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**REPORT**

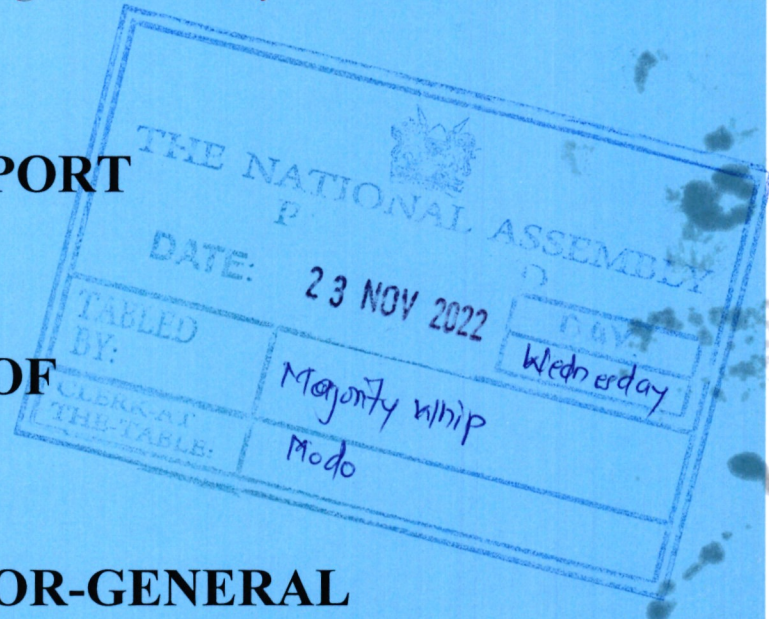
**OF**

**THE AUDITOR-GENERAL**

**ON**

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

**FOR THE YEAR ENDED  
30 JUNE, 2021**







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MBEERE NORTH CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2021

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

<b>Table of Contents</b>	<b>Page</b>
Table of Contents	1
I.KEY CONSTITUENCY INFORMATION AND MANAGEMENT	2
II.NG-CDFC CHAIRMAN’S REPORT	5
III.STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY’S PREDETRMINED OBJECTIVES	11
IV.CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING	15
V.STATEMENT OF MANAGEMENT RESPONSIBILITIES	18
VI.REPORT OF THE INDEPENDENT AUDITORS ON THE NGCDF- MBEERE NORTH CONSTITUENCY	19
VII.STATEMENT OF RECEIPTS AND PAYMENTS	20
VIII.STATEMENT OF ASSETS AND LIABILITIES	21
IX.STATEMENT OF CASHFLOW	22
X.SUMMARY STATEMENT OF APPROPRIATION	23
X. BUDGET EXECUTION BY SECTORS AND PROJECTS	25
XI.SIGNIFICANT ACCOUNTING POLICIES	34
XII.NOTES TO THE FINANCIAL STATEMENTS	37
XIII.ANNEXES	48

## **I.KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

### **(a) Background information**

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, 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

### **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.

#### **Functions of NG-CDF Committee**

The Functions of the NG-CDF Committee is as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

#### **(b) Key Management**

The Mbeere North Constituency NGCDF day-to-day management is under the following key organs:

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

#### **(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	<b>Richard M. Maingi</b>
2.	Sub-County Accountant	<b>Erastus M. Mwangi</b>
3.	Chairman NGCDFC	<b>Richard N. Thiriku</b>
4.	Member NGCDFC	<b>Lilian Mbuya</b>

#### **(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Mbeere North Constituency NGCDF. 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) Mbeere North Constituency NGCDF Headquarters**

P.O. Box 206-60104,  
Mbeere North Sub-County HQs,  
Siakago, Embu  
KENYA

**(f) Mbeere North Constituency NGCDF Contacts**

Telephone: (254) 715027186  
E-mail: mbeerenorthcdf@cdf.go.ke  
Website: www.mbeerenorthcdf.go.ke

**(g) Mbeere North Constituency NGCDF Bankers**

Bank: Cooperative Bank of Kenya  
Branch: Siakago Branch  
Account No: 01120051117000  
P.O BOX 193-60104,  
Siakago, Kenya

