6.1 Buloma Primary School	170,000	-	170,000	-	170,000
6.2 Ekisumo Primary School	170,000	-	170,000	170,000	-
6.3 Esidende Primary School	170,000	-	170,000	-	170,000
6.4 Ikondokhera Primary School	170,000	-	170,000	-	170,000
6.5 Kajoro Primary School	170,000	-	170,000	-	170,000
6.6 Katira Primary School	170,000	-	170,000	-	170,000
6.7 Khayo Primary School	170,000	-	170,000	170,000	-
6.8 Khwirale Centre Primary School	170,000	-	170,000	170,000	-
6.9 Madende Primary School	170,000	-	170,000	170,000	-
6.10 Makale Primary School	170,000	-	170,000	170,000	-
6.11 Musokoto DEB Primary School	170,000	-	170,000	170,000	-
6.12 Nambale Urban Primary School	169,977	-	169,977	169,977	-
6.13 Nangeni Primary School	170,000	-	170,000	-	170,000
6.14 Mundembu Farmers SHG	-	6,500	6,500	6,000	500
6.15 Segero Secondary School	170,000	-	170,000	170,000	-
6.16 Opedur Primary School	197,355	-	197,355	197,355	-
6.17 Khwirale Primary School	170,000	-	170,000	170,000	-
Sub-Total	2,747,332	6,500	2,753,832	1,733,332	1,020,500
7.0 Primary Schools Projects (List all the Projects)					
7.1 Buloma Primary School	1,700,000	-	1,700,000	-	1,700,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
7.2 Buyofu Primary School	375,000	-	375,000	-	375,000
7.3 Dulienge Primary School	850,000	-	850,000	-	850,000
7.4 Ekisumo Primary School	500,000	-	500,000	-	500,000
7.5 Ekisumo Primary School	1,000,000	-	1,000,000	-	1,000,000
7.6 Emakina Primary School	835,000	-	835,000	-	835,000
7.7 Esidende Primary School	500,000	-	500,000	-	500,000
7.8 Igara Primary School	500,000	-	500,000	-	500,000
7.9 Igara Primary School	300,000	-	300,000	-	300,000
7.10 Ikondokhera Primary School	1,700,000	-	1,700,000	-	1,700,000
7.11 Kacheroi Primary School	1,676,000	-	1,676,000	1,676,000	-
7.12 Kajoro Primary School	1,700,000	-	1,700,000	-	1,700,000
7.13 Kapina Primary School	850,000	-	850,000	-	850,000
7.14 Katira Primary School	850,000	-	850,000	-	850,000
7.15 Khayo Primary School	350,000	-	350,000	-	350,000
7.16 Khulwanda Primary School	1,700,000	-	1,700,000	1,700,000	-
7.17 Khwirale Centre Primary School	1,670,000	-	1,670,000	1,670,000	-
7.18 Kisoko Boys Primary School	375,000	-	375,000	-	375,000
7.19 Kisoko Girls Primary School	500,000	-	500,000	-	500,000
7.20 Koshalai Primary School	1,670,000	-	1,670,000	-	1,670,000
7.21 Lupida Primary School	500,000	-	500,000	-	500,000
7.22 Lwanyange Primary School	250,000	-	250,000	250,000	-
7.23 Mabunge RC Primary School	250,000	-	250,000	250,000	-
7.24 Madibo Primary School	300,000	-	300,000	-	300,000
7.25 Maira Primary School	850,000	-	850,000	-	850,000
7.26 Makongeni Primary School	1,700,000	-	1,700,000	1,700,000	-
7.27 Malanga Primary School	500,000	-	500,000	-	500,000
7.28 Malanga Primary School	200,000	-	200,000	200,000	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
7.29 Manyole Primary School	500,000	-	500,000	-	500,000
7.30 Maolo Primary School	850,000	-	850,000	-	850,000
7.31 Matili Primary School	1,700,000	-	1,700,000	-	1,700,000
7.32 Mukemo Primary School	1,700,000	-	1,700,000	1,700,000	-
7.33 Musokoto B. Primary School	500,000	-	500,000	500,000	-
7.34 Musokoto DEB Primary School	500,000	-	500,000	-	500,000
7.35 Musoma Primary School	1,780,000	-	1,780,000	1,780,000	-
7.36 Mwangaza Primary School	850,000	-	850,000	-	850,000
7.37 Mwenge Primary School	500,000	-	500,000	-	500,000
7.38 Namahindi Primary School	1,700,000	-	1,700,000	1,700,000	-
7.39 Nambale AC Primary School	1,670,000	-	1,670,000	1,670,000	-
7.40 Nambale Muslim Public Primary School	1,330,000	-	1,330,000	-	1,330,000
7.41 Nambale Urban Primary School	1,000,000	-	1,000,000	-	1,000,000
7.42 Nambale Urban Primary School	200,000	-	200,000	200,000	-
7.43 Namisi Primary School	850,000	-	850,000	-	850,000
7.44 Nangeni Primary School	1,700,000	-	1,700,000	-	1,700,000
7.45 Opedur Primary school	1,670,000	-	1,670,000	-	1,670,000
7.46 Otiiri Primary School	1,030,000	-	1,030,000	-	1,030,000
7.47 Sango Primary School	150,000	-	150,000	150,000	-
7.48 Sango Primary School	1,700,000	-	1,700,000	-	1,700,000
7.49 Segero Primary School	450,000	-	450,000	450,000	-
7.50 Siera Primary School	400,000	-	400,000	400,000	-
7.51 Sikinga Primary School	300,000	-	300,000	-	300,000
7.52 St. Mary's Nambale Primary School	500,000	-	500,000	-	500,000
7.53 St. Theresa Makale Primary School	1,720,000	-	1,720,000	-	1,720,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NAMBALE CONSTITUENCY

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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
7.54 Mabunge RC Primary School	-	400,000	400,000	400,000	-
7.55 Esidende Primary School	-	1,100,000	1,100,000	1,100,000	-
7.56 Ekisumo Primary School	-	400,000	400,000	400,000	-
7.57 Madende Primary School	-	400,000	400,000	400,000	-
7.58 Elwanika Primary School	-	500,000	500,000	500,000	-
7.59 Madibo Primary School	-	1,000,000	1,000,000	1,000,000	-
7.60 Sikinga Primary School	-	1,000,000	1,000,000	1,000,000	-
7.61 Sianda Primary School	-	300,000	300,000	300,000	-
7.62 Otiri Primary School	-	300,000	300,000	300,000	-
7.63 Lupida Primary School	-	400,000	400,000	400,000	-
7.64 Musokoto B Primary School	-	1,300,000	1,300,000	1,300,000	-
7.65 Igara Primary School	-	1,000,000	1,000,000	1,000,000	-
7.66 St. Martin Kisoko Special School	-	1,200,000	1,200,000	1,200,000	-
7.67 Emakina Primary School	-	300,000	300,000	300,000	-
7.68 Lwanyange Primary School	-	600,000	600,000	600,000	-
7.69 Khayo Primary School	-	300,000	300,000	300,000	-
Sub-Total	49,401,000	10,500,000	59,901,000	26,496,000	33,405,000
8.0 Secondary Schools Projects (List all the Projects)					
8.1 Buyofu Secondary School	930,000	-	930,000	-	930,000
8.2 Canon Awori Secondary School	2,100,000	-	2,100,000	2,100,000	-
8.3 St. Pauls Elwanikha Secondary School	5,000,000	-	5,000,000	-	5,000,000
8.4 Emukhuyu Secondary School	2,000,000	-	2,000,000	2,000,000	-
8.5 Igara Secondary School	1,800,000	-	1,800,000	1,000,000	800,000
8.6 Kaludeka Secondary School	200,000	-	200,000	200,000	-
8.7 Katira Secondary School	500,000	-	500,000	500,000	-

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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
8.8 Khwirale Centre Secondary School	430,000	-	430,000	430,000	-
8.9 Kisoko Girls Secondary School	2,500,000	-	2,500,000	-	2,500,000
8.10 Lupida Secondary School	950,000	-	950,000	-	950,000
8.11 Lupida Secondary School	1,200,000	-	1,200,000	1,200,000	-
8.12 Lwanyange Secondary School	175,000	-	175,000	-	175,000
8.13 Mabunge RC Secondary School	930,000	-	930,000	-	930,000
8.14 Madibo Secondary School	550,000	-	550,000	-	550,000
8.15 Malanga Secondary School	1,200,000	-	1,200,000	-	1,200,000
8.16 Musokoto Secondary School	950,000	-	950,000	-	950,000
8.17 Namaindi Secondary School	950,000	-	950,000	-	950,000
8.18 Siera Secondary School	175,000	-	175,000	175,000	-
8.19 Sikinga Secondary School	1,300,000	-	1,300,000	-	1,300,000
8.20 St. Martin Kisoko Special School	850,000	-	850,000	-	850,000
8.21 St. Mary's Nambale Secondary School	1,030,000	-	1,030,000	-	1,030,000
8.22 St. Peter's Khwirale Secondary School	5,205,000	-	5,205,000	3,325,000	1,880,000
8.23 Fr. Simon Sibembe Mixed Secondary School	-	450,000	450,000	450,000	-
8.24 St. James Madibo RC Secondary School	-	650,000	650,000	650,000	-
8.25 St. Pauls Elwanikha Secondary School	-	204,000	204,000	204,000	-
8.26 St. James Madibo Secondary School	-	1,000,000	1,000,000	1,000,000	-
8.27 Mabunge Secondary School	-	1,000,000	1,000,000	1,000,000	-
8.28 St. Marys Buyofu Secondary School	-	1,000,000	1,000,000	1,000,000	-
8.29 St. Joseph Musokoto Secondary School	-	1,000,000	1,000,000	1,000,000	-