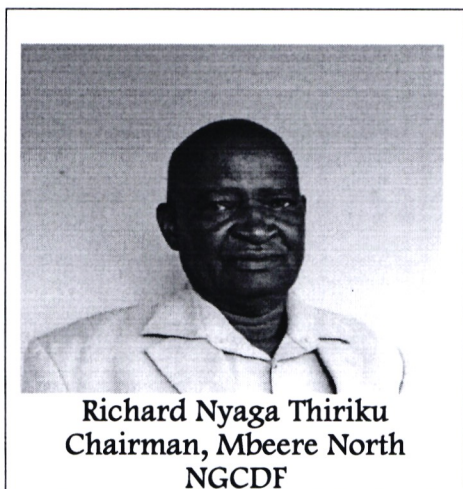
**(h) Independent Auditors**

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

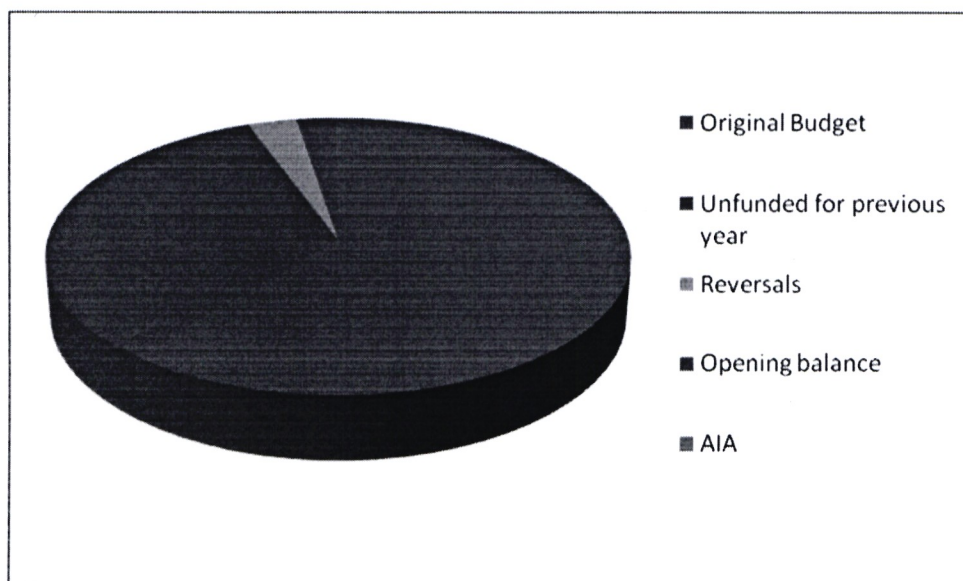
**(i) Principal Legal Adviser**

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

**II. NG-CDFC CHAIRMAN’S REPORT**



We are pleased to present the un audited financial statements for the financial year ended 30th June, 2021. During the year, the Constituency was allocated a total of Kshs. 137,088,879 normal allocation. The opening cashbook balance was Kshs. 5,703,074 adjusted by reversed cheques relating to previous financial year 2019/2020 totalling Kshs. 6,850,000, giving a grand total of Kshs. 12,650,074. Unfunded projects opening balances was Kshs. 75,466,724. The entity managed to raise Kshs. 97,000 as Appropriation in Aid (AIA), from the sale of tender documents and hire of NGCDFC hall. A total of Kshs. 6,850,000 came in as prior year adjustment, representing issued payment cheques done during the previous financial year, cleared in the cashbook but not in the bank account. These have been reversed in the current financial year, providing a “receipt” and replaced under the same votes. The fund for utilization during the financial year 2020/2021 was Kshs. 225,605,677 for the implementing of various projects. This is represented as;

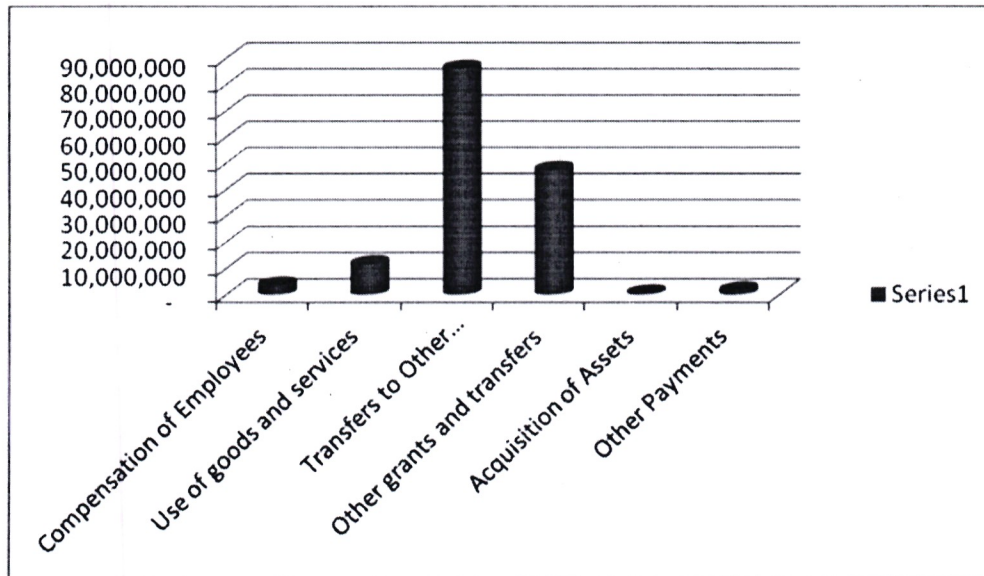


**Budget performance against actual based on sectors**

Of the Kshs. 225,605,677, the actual available fund for absorption to projects was Kshs. 176,419,799. The balance of Kshs. 48,688,879 represents amounts receivable from the Board as at close of the financial year.

The NGCDFC managed to absorb Kshs.152,395,915 of the available funds, representing absorption rate of 86%. The absorption rate realised is summarised as per the column chart below;

**Utilization of available funds**



Kshs. 48,688,879 was yet to be released to the fund by the NGCDF Board as at 30/06/2021. Among this balance, Kshs. 1,000,000 related to the financial year 2018/2019 for Kiambere Complex Multipurpose hall. The balance of Kshs. 47, 688,879 relates to current financial years' unfunded projects.

**Key achievements for the entity (under this section use pictorials to depict successful projects undertaken during the year),**

a) The entity managed to absorb about 86% of the total available funds to implement various proposed projects.

Some of the projects implemented during the period are;

1. Kirie Secondary School bus, Kshs. 6,500,000. Complete





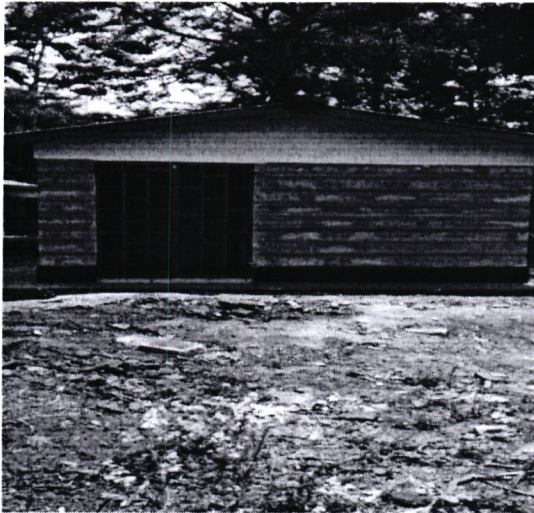
2. Katheru Primary School, two classrooms, Kshs. 1,500,000. Complete



3. Kigwambiti Secondary School Dormitory, Kshs. 4,000,000. Ongoing



4. DCC Dias ablution block, Kshs. 750,000. Complete



5. Kamigua Secondary School classroom, Kshs. 750,000. Complete



- b) The NGCDFC managed to vet, process and disburse 66% of its total bursary allocation enabling students from the constituency remain in class.
  - c) Utilization of the line departments by the PMCs improved significantly.
  - d) During the current financial year, the entity has achieved a great milestone by implementing a Medical Training Collage in the constituency at Ishiara, Ishiara KMTC. This will go a long way in opening up the constituency nationally to parents and students from other parts of the country. It will also lead to direct social and economic development as it will stimulate economic activities in the area. Above all, this project forms part in support to the agenda four initiative.
- List emerging issues related to the entity,**
- a) The global effects and challenges emerging from last year's 2019/2020, due to Covid-19 pandemic, spread to the current financial year 2020/2021. This issue continues to greatly affect the operations of the NGCDFCs programme to a greater extend. We had to postpone planned trainings and vetting of bursaries for learning institutions. NGCDFC meetings were

also affected as various periodical advisories were relied by the Ministry of Health on how to cope with the pandemic.

With the current vaccination campaigns underway, it's our wish and hope that this is overcome so as to enable us resume to our normal programme as planned.