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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
8.30 Sikinga Secondary School	-	1,800,000	1,800,000	1,800,000	-
8.31 Khayo Secondary School	-	500,000	500,000	500,000	-
8.32 Madende Secondary School	-	1,900,000	1,900,000	1,900,000	-
8.33 St. Joseph Musokoto Secondary School	-	550,000	550,000	550,000	-
8.34 Nambale Urban Secondary School	-	1,160,000	1,160,000	1,160,000	-
8.35 Emukhuvu Secondary School	-	500,000	500,000	500,000	-
8.36 Emukhuvu Secondary School	-	2,000,000	2,000,000	2,000,000	-
8.37 Segero Secondary School	-	3,000,000	3,000,000	3,000,000	-
8.38 Siera Secondary School	-	1,600,000	1,600,000	1,600,000	-
8.39 Canon Awori Secondary School	-	2,000,000	2,000,000	2,000,000	-
8.40 Namaindi Secondary School	-	250,000	250,000	-	250,000
8.41 St. James Madibo Secondary School	-	750,000	750,000	750,000	-
8.42 Mabunge RC Secondary School	-	1,000,000	1,000,000	1,000,000	-
8.43 St. Mary's Buyofu Secondary School	-	750,000	750,000	750,000	-
8.44 St. Joseph Musokoto Secondary School	-	1,000,000	1,000,000	1,000,000	-
8.45 Madende Secondary School	-	400,000	400,000	400,000	-
Sub-Total	30,925,000	24,464,000	55,389,000	35,144,000	20,245,000
9.0 Tertiary institutions Projects (List all the Projects)					
9.1 Mungatsi TTI	-	2,805,000	2,805,000	-	2,805,000
9.2 Mungatsi TTI	-	2,200,000	2,200,000	1,953,050	246,950
9.3 Nambale University Campus	-	600,000	600,000	-	600,000
9.4 Mungatsi TTI	-	800,000	800,000	-	800,000
9.5 Mungatsi TTI	-	500,000	500,000	-	500,000
9.6 Sub County Education Office	-	600,000	600,000	600,000	-
Sub-Total		7,505,000	7,505,000	2,553,050	4,951,950

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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
10.0 Security Projects					
10.1 Lupida Police Post	200,000	-	200,000	200,000	-
10.2 Malanga Chiefs Office	50,000	-	50,000	50,000	-
10.3 Mung'atsi Assistant Chief's Office	500,000	-	500,000	-	500,000
10.4 Nambale Deputy County Commissioners	800,000	-	800,000	800,000	-
10.5 Tanga corner Administrative Police Camp	50,000	-	50,000	50,000	-
10.6 Mung'atsi Assistant Chief's Office	-	1,000,000	1,000,000	1,000,000	-
10.7 Walatsi AP Camp	-	496,000	496,000	496,000	-
10.8 Nambale Chief's Office	-	284,000	284,000	284,000	-
10.9 Nambale Assistant Chief's Office	-	600,000	600,000	600,000	-
10.10 Malanga Assistant Chief's Office	-	200,000	200,000	200,000	-
Sub-Total	1,600,000	2,580,000	4,180,000	3,680,000	500,000
11.0 Acquisition of assets					
11.1 Renovation of NGCDF Office	-	1,000,000	1,000,000	473,410	526,590
11.2 Office furniture and equipment	602,663	-	602,663	-	602,663
Sub-Total	602,663	1,000,000	1,602,663	473,410	1,129,253
12.0 Others					
12.1 Nambale Sub County Education Office	500,000	-	500,000	500,000	-
12.2 CIH	-	7,777	7,777	-	7,777
12.3 Strategic Plan	-	500	500	-	500
12.4 Unallocated AIA	-	19,000	19,000	-	19,000
Sub-Total	500,000	27,277	527,277	500,000	27,277
GRAND TOTAL	137,367,724	57,587,548	194,955,272	120,808,472	74,146,799

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(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)

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Transfers from the 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 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.

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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.

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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. The prior year balance of bank balances has been adjusted as disclosed in note 12.

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 12 explaining the nature and amounts.

15. Related Party Transactions

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

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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
NGCDF Board		
AIE NO. B005124		54,784,483
AIE NO. B006981		10,000,000
AIE NO. B005432		12,000,000
AIE NO. B006480		8,000,000
AIE NO. B042814		11,000,000
AIE NO. B047039		13,000,000
AIE NO. B041099	55,040,876	
AIE NO. B041163	4,000,000	
AIE NO. B047630	20,000,000	
AIE NO. B047992	6,000,000	
AIE NO. B104054	14,000,000	
AIE NO. B104433	24,000,000	
TOTAL	123,040,877	108,784,483

2. OTHER RECEIPTS

	2019-2020	2018-2019
	Kshs	Kshs
Receipts from Sale of tender documents	19,000	-
Total	19,000	-

3. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	1,895,087	1,624,619
Pension and other social security contributions (Gratuity)	679,400	-
Other personnel payments	252,148	-
Employer Contributions Compulsory national social security schemes	109,080	
Total	2,935,715	1,624,619

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	6,588,528	6,411,907
Utilities, supplies and services	240,949	114,969
Electricity	20,000	-
Water & sewerage charges	10,000	-
Communication, supplies and services	-	300,000
Domestic travel and subsistence	-	360,000
Training expenses	-	2,749,974
Insurance costs	123,091	100,000
Specialized materials and services	238,000	-
Office and general supplies and services	30,000	645,550
Other operating expenses	330,000	330,000
Fuel, oil & lubricants	200,000	1,050,000
Bank service commission and charges	44,740	-
Security operations (Fire extinguishers)	63,000	-
Routine maintenance – vehicles and other transport equipment	350,467	546,487
Strategic Plan		359,900
ICT Hub		1,169,257
Social Security Benefits		80,957
Routine maintenance – other assets	-	98,750
Total	8,238,775	14,317,751

5. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to primary schools	26,496,000	29,190,000
Transfers to secondary schools	35,144,000	22,608,000
Transfers to tertiary institutions	2,553,050	-
TOTAL	64,193,050	51,798,000

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools	15,000,000	13,688,853
Bursary – tertiary institutions	16,145,772	15,518,793
Security projects	3,680,000	2,850,000
Sports projects	1,145,750	329,000
Environment projects	1,733,332	1,376,500
Emergency projects	6,762,669	6,380,000
Total	44,467,522	40,143,146

7. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Refurbishment of Buildings	473,410	-
Total	473,410	-

8. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Sub County Education Office	500,000	-
	500,000	-

9. Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Co-operative Bank, Busia Branch. NAMBALE NG-CDF</i>	5,709,167	2,527,672
Total	5,709,167	2,527,672

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. Account Payables

10A. Retention

	2019 - 2020	2018-2019
	Kshs	Kshs
Mojas Contractors Company Limited	47,341	-
Hilsher Company	195,350	-
Total	242,691	-

Mojas Contractors for office renovation and Hilsher for Mungatsi TTI fencing

10B. Gratuity Deposits

	2019 - 2020	2018-2019
	Kshs	Kshs
Staff Gratuity Accrued	679,400	-
Total	679,400	-

Gratuity provided for as at 30.06.2020

11. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	2,527,672	1,626,704
Total	2,527,672	1,626,704

[Cash book balance brought forward from previous financial year]

12. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
Description of the error	Kshs	Kshs	Kshs
Bank account Balances (Savings from stale bursary cheques reversed)	2,527,672	8,000	2,535,672
Total	2,527,672	8,000	2,535,672

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July 2019 (A)	-	-
Deposit and Retentions held during the year (B)	922,091	-
Deposit and Retentions paid during the Year (C)	-	-
Net changes in account receivables D= A+B-C	922,091	-

14. OTHER IMPORTANT DISCLOSURES

14.1: Pending Staff Payables (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	679,400	150,622
	679,400	150,622