**Implementation challenges and recommended way forward. Be (sure that you include what the entity is doing to overcome the challenges noted).**

The following are the challenges so far met by the NG-CDFC,

- (a) Underfunding of projects. The time offered by the Board to draw up budget proposals is insufficient to come up with a comprehensive budget that takes care of the underlying cost elements like BQ's, architectural designs, registration of projects with the county council, NEMA etc. Consequently these costs are not funded. This becomes a challenge during Implementation of projects, and sometimes calls for negotiations with the contractors. We have however involved the line departments in formulation of budget proposals to give guidelines on the costs of projects rather than relying on estimates. The Board should give adequate time; say two months, to come up with proper budget proposals.
- (b) 5% administration expenses. These allocations to PMCs' as funds for the administration of the projects are quite insufficient. These funds cannot adequately meet the requirements for PMC's to travel to bank, NG-CDFC offices, Pay allowances, stationery, procure BQs, architectural designs and registration of the projects. The NG-CDFC had to scale down on the number of times a PMC should meet during the implementation of a project to a maximum of four. The Board should look into ways of increasing these allocations in order to adequately meet the requirements of administering of projects monies.
- (c) The Project Management Committees generally faced a major challenge in strict adherence to Public procurement procedures. There was minimal participation of Line Departments as well as poor record keeping, or if any, very sketchy. In most cases, the PMCs' were slow in submission of returns to the NGCDFC office accounting for the activities. To mitigate the above, the NGCDFC resolved on PMC trainings, an exercise that should see PMCs trained prior to project implementation.

I take this opportunity to sincerely thank the MNA, NGCDF Board, FAM, NGCDFC members, the staff, PMCs and other stake holders for the cooperation and support accorded so far. Going forward, the Committee envisions achieving greater developmental milestone as we embark on meeting our performance targets for FY 2021/2022, 100%.

**Signature;**



**Richard N. Thiriku  
CHAIRMAN NGCDF COMMITTEE**

### III.STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY’S PREDETRMINED OBJECTIVES

#### Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity’s performance against predetermined objectives.

The key development objectives of Mbeere North Constituency 2018-2022 plan are to:

The key development objectives of NGCDF- Mbeere North Constituency’s 2018-2022 plan are to:

- a) Ensure that systems are established to ensure equality of all users of public services is achieved.
- b) Ensure that systems are established for equality for all users of public services;
- c) Ensure impartiality and fairness in the process of delivery of public services;
- d) Ensure promotion of National Cohesion and National Values;
- e) Ensure continuity of public services under all circumstances;
- f) Establish systems to enable innovativeness and Adaptability of public services to the needs of users;
- g) Ensure professionalism and ethics in Public Service is achieved and maintained;
- h) Establish systems to ensure promotion and protection of rights of users of public services and public servants as enshrined in the Bill of Rights;
- i) Institutionalize a culture of accountability, integrity, transparency and promotion of values and principles of public service;
- j) Ensure a corruption free public service;
- k) Ensure effective, efficient and responsible use of public resources, and
- l) Ensure responsiveness by NG-CDF staff in delivery of public services.

This is tabulated as here under;

No	Strategic Theme	Strategic Objective	Strategies
1	Access to quality education	To improve access to quality education	Expansion of schools through rehabilitation/ renovation/ construction of new classrooms in various primary and secondary schools in the constituency Construction and equipping of modern administration blocks Construction and equipping of dining halls and kitchens for both secondary and primary schools Construction and equipping laboratories in secondary schools in the constituency Completion of day secondary schools Construction of permanent classrooms for mud-walled primary schools Construction of computer labs/classes (both levels) Construction of multipurpose halls in all schools Construction of libraries in secondary schools Construction of dormitories in secondary

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

No	Strategic Theme	Strategic Objective	Strategies
			schools and selected primary schools Construction of toilet blocks / or and exhaustible pit latrines in both primary and secondary schools Provision of convenient school transport Provision of water tanks in schools Provision of bursary to needy and bright secondary school/tertiary institutions' students
2	Youth and Sports	To harness youth talent and empower them	Conducting campaigns on drugs and substance abuse and on HIV and AIDS Creating awareness among the youth on the establishment of youth groups, and accessing devolved funds Funding of youth sporting initiatives (e.g. football, net ball and Marathon activities)
3	Emergency Support	To cater for any unforeseen occurrences in the constituency	Catering for any unforeseen occurrences in the constituency
4	Environment	To promote environmental sustainability in the constituency	Supporting schools and public institution to acquire tree seedlings Organizing tree planting days in schools
5	Security	To enhance security in the constituency	Construction of ACCs and DCCs offices and residential houses Construction/Renovation of offices for chiefs and Ass. Chiefs Awareness creation on community policing and sensitization of community members on security matters Construction/rehabilitation of Police Stations/Administration Offices Construction/rehabilitation of police houses and AP Camps Fencing administration offices, AP camps and police stations Construction and equipping of the divisional police headquarters Siakago
6	Tracking of results	To improve tracking of implementation NGCDF programmes	Monitoring and Capacity Building of NGCDFC's, NGCDFC Staff and PMC's Organizing regular projects monitoring field visits Synthesis of PMC reports into quarterly PIS
7	Institutional Strengthening	To promote performance management and smooth running of the NGCDF office	Preparation of Constituency Strategic Plan NGCDFC Staff training Purchase of working tools and equipment

**Progress on attainment of Strategic development objectives**

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> <li>- Number of usable physical infrastructure build in primary, secondary, and tertiary institutions</li> <li>- Increase the number of classrooms by 39 and renovate 36 other classrooms.</li> <li>- Increase the number of dormitories by 8.</li> <li>- Increase the number of laboratories by 7.</li> <li>- Increase the number of Administration blocks by 12</li> <li>- Purchase 3 school buses</li> <li>- Construct tuition and administration blocks for Ishiara KMTc</li> <li>- Number of bursary beneficiaries at all levels</li> </ul>	<p>In F/Y 2020/2021</p> <ul style="list-style-type: none"> <li>-We increased the number of classrooms by 33, dormitories by 4, and laboratories by 6</li> <li>Administration blocks by 9, Renovations to classrooms infrastructure by 15 units, two kitchens and a borehole</li> <li>-Three school buses were acquired one fully funded and two partially funded.</li> <li>- Construction of tuition and administration blocks for Ishiara KMTc on going</li> <li>-Bursary beneficiaries at all levels were about 2500. Kshs. 26.2M had been spent on bursaries compared to Kshs. 10.7 M last financial year.</li> </ul>
Security	To have a secure and conducive environment	<ul style="list-style-type: none"> <li>-Enhanced economic growth through better security to private investments, infrastructural projects and personal property.</li> <li>-Reduced dependency on miraa business as the major means of livelihood, sustainability</li> </ul>	<p>Numbers of usable physical infrastructure build in police lines and provincial administration offices.</p> <ul style="list-style-type: none"> <li>-Construction of 2 police stations, landscaping of the divisional police headquarters</li> <li>- Renovations to 3 assistant chiefs 'offices.</li> <li>- Renovations to the county commissioners and DCC's offices.</li> <li>- Renovations to 3 assistant chiefs 'offices.</li> <li>- Completion of 1 ACCs housing done.</li> </ul>	<ul style="list-style-type: none"> <li>-Renovations and on-going works to 2 police lines / station.</li> <li>- Completion of 1 ACCs housing done.</li> <li>-Renovations to 3 assistant chiefs 'offices done.</li> <li>- Construction of three major police stations including the divisional headquarters going on.</li> <li>- Renovations to the county commissioners and DCC's offices done.</li> </ul>

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

		of infrastructure		
Environment	To provide and sustain a clean Environment	<ul style="list-style-type: none"> <li>-Maintain a healthy population with reduced cases of sickness.</li> <li>-Reduce deforestation through planting of more trees.</li> <li>-Control soil erosion</li> </ul>	<ul style="list-style-type: none"> <li>-Provision of clean water to national government instillations</li> <li>-Build sanitization infrastructure to improve on personal hygiene.</li> <li>-Plant trees to improve on the green cover in 18 Institutions.</li> <li>- Erect gabions to prevent soil erosion</li> </ul>	<ul style="list-style-type: none"> <li>- Various tree planting exercises were carried out in 18 Institutions during the financial year and a programme for sustaining the seedlings and those previously planted through NGCDF initiative developed to avoid loss during drier seasons.</li> <li>-Infrastructure build for ablution blocks 1, pit latrines and toilets by 2. All these are exhaustible.</li> <li>-Borehole done at Gangara secondary school for water supply together with the primary section completed and in use.</li> </ul>
Sports	<ul style="list-style-type: none"> <li>-To empower the population through sporting activities</li> <li>-Improve on national cohesion by integration in sports</li> </ul>	<ul style="list-style-type: none"> <li>-Nature sporting talents amongst different age groups.</li> <li>-Present sports as an alternative income generating activity</li> </ul>	<ul style="list-style-type: none"> <li>-Organise and sustain various constituency sporting activities throughout the year</li> <li>-Provide sporting equipments and uniforms to well performing teams.</li> </ul>	<ul style="list-style-type: none"> <li>-Minimal Sporting activities were carried out in the constituency in adherence to covid-19 pandemic protocols. About Kshs. 1.8M was spent on sporting.</li> </ul>
Disaster Management	To put in place mechanism to mitigate disaster	<ul style="list-style-type: none"> <li>-well equipped population in disaster preparedness.</li> <li>-Reduced numbers of/ or non-recurrence of disasters</li> </ul>	<ul style="list-style-type: none"> <li>-Provision of emergency funds to cushion the constituency against an emerging calamities affecting national government infrastructure.</li> <li>-Capacity build PMCs, NGCDFCs, NGCDFC staff on disaster mainstreaming.</li> <li>-Ensure implementation of infrastructure puts into consideration of disaster.</li> </ul>	<ul style="list-style-type: none"> <li>-Kshs. 4.2 M was spent on projects of emergency nature mostly weather related. Last year we spent Kshs. 10.5 M on the same.</li> <li>-All trainings for PMCs, NGCDFC staff and NGCDFC plus public forums had facilitator for disaster mainstreaming.</li> </ul>

#### **IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

Mbeere North NG-CDF 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 -**

To ensure sustainability of Mbeere North NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Mbeere North NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 2020/2021 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

##### **2. Environmental performance**

- The year under review witnessed conservation of environment efforts through planting of trees and established a mechanism to ensure their sustainability throughout the drier seasons. Tree planting exercise is usually done during the onset of the long rains.
- During these community forums like tree planting exercise, public participation in project proposals, NGCDFC/ PMC trainings and public sensitization forums, various speakers facilitate and disseminate valuable knowledge touching on various social topics like alcohol and drug abuse, HIV and AIDs, Gender mainstreaming, Disaster preparedness etc.
- The entity is now constructing exhaustible pit latrines in place of the normal pit latrines. We are implementing bio digesters in place of ordinary septic tanks.

- We plan to give the NG-CDF staff at least one day every financial year to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.

### **3. Employee welfare**

We invest in providing the best working environment for our employees. Mbeere North constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Mbeere North constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

### **4. Market place practices-**

Mbeere North NGCDF Constituency is committed to fair and ethical market practises.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers which is enhanced through organized sensitization forums that relate to the procurement legal framework and ethical subject matters. We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption
- b) Good business practice including cordial Supply chain and supplier relations by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interests

### **5. Community Engagements-**

Mbeere North NGCDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

#### **Public Participation in Project Identification and Implementation and Monitoring**

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

**Public participation** is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision. The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

**Public Awareness**

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meetings.

Mbeere North NG-CDF has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.

**Mbeere North Constituency**

**National Government Constituencies Development Fund (NGCDF)**

**Reports and Financial Statements for The Year Ended June 30, 2021**

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**V.STATEMENT OF 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.

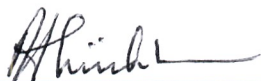
The Accounting Officer in charge of the NGCDF-Mbeere North Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. 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- Mbeere North Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the constituency's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Mbeere North Constituency further confirms the completeness of the accounting records maintained for the constituency, 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.

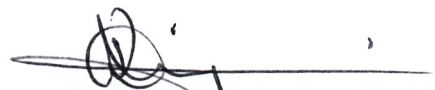
The Accounting Officer in charge of the NGCDF Mbeere North Constituency confirms that the constituency has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the constituency'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- Mbeere North Constituency financial statements were approved and signed by the Accounting Officer on 14<sup>th</sup> September, 2021.



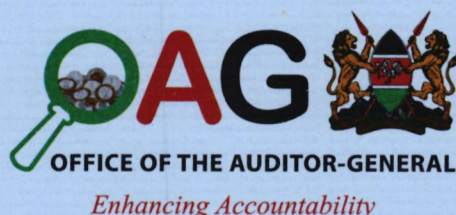
**Chairman NGCDF Committee**  
Name: Richard N. Thiriku



**Fund Account Manager**  
Name: Richard M. Maingi

# REPUBLIC OF KENYA

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MBEERE NORTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021**

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### **PREAMBLE**

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of the National Government Constituencies Development Fund - Mbeere North Constituency set out on pages 20 to 63, which comprise of the statement of financial assets and liabilities as at 30 June, 2021,

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*Report of the Auditor-General on National Government Constituencies Development Fund - Mbeere North Constituency for the year ended 30 June, 2021*

and the statement of receipts and payments, statement of cash flows, summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Mbeere North Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Summary Statement of Appropriation**

The summary statement of appropriation reflects previous year outstanding disbursements brought forward of Kshs.76,166,723 while Note 17.3 to the financial statements on unutilized funds comparative column reflect a balance of Kshs.81,869,799, resulting in unreconciled difference of Kshs.5,703,076. Further, the summary statement of appropriation reflects original budget of Kshs.137,088,879 while the 2020/2021 approved code list provided reflects Kshs.105,671,340 resulting in unreconciled difference of Kshs.31,417,539.