14.2: Unutilized Fund (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	1,254,101	834,182
Use of goods and services	745,279	2,638,683
Committee expenses	5,027,660	2,652,001
Amounts due to other Government entities (see attached list)	58,601,950	36,133,271
Amounts due to other grants and other transfers (see attached list)	7,361,279	10,941,574
Acquisition of assets	1,129,253	-
Others	957,368	5,269,803
	75,076,890	58,469,514

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

14.3: PMC account balances (See Annex 4)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	12,101,417	4,170,123
	12,101,417	4,170,123

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) - (NAMBALE CONSTITUENCY)

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XIV. ANNEXURES

ANNEX 1 - 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	
NG-CDFC Staff Gratuity						
1. Violet Wambani Onyango	H	158,548	02/01/2021	-	158,548	Gratuity payable as at 30 th June 2020.
2. Sharon Dota Kesa	G	133,428	02/01/2021	-	133,428	Gratuity payable as at 30 th June 2020.
3. Elizabeth Teresa Omunyin	G	133,428	02/01/2021	-	133,428	Gratuity payable as at 30 th June 2020.
4. Paul Omollo Odongo	G	76,507	02/01/2021	-	76,507	Gratuity payable as at 30 th June 2020.
5. Kevin Godfrey Were	G	94,694	02/01/2021	-	94,694	Gratuity payable as at 30 th June 2020.
6. Abubakar Makokha (Deceased)	G	20,698	02/01/2021	-	20,698	Gratuity payable as at 30 th June 2020.
7. Michael Wambetsa (Ex-Employee)	G	62,094	02/01/2021	-	62,094	Gratuity payable as at 30 th June 2020.
Sub-Total		679,399		-	679,399	
Grand Total		679,399		-	679,399	

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ANNEX 2 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees		1,254,101	3,221,847	
Committee expenses		5,027,660	3,219,252	
Use of goods & services		745,279		
Sub-Total		7,027,040	6,441,099	
Amounts due to other Government entities				
Primary Schools				
	Buloma primary school	1,700,000		
	Buyofu Primary School	375,000		
	Dulienge Primary School	850,000		
	Ekisumo Primary School	500,000		
	Ekisumo Primary School	1,000,000		
	Emakina Primary School	835,000		
	Esidende Primary School	500,000		
	Igara Primary School	500,000		
	Igara Primary School	300,000		
	Ikondokhera Primary School	1,700,000		
	Kajoro Primary School	1,700,000		
	Kapina Primary School	850,000		
	Katira Primary School	850,000		
	Khayo Primary School	350,000		
	Kisoko Boys Primary School	375,000		
	Kisoko Girls Primary School	500,000		
	Koshalai Primary School	1,670,000		
	Lupida Primary School	500,000		
	Madibo Primary School	300,000		
	Maira Primary School	850,000		
	Malanga Primary School	500,000		
	Manyole Primary School	500,000		
	Maolo Primary School	850,000		

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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
	Matili Primary School	1,700,000		
	Musokoto DEB Primary School	500,000		
	Mwangaza Primary School	850,000		
	Mwenge Primary School	500,000		
	Nambale Muslim Public Primary School	1,330,000		
	Nambale Urban Primary School	1,000,000		
	Namisi Primary School	850,000		
	Nangeni Primary School	1,700,000		
	Opedur Primary School	1,670,000		
	Otiri Primary School	1,030,000		
	Sango Primary School	1,700,000		
	Sikinga Primary School	300,000		
	St. Mary's Nambale Primary School	500,000		
	St. Theresa Makale Primary School	1,720,000		
	Mabunge RC Primary		400,000	
	Maira Primary School		880,000	
	Esidende Primary School		1,100,000	
	Ekisumo Primary School		400,000	
	Madende Primary School		400,000	
	Elwanikha Primary School		500,000	
	Madibo Primary School		1,000,000	
	Sikinga Primary School		1,000,000	
	Sianda Primary School		300,000	