In the circumstance, the accuracy of the previous year's outstanding disbursement brought forward and original budget figure could not be confirmed.

#### **2. Unsupported Expenditure on Use of Goods and Services**

The statement of receipts and payments reflects expenditure on use of goods and services of Kshs.11,839,988 as disclosed in Note 5 to the financial statements. However, expenditure totalling Kshs.3,017,400 and Kshs.650,000 for other Committee expenses and domestic travel and subsistence respectively were not supported. Further, amount of Kshs.1,224,000 for Committee allowances and Kshs.99,900 for office general supplies and services documents to support the expenditure were not provided. In addition, Committee allowance of Kshs.1,224,000 include an amount of Kshs.812,800 which was not supported.

In the circumstance, propriety of the expenditure on use of goods and other services could not be confirmed.

#### **3. Unsupported Expenditure on Acquisition of Assets**

The statement of receipts and payments reflects an amount of Kshs.775,000 for acquisition of assets, which as disclosed in Note 8 to the financial statements relates to construction of buildings. However, the expenditure was not supported with any document.

In the circumstance, it was not possible to confirm the accuracy and regularity on the expenditure on acquisition of assets figure of Kshs.775,000.

#### **4. Unsupported Expenditure on Other Payments**

The statement of receipts and payments and Note 9 to the financial statements reflects Kshs.1,866,687 relating to other payments. However, the Management provided a payment voucher supporting an amount of Kshs.1,800,000, leaving an amount of Kshs.66,687 not supported.

In the circumstances, the accuracy of the expenditure on other payments amounting to Kshs.1,866,687 could not be confirmed.

#### **5. Other Grants and Transfers**

The statement of receipts and payments and Note 7 to the financial statements reflect other grants and other payments of Kshs.47,697,238. However, the following anomalies were noted;

- (i) The amount includes expenditure on environmental projects of Kshs.1,164,674. However, payment vouchers provided for audit amounted to Kshs.1,556,000 resulting to overstatement of expenditure by Kshs.391,326.
- (ii) The amount includes bursary funds disbursed to Secondary Schools, Tertiary Institutions and Special Schools totalling to Kshs.26,207,874. However, the expenditure was not supported with lists of students and amounts awarded to each student. Further, the criteria used to award the bursary, Bursary Vetting Committee appointment letters and the Committee minutes were not provided. In addition, disbursement to Tertiary Institutions includes Kshs.2,500,000 paid to a driving School for mobilization, registration, training and examining and driving licenses. However, the payment was not supported with names of students to be trained, standard identification criteria, application forms, Vetting Committee appointment letters and the Vetting Committees' minutes.
- (iii) The expenditure includes Kshs.14,300,000 relating to security projects which further includes expenditures of Kshs.9,200,000 for construction of Riandu and Kababua Kwa Nyama Police Posts. However, professional opinion reports and contract agreements were not provided for audit.
- (iv) The expenditure includes Kshs.1,875,000 relating to sports projects. However, Kshs.275,000 disbursed to cater for sports tournament and supporting documents were not provided for audit. Further, Kshs.1,600,000 was disbursed to Sports Management Committee however, Kshs.745,000 was not supported with expenditure returns and bank statements.

In the circumstances, the regularity, completeness and accuracy of the reported amount of other grants and transfers could not be confirmed.

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

130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

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

### **Other Matter**

#### **1. Budgetary Control and Performance**

The summary statement of appropriation - recurrent and development combined reflects final budgeted receipts of Kshs.225,205,677 and actual receipts of Kshs.176,516,799 resulting in budget shortfall of Kshs.48,688,878 or 22% of the budget. Similarly, the statement reflects final budgeted payments of Kshs.225,905,676 and actual payments of Kshs.152,395,915 resulting in net under expenditure of Kshs.73,509,761 or 32% of the budget.

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

#### **2. Summary Statement of Appropriation**

The summary statement of appropriation reflects funds pending approval of Kshs.288,848 which was not approved by the NGCDF Board contrary to Section 5(1)(2) and Section 6(1) and (2) of the National Government Constituencies Development Fund Act, 2015.

Further, the statement reflects use of goods and services final budget of Kshs.11,274,278 while actual expenditure was Kshs.11,839,988 resulting in over expenditure of Kshs.565,710. The over expenditure is contrary to Regulation 40(5) of the Public Finance Management (National Government) Regulations, 2015 which states that Accounting Officers may seek supplementary budget if the expenditure cannot be met by budget reallocation under Section 43 of the Act.

In circumstances, the expenditure incurred in excess of approved amounts was not authorized and therefore irregular and Management was in breach of law.

#### **3. Unresolved Prior Year Matters**

Review of the progress on follow up of Auditor-General's recommendation revealed that Management has not resolved or given explanation on several issues raised in previous years' audit reports contrary to requirement of Section 31(1) of Public Audit Act, 2015 which states that within three months after Parliament or the County Assembly has debated and considered the final report of the Auditor-General and made recommendations, a State Organ or a public entity that had been audited shall, as a preliminary step, submit a report on how it has addressed the recommendations and findings of the previous year's audit.

# REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

## **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **1. Procurement of Insurance Services from Non-Prequalified Suppliers**

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects an expenditure of Kshs.359,149 for insurance cost motor vehicle. However, the services were sourced from a non-prequalified supplier contrary to the provisions of Section 95(3) of the Public Procurement and Asset Disposal Act, 2015 which states that states a procuring entity shall invite tenders from only the approved persons who have been prequalified.

In the circumstance, Management was in breach of the law.

### **2. Implementation of Projects**

#### **2.1. Ngoce Primary School**

The statement of receipts and payments and as disclosed under Note 6 to the financial statements reflects transfers to other Government entities of Kshs.86,400,000, which includes Kshs.32,600,000 on transfers to primary schools. Further, Kshs.1,500,000 transferred to Ngoce Primary School for the construction of an administration block.

Physical verification revealed that the project was complete and not in use. However, technical drawings and specifications of the administration block four (4) rooms were not provided for audit. Further, the administration block had developed cracks on the floor and walls, the painting was only undercoat, some window panes had fallen off and that the gables were not plastered. The project had not been labelled contrary to a circular with reference number NG-CDFB/CEO/BOARD Vol.II(014) dated 24 September, 2019 which states that constituency committees are required to ensure that cost of project labelling/branding is incorporated in bill of quantities for each project and that they should adhere to Board's guidelines on labelling of projects and Section 11(1) (cc) and 15(1) (f) of the National Government Constituency Development Fund Regulations, 2016 which state that the Constituency Committee or respective project management committee shall ensure projects are labelled.

In the circumstances, the value for money for Kshs.1,500,00 could not be ascertained.

#### **2.2. Poor workmanship and Non- completion of Projects**

Note 6 to the financial statements for the year ended 30 June, 2021 reflects Kshs.43,800,000 relating to transfer to secondary schools, which includes an amount of

Kshs.9,250,000 disbursed to four projects. However, a physical verification carried out in April, 2022 revealed unsatisfactory implementation of the four projects contrary to the requirement of Section 139 (1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that a contractor shall satisfactorily perform its contractual obligations prior to any payment by a procuring entity as detailed below:

- (i) Amount of Kshs.4,000,000 was disbursed to Karambari Secondary School for a Laboratory Project. However, inspection of the works revealed the following works were not carried out; fixing of tables, gas taps, electrical and plumbing works. Further, the walls had cracked, external paint and soak pit works had not been carried out while manholes were incomplete and left open.
- (ii) Amount of Kshs.750,000 was disbursed to Kamigwa Secondary School for construction of a classroom. However, inspection of the works revealed leakage at the roof, plastering of gables and electrical works were not carried out, there were cracks on the floor and wall and paint work was poorly executed.
- (iii) Amount of Kshs.1,500,000 was disbursed to Kigwambiti Secondary School for the construction of a classroom. Inspection of the works revealed that gables were not plastered, there were cracks on the floor and wall, and poor workmanship of paintwork.
- (iv) An amount of Kshs.3,000,000 was disbursed to Karangare Secondary School for construction of an administration block. However, windows and doors were not fixed, while electrical works, plastering and plumbing works were also not carried out.

In the circumstances, we could not confirm whether there was value for money for the amount of Kshs.9,250,000 disbursed for the projects.

### **2.3. Duplicate Payments of Bursary to Special Schools**

The statement of receipts and payments reflects Kshs.47,697,238 on other grants and other payments and as disclosed under Note 7 to the financial statements which includes Kshs.490,000 for bursary to special schools. Review of a payment voucher of Kshs.105,000 was paid as bursary to needy students at Kambungu Primary School special unit. The same schedule of Kshs.105,000 was used to support another payment voucher with amount of Kshs.320,000. In addition, there was no Bursary Committee minutes provided to confirm the two disbursements were approved.

In the circumstance, the irregularity of expenditure of Kshs.105,000, and the accuracy of the statement of receipts and payments could not be confirmed.

### **3. Expenditure Environment Projects**

The statement of receipts and payments reflects Kshs.47,697,238 on other grants and other payments and as disclosed under Note 7 to the financial statements which includes Kshs.1,164,674 for environment projects. Kshs.508,673 was incurred on planting of tree seedlings and natural fencing at various Secondary Schools however, physical verification revealed that no trees were planted. Further, amount of Kshs.335,000 was

used on administration cost for the environment projects and no supporting documents were provided for audit.

In the circumstances, accuracy and regularity of expenditure for environment projects could not be confirmed.

#### **4. Emergency Projects**

##### **4.1. Implementation of National Government Entity Project**

The statement of receipts and payments reflects Kshs.47,697,238 on other grants and other payments and as disclosed under Note 7 to the financial statements which includes Kshs.4,149,691 relating to emergency projects. However, Kshs.2,558,364 was paid to a contractor for routine maintenance of Karambari-Kirie Road which belong to Kenya Rural Road Authority (KeRRA) . Further, supporting documents were not provided for audit.

##### **4.2. Funding of Non-Emergency Projects**

The statement of receipts and payments reflects Kshs.47,697,238 on other grants and other payments and as disclosed under Note 7 to the financial statements which includes Kshs.4,149,691 relating to emergency projects. Included are payments to various schools which could not confirm if the expenditure that they were urgent in nature.

- (i) Fencing of Gikuyari Secondary School at a cost of Kshs.400,000.
- (ii) Expenditure of Kshs.400,000 was disbursed to Kaungu Primary School for unidentified project.
- (iii) Amount of Kshs.100,000 was disbursed to Gikuyari Secondary School for repair of dormitory.
- (iv) Additional amount of Kshs.300,000 was disbursed to Gikuyari Primary School for a project that was not identified.

In the circumstances, we could not confirm the regularity of the expenditure.

#### **5. Unsupported Project Management Committee Balances (PMC)**

Note 17.4 and Annex 5 to the financial statements reflects unspent Project Management Committee bank account balances of Kshs.38,645,252 which was not supported by relevant cash book and bank reconciliations.

In the circumstance, the accuracy of the reported unspent project management committee bank balances could not be confirmed.

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

#### **Lack of an Approved ICT Policy**

Review of the Fund's ICT environment revealed that there was no approved ICT Policy, Security Policy, Environmental Policy, IT Continuity Plan and Disaster Recovery Plan in place.

In the circumstances, the security and reliability of the Fund's data including the management information system could not be confirmed.

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 controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis and for maintaining effective internal controls 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 controls, 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 applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

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

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

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

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

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

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

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


**19 September, 2022**

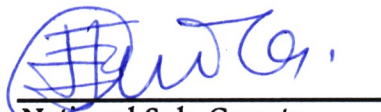
**Mbeere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

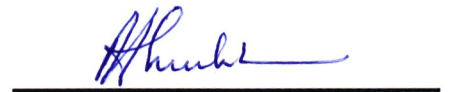
**VII.STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	163,866,724	147,441,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	97,000	191,448
<b>TOTAL RECEIPTS</b>		<b>163,963,724</b>	<b>147,633,324</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,817,002	2,040,919
Use of goods and services	5	11,839,988	10,074,743
Transfers to Other Government Units	6	86,400,000	105,700,000
Other grants and transfers	7	47,697,238	37,497,046
Acquisition of Assets	8	775,000	508,500
Other Payments	9	1,866,687	2,578,858
<b>TOTAL PAYMENTS</b>		<b>152,395,915</b>	<b>158,400,066</b>
<b>SURPLUS/(DEFICIT)</b>		<b>11,567,809</b>	<b>(10,766,742)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Mbeere North Constituency financial statements were approved on 14<sup>th</sup> September, 2021 and signed by:

  
Fund Account Manager  
Name: Richard M. Maingi

  
National Sub-County  
Accountant  
Name: Erastus M. Mwangi  
ICPAK M/No: 18050

  
Chairman NG-CDF Committee  
Name: Richard N. Thiriku

**VIII.STATEMENT OF ASSETS AND LIABILITIES**

	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	25,402,324	5,703,074
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>25,402,324</b>	<b>5,703,074</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>25,402,324</b>	<b>5,703,074</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	-	-
Gratuity	12B	1,281,440	-
<b>TOTAL FINANCIAL LIABILITES</b>		<b>1,281,440</b>	<b>-</b>
<b>NET FINANCIAL ASSETS</b>		<b>24,120,884</b>	<b>5,703,074</b>
<b>REPRESENTED BY</b>			
<b>Fund balance b/fwd</b>		<b>5,703,074</b>	<b>16,469,816</b>
Prior year adjustments	14	6,850,000	
Surplus/Deficit for the year		11,567,809	(10,766,742)
<b>NET FINANCIAL POSITION</b>		<b>24,120,884</b>	<b>5,703,074</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Mbeere North Constituency financial statements were approved on 14<sup>th</sup> September, 2021 and signed by:

  
 \_\_\_\_\_  
 Fund Account Manager

Name: Richard M. Maingi

  
 \_\_\_\_\_  
 National Sub-County  
 Accountant

Name: Erastus M. Mwangi  
 ICPAK M/No: 18050

  
 \_\_\_\_\_  
 Chairman NG-CDF Committee

Name: Richard N. Thiriku

**Mbeere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

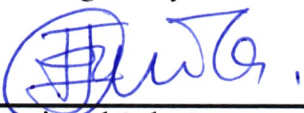
**IX. STATEMENT OF CASHFLOW**

		2020 - 2021	2019 - 2020
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	163,866,724	147,441,876
Other Receipts	3	97,000	191,448
<b>Total receipts</b>		<b>163,963,724</b>	<b>147,633,324</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	3,817,002	2,040,919
Use of goods and services	5	11,839,988	10,074,743
Transfers to Other Government Units	6	86,400,000	105,700,000
Other grants and transfers	7	47,697,238	37,497,046
Other Payments	9	1,866,687	2,578,858
<b>Total payments</b>		<b>151,620,915</b>	<b>157,891,566</b>
<b>Total Receipts Less Total Payments</b>		<b>12,342,809</b>	<b>(10,258,242)</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	1,281,440	-
Prior year adjustments	14	6,850,000	-
		<b>8,131,440</b>	-
<b>Net cash flow from operating activities</b>		<b>20,474,249</b>	<b>(10,258,242)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	775,000	508,500
<b>Net cash flows from Investing Activities</b>		<b>(775,000)</b>	<b>(508,500)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>19,699,249</b>	<b>(10,766,742)</b>
Cash and cash equivalent at BEGINNING of the year	10	5,703,074	16,469,816
Cash and cash equivalent at END of the year		<b>25,402,324</b>	<b>5,703,074</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Mbeere North Constituency financial statements were approved on 14<sup>th</sup> September, 2021 and signed by:

  
Fund Account Manager

Name: Richard M. Maingi

  
National Sub-County  
Accountant

Name: Erastus M. Mwangi  
ICPAK M/No: 18050

  
Chairman NG-CDF Committee

Name: Richard N. Thiriku

**Mbumba North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

**X.SUMMARY STATEMENT OF APPROPRIATION**

Receipts/Payments	Original Budget a	Adjustments b		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements				
<b>RECEIPTS</b>	2020/2021			2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	12,553,074	75,466,724	225,108,677	176,419,799	48,688,878	78.40%
Proceeds from Sale of Assets	0	0	0	0	0	0	0.00%
Other Receipts	0	97,000	0	97,000	97,000	0	100.00%
<b>TOTALS</b>	<b>137,088,879</b>	<b>12,650,074</b>	<b>75,466,724</b>	<b>225,205,677</b>	<b>176,516,799</b>	<b>48,688,878</b>	<b>78.40%</b>
<b>PAYMENTS</b>							
Compensation of Employees	2,994,600	1,763,358	797,630	5,555,588	3,817,002	1,738,586	78.60%
Use of goods and services	9,343,399	1,930,879	0	11,274,278	11,839,988	-565,710	105.00%
Transfers to Other Government Units	85,250,000	6,550,000	48,377,028	140,177,028	86,400,000	53,777,028	61.60%
Other grants and transfers	36,325,880	2,016,128	26,992,065	65,334,073	47,697,238	17,636,835	73.00%
Acquisition of Assets	1,308,313	0	0	1,308,313	775,000	533,313	59.20%
Other Payments	1,866,687	101,261	0	1,967,948	1,866,687	101,261	94.90%
Funds pending approval**	0	288,448	0	288,448	0	288,448	0.00%
<b>TOTALS</b>	<b>137,088,879</b>	<b>12,650,074</b>	<b>76,166,723</b>	<b>225,905,676</b>	<b>152,395,915</b>	<b>73,509,761</b>	<b>67.70%</b>

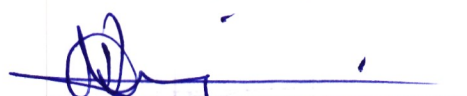
\*\*Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific project.


**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**


- i. Revenue has been adjusted by;
  - a) Allocations receivables from NGCDF Board relating to the previous financial years carried forward to the current year, Kshs. 75.5 M.
  - b) Opening balance Kshs. 5,703,074 adjusted by reversed cheques relating to previous financial year 2019/2020 totalling Kshs. 6,850,000, giving a grand total of Kshs. 12.7M.
  - c) AIA Kshs. 97,000 mainly from sale of tender.
- ii. The receipts from the Board were Kshs. 163.9 M representing 79% of expected funds. Operational challenges resulting from effects of the global pandemic covid-19 caused flow of funds from NGCDF Board as well as affecting the rate of absorption of the same.
- iii. Compensation of employees absorbed Kshs. 3.8 M representing a 79% absorption rate. The un utilized funds largely represent allowance for gratuity as well as funds yet to receive from the Board.
- iv. Use of Goods and Services utilized about 11.8 M representing 105% usage rate. This can be attributed to high NGCDF vehicle maintenance costs that were in excess of Kshs. 1M during the year.
- v. Transfers to Other Government Units utilized Kshs. 86.4 M representing a 61% absorption rate. Operational challenges resulting from effects of the global pandemic covid-19 caused slow rate of absorption of funds.
- vi. Other Grants and Transfers utilized Kshs. 47.7 M representing a 73% absorption rate. Operational challenges resulting from effects of the global pandemic covid-19 caused slow rate of absorption of funds.
- vii. Acquisition of assets utilized Kshs. 755,000 representing 59% due to failure in receiving allocation in time.
- viii. Other Payments utilized Kshs. 1.9 M representing 95% absorption rate. Operational challenges resulting from effects of the global pandemic covid-19 caused slow rate of absorption of funds.