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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
	Otiri Primary School		300,000	
	Lupida Primary School		400,000	
	Musokoto B Primary School		1,300,000	
	Igara Primary School		1,000,000	
	St. Martin Kisoko Special School		1,200,000	
	Emakina Primary School		300,000	
	Lwanyange Primary School		600,000	
	Khayo Primary School		300,000	
Secondary schools	Elwanikha Girls Secondary School	5,000,000	204,000	
	Igara Secondary School	800,000		
	Buyofu Secondary School	930,000		
	Kisoko Secondary School	2,500,000		
	Lupida Secondary School	950,000		
	Lwanyange Secondary School	175,000		
	Mabunge RC Secondary School	930,000		
	Madibo Secondary School	550,000	650,000	
	Malanga Secondary School	1,200,000		
	Musokoto Secondary School	950,000	550,000	
	Namaindi Secondary School	250,000	250,000	
	Namaindi Secondary School	950,000		
	Sikinga Secondary School	1,300,000	1,800,000	
	St. Martin Kisoko Special School	850,000		
	St. Mary's Nambale Secondary School	1,030,000		
	St. Peter's Nambale Secondary School	1,880,000		
	Fr Simon Sibembe Mixed Secondary School		450,000	
	Khayo Secondary School		500,000	

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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
	Madende Secondary		2,300,000	
	Nambale Urban Secondary School		1,160,000	
	Emukhuyu Secondary School		2,500,000	
	Segero Secondary School		3,000,000	
	Siera Secondary School		1,600,000	
	Canon Awori Secondary School		2,000,000	
Tertiary Institutions				
	Mungatsi TTI	2,805,000	2,805,000	
	Mungatsi TTI	246,950	2,200,000	
	Nambale University Campus	600,000	600,000	
	Mungatsi TTI	800,000	800,000	
	Mungatsi TTI	500,000	500,000	
	Sub-Total	58,601,950	35,249,000	
Amounts due to other grants and other transfers				
Security projects				
	Mungatsi Assistant Chief Office	500,000	1,000,000	
	Walatsi AP Camp		496,000	
	Nambale Chief's Office		284,000	
	Nambale Assistant Chief's Office		600,000	
	Malanga Assistant Chief's Office		200,000	
Environment				
	Buloma Primary School	170,000		
	Esidende Primary School	170,000		
	Ikondokhera Primary School	170,000		
	Kajoro Primary School	170,000		
	Katira Primary School	170,000		
	Mundumbu Farmers SHG	500		
	Nangeni Primary School	170,000		
	Purchase of tree seedlings		6,500	
Bursary				
	Bursary- Secondary & Tertiary institutions	1,388,930	1,319,000	
Emergency				
	Emergency	3,034,495	6,023,232	
Sports				
	Sports	1,417,354	1,742,406	

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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Sub-Total		7,361,279	11,671,138	
Acquisition of assets	Renovation of NG-CDF Office	526,590	1,000,000	
	Office furniture and equipment	602,663		
	Strategic Plan	500	500	
Sub-Total		1,129,253	1,000,500	
Others (specify)				
	Sale of tenders	19,000		
	Retention- Mojas Contractors	47,341		
	Retention- Hilsher Company	195,350		
	Staff Gratuity provided	679,400		
	Sub County Education Office		600,000	
	CIH	7,777	3,507,777	
	Prior year adjustments	8,000		
	Strategic Plan	500		
Sub-Total		957,368	4,107,777	
Grand Total		75,076,890	58,469,514	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) - (NAMBALE CONSTITUENCY)
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ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land	3,000,000			3,000,000
Buildings and structures	15,943,060	473,410		16,416,470
Transport equipment	4,950,000			4,950,000
Office equipment, furniture and fittings	1,896,960	212,731		2,109,691
ICT Equipment, Software and Other ICT Assets	736,990	33,000		769,990
Total	26,527,010	719,141		27,246,151

NB: -The difference of Kshs. 245,731 between the acquisition of assets under note 8 and additions during the year in summary of fixed assets register relates to additions of office and ICT equipment under use of goods and services on note 4.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
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ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2020

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Canon Awori Secondary School	National	01022114584600	699,716	
Emukhuyu Secondary School	KCB	11777771136	416,000	
Esidende Primary	KCB	1178419185	200	
Fr. Simon Sibembe Mixed	National	01242037226801	196	
Igara Primary	National	012423720800	470	
Igara Secondary School	National	0124207193400	1,250,000	
Kacheroi Primary	Co-operative	01139236841900	118	
Khayo Primary School	National	01047037200300	34,000	
Khulwanda Primary	National	01047087252100	480,982	
Khwirale Primary school	Co-operative	01141237055600	23	
Khwilare Centre Primary	National	0124238013000	1,650,000	
Khwirale Centre Secondary	National	01022211261600	230,000	
Lupida Primary School	KCB	1178058549	150	
Lupida Secondary School	KCB	1136655050	384	
Lwanyange Primary School	Co-operative	01139237152400	400	
Mabunge R.C Primary	Co-operative	01139236882800	6,000	
Mabunge RC Secondary	Co-operative	01139236882800	750,000	
Madende Primary School	National	0102403683001	2,639	
Madende Sec. School	National	01242037194900	17,000	
Madibo Primary	National	01224036796301	53	
Makongeni Primary	Family	079000025340	475,900	
Malanga Primary School	National	01242037195100	187,500	
Musokoto B Primary	National	01224036567401	43,672	
Musokoto DEB Primary	Co-operative	01139236805700	270,000	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
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PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Musoma Primary	Co-operative	01139235944000	10,200	
Namaindi Secondary School	National	0124237985001	375,000	
Nambale AC Primary	National	01242037197700	25	
Nambale Urban Primary	Co-operative	01141239360900	237	
Nambale Urban Seconadry	National	01047037354400	200	
Otiiri Primary School	National	0124237193500	300,000	
Sango Primary School	Co-operative	01141237687400	55,000	
Segero Primary School	Family	079000025319	430,000	
Segero Secondary School	National	01022220905500	1,731,920	
Siera Primary School	KCB	1177420651	400,000	
Siera Secondary School	Co-operative	01139237681100	175,000	
Sikinga Primary	Family	079000025314	112	
Sikinga Secondary School	National	01242037650300	118,000	
St James Madibo Sec	Co-operative	01139236797900	330,000	
St Joseph Musokoto Sec	Co-operative	01129236238900	493,647	
St Martin Kisoko Special School	Co-operative	01139236509400	375,000	
St Marys Buyofu Sec	National	0124376754300	423,000	
St. Peters Khwirale Sec	Co-operative	01139238548200	116,570	
Malanga Asst. Chief's Office	Co-operative	0114123706100	3,000	
Lupida AP Camp	Co-operative	01141238768800	88,000	
Walatsi Ap Camp	Co-operative	01141237684800	24	
Mungatsi Asst. Chief's Office	Co-operative	01141236521600	670	
St. Peters Mukemo Primary School	National	01242037195100	35,000	
Emakina Primary School	National	0124237197600	34,000	
Koshalai Primary School	National	01047087398800	96	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
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PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Matili Primary School	National	0102408504820	35,000	
St Marys Nambale Secondary School	National	01047085047700	17,000	
Nambale Chief's Office	Family	079000025320	5,000	
Nambale Police Division	Family	079000027613	240	
Buloma Primary School	Family	079000027767	1,000	
Deputy County Commissioner's Office	KCB	11451294554	423	
Tangakona AP Camp	KCB	1178693791	32,650	
St. Teresa Makale Primary	COOPERATIVE	1139237152400		433,655
Maira Primary	COOPERATIVE	1139236078100		174,261
St. Peters Khwirale Primary school	COOPERATIVE	1141237055600		5,353
St. Martin's Kisoko Special school	COOPERATIVE	1139236509400		455,838
Musoma Primary school		1139235944000		26,080
St. Peter's Khwirale Secondary	COOPERATIVE	1141237055600		5,353
Musokoto DEB Primary school	COOPERATIVE	1139236805700		
Kaludeka Secondary	COOPERATIVE	1141237061800		9,563
Opedur Primary School	COOPERATIVE	1139236210800		1,537
Kacheroi Primary School	COOPERATIVE	1139236841900		184,873
Katira Primary School	COOPERATIVE	1139235934500		6,400
Nambale Assistant Chief's Office	COOPERATIVE	1141237685300		10,095
Nang'eni Primary School	COOPERATIVE	1139236804200		151,273
Namisi Primary School	COOPERATIVE	1139236722100		381,693
Lwanyange Secondary School	COOPERATIVE	1139236942100		3,675
Maolo Secondary School	COOPERATIVE	1141237691100		125,510
Buyofu Primary school	COOPERATIVE	1139236504500		
Mabunge R.C Primary	COOPERATIVE	1139236882800		15,153

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
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PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
School				
Malanga Assistant Chief's Office	COOPERATIVE	1141237061000		4,563
Ikondokhera Primary School	COOPERATIVE	1141237127400		382,063
Siera Secondary School	COOPERATIVE	1139237681100		2,325
St. Joseph Musokoto Secondary	COOPERATIVE	1139236238900		32,861
Lupida AP Camp	COOPERATIVE	1141238768800		9.320.00
Walatsi A.P Camp	COOPERATIVE	1141237684800		9,325
Sango Primary School	COOPERATIVE	1141237687400		239,025
St.James Madibo Secondary	COOPERATIVE	1139236797900		304,323
Mungatsi Assistant Chief's Office	COOPERATIVE	1141236521600		6,135
Kisoko Boys Primary School	COOPERATIVE	1141237034700		
Mungatsi Primary school	COOPERATIVE	1139236885200		
Siekunya Assistant Chief's Office	COOPERATIVE	114123769625		4,325
Malanga A.C.K Primary	NATIONAL	1242037195100		62,420
St. Peters Mukemo Primary	NATIONAL	1242037195100		
Fr. Simon Sibembe Secondary	NATIONAL	1242037226801		230
Emakina Primary	NATIONAL	124237197600		672
Nambale A.C Primary School	NATIONAL	1242037197700		780
Mary Immaculate Nambale Urban Secondary	NATIONAL	1047037354400		492
Igara Primary	NATIONAL	124237208000		5,287
Koshalai Primary	NATIONAL	1047087398800		384
Musokoto B. Primary	NATIONAL	1224036567401		9,350
Mwangaza A.C.K Primary School	NATIONAL	12420380183300		59,740
Otiri Primary	NATIONAL	124237193500		0

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
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PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Igara Secondary School	NATIONAL	124207193400		0
Khwirale Centre Secondary	NATIONAL	1022211261600		325
Khayo Primary	NATIONAL	1047037200300		400
Khulwanda Primary	NATIONAL	1047087252100		47,463
Madende Primary	NATIONAL	102403683001		6,060
Madibo Primary	NATIONAL	1224036796301		1,778
Matili Primary	NATIONAL	102408504820		950
Sianda Primary	NATIONAL	1242037204000		355
St. Mary's Buyofu Secondary School	NATIONAL	124376754300		22,246
Madende Secondary	NATIONAL	1242037194900		13,660
Namaindi Secondary	NATIONAL	124237985001		3,787
Sikinga Secondary	NATIONAL	1242037650300		2,587
St. Mary's Nmbale Secondary	NATIONAL	1047085047700		118
Makongeni Primary School	FAMILY	79000025340		-430
Nambale Chief's Office	FAMILY	79000025320		518
Nambale Police Division	FAMILY	79000027613		149,643
Buloma Primary School	FAMILY	79000027767		251,655
Ekisumo Primary School	FAMILY	79000025389		43
Sikinga Primary School	FAMILY	79000025314		18
Namahindi Primary school	FAMILY	79000025338		394
Kajoro Primary school	FAMILY	79000025861		1,056
Nambale Urban Primary School	KCB	1175780146		1,060
Deputy County Commissioners Office	KCB	11451294554		
Tangakona A.P Camp	KCB	1178693791		60,559
Siera Primary School	KCB	1177420651		5,760

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PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Lupida Secondary	KCB	1136655050		480,982
Esidende Primary school	KCB	1178419185		4,530
GRAND TOTAL			12,101,417	4,170,123

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XV. 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. Budgetary Control and Performance	During the year under review, the Fund revenue was budgeted at Kshs. 166,353,030 against actual receipt of Kshs. 110,411,187 representing underfunding of Kshs. 55,941,843. Further, the Fund spent a total of Kshs. 107,883,516 against a budget of Kshs. 166,353,030 representing under absorption of Kshs. 58,469,514 or 35 %	The underutilization of funds was due to delayed funding by the NG-CDF board and therefore the funds under the budget of 2018/2019 were received after the end of the financial year of Ksh 55,040,875.50 received on 11 th July 2019	Fund Account Manager	Resolved	
2. Project Performance	Review of the project implementation status report revealed that the Fund was to implement a total of 77 projects/programmes across different sectors during the financial year. However, further analysis noted that	The delay in completion of the projects were due to delay in receiving the funds from the NGCDF Board. The funds have been received and all the projects implemented.	Fund Account Manager	Resolved	

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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)
	22% of the projects were still on-going while 78% had been completed as at the time of audit in July, 2020				
3.Delayed Utilization of an Office Block at Nambale Police Division	Included in the other grants and transfers expenditure of Kshs.40,143,146 under note 5 to the financial statements is an amount Kshs.500,000 disbursed to Nambale Police Division towards completion of an office during the year under review. However, physical verification procedure conducted on the project revealed that the project is complete but has not been put into beneficial use. Consequently, the expenditure may not have achieved value for money.	The police are currently utilization the block and in use.	Fund Account Manager	Resolved	