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	72,809,763
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2021	48,688,879
	24,120,884
Add Accounts payable	1,281,440
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2020/2021	<b>25,402,324</b>

The NGCDF-Mbeere North Constituency financial statements were approved on 14<sup>th</sup> September, 2021 and signed by:

  
 \_\_\_\_\_  
**Fund Account Manager**  
 Name: Richard M. Maingi

  
 \_\_\_\_\_  
**National Sub-County Accountant**  
 Name: Erastus M. Mwangi  
 ICPAK M/No: 18050

  
 \_\_\_\_\_  
**Chairman NG-CDF Committee**  
 Name: Richard N. Thiriku

**Mbeya North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

**X. BUDGET EXECUTION BY SECTORS AND PROJECTS**

Programme/Sub-programme	Original Budget	Adjustments		Previous Years' Outstanding Disbursements	2020/2021	Final Budget	Actual on
		Opening Balance (C/BK) and AIA	Kshs				
	2020/2021				30-06-21		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of employees	2,994,600	1,763,358	797,630	5,555,588	3,817,002	1,738,586	
1.2 Committee allowances	1,748,000	-	-	1,748,000	2,656,400	(908,400)	
1.3 Use of goods and services	3,482,733	-	-	3,482,733	4,794,088	(1,311,355)	
<b>2.0 Monitoring and evaluation</b>							
2.1 Capacity building	2,000,000	1,860,752	-	3,860,752	2,354,500	1,506,252	
2.2 Committee allowances	1,612,666	70,127	-	1,682,793	1,585,000	97,793	
2.3 Use of goods and services	500,000	-	-	500,000	450,000	50,000	
<b>3.0 Emergency</b>							
3.1 Primary Schools	700,000	-	-	700,000	700,000	-	
3.2 Secondary schools	500,000	-	-	500,000	500,000	-	
3.3 Tertiary institutions	-	-	-	-	-	-	
3.4 Security projects	-	-	-	-	-	-	
3.5 Other projects	2,949,691	-	-	2949691.00	2,949,691	-	
3.6 Unutilized balance	3,042,516	289,168	-	3,331,684	-	3,331,684	

**Mbeere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget	Final Budget		Actual on
		comparable basis	Budget utilization	
<b>4.0 Bursary and Social Security</b>				
4.1 Special/Primary Schools	400,000	104,900	504,900	14,900
4.2 Secondary Schools	9,000,000	1,321,960	23,292,751	10,945,751
4.3 Tertiary Institutions	6,600,000	150,000	15,966,374	2,595,500
4.4 Social Security	-	-	-	-
<b>5.0 Sports</b>				
5.1 Sports	1,875,000	99,000	1,974,000	99,000
<b>6.0 Environment</b>				
6.1 Deputy County Commissioner Office	200,000	-	200,000	-
6.2 Itiira Secondary School	50,000	-	50,000	-
6.3 Kambaru Secondary School	50,000	-	50,000	-
6.4 Kamigua Secondary School	50,000	-	50,000	-
6.5 Kanyuambora Police Station	50,000	-	50,000	-
6.6 Kivue Primary School	50,000	-	50,000	-
6.7 Kune Secondary School	50,000	-	50,000	-
6.8 Mbaraga Secondary School	50,000	-	50,000	-
6.9 Mbarwari Secondary School	50,000	-	50,000	-
6.10 Muconoke Primary School	50,000	-	50,000	-
6.11 Muminji Chiefs Office	50,000	-	50,000	-
6.12 Mwundu Primary School	50,000	-	50,000	-
6.13 NG-CDFC Office				

**Mb North Constituency**  
**Natural Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget			Final Budget		Actual on Budget utilization
				comparable basis		
	158,673	-		158,673	158,673	
6.14 Riandu Police Station	50,000	-		50,000	50,000	-
6.15 Siakago Technical Training Institute	50,000	-		50,000	50,000	-
6.16 Muthanhara Secondary School	-	52,000		52,000	52,000	-
6.17 Rwagori Primary School	-	52,000		52,000	52,000	-
6.18 Ishiara Police Post	-	52,000		52,000	52,000	-
<b>7.0 Primary Schools Projects (List all the Projects)</b>						
7.1 Ceria Primary School	600,000	-		600,000	-	600,000
7.2 Ciaikunguku Primary School	750,000	-		750,000	-	750,000
7.3 Cianthia Primary School	750,000	-		750,000	-	750,000
7.4 Gangara Primary School	750,000	-	1,500,000	2,250,000	1,500,000	750,000
7.5 Gatatha Primary School	-	-	750,000	750,000	750,000	-
7.6 Gatorori Primary School	500,000	-	1,500,000	2,000,000	2,000,000	-
7.7 Gatothia Primary School	250,000	-	-	250,000	250,000	-
7.8 Gitiburi Primary School	-	-	500,000	500,000	500,000	-
7.9 Gwakaithi Primary School	2,250,000	-	-	2,250,000	-	2,250,000
7.10 Ithira Primary School	750,000	-	-	750,000	-	750,000
7.11 Itururi Primary School	400,000	-	-	400,000	-	400,000
7.12 Kageri Primary School	-	-	677,028	677,028	-	677,028
7.13 Kamarindo Primary School	-	-	-	-	-	250,000

**Mbeere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget			Final Budget	Actual on
	250,000	-		250,000	-
7.14 Kamarindo Primary School	750,000	-		750,000	750,000
7.15 Kamaru Primary School	1,000,000	-		1,000,000	1,000,000
7.16 Kambungu Primary School	2,000,000	-	1,500,000	3,500,000	-
7.17 Kanthenge Primary School	250,000	-	750,000	1,000,000	250,000
7.18 Kanyuambora Primary School	-	-	750,000	750,000	-
7.19 Karimari Primary School	750,000	-	750,000	750,000	750,000
7.20 Katheru Primary School	-	-	1,500,000	1,500,000	-
7.21 Kathutheri Primary School	150,000	-	150,000	150,000	-
7.22 Kavairi Primary School	-	1,000,000	-	1,000,000	-
7.23 Kavengero Primary School	-	-	400,000	400,000	-
7.24 Kavui Primary School	250,000	-	250,000	250,000	250,000
7.25 Kianganja Primary School	250,000	-	250,000	250,000	250,000
7.26 Kianjeru Primary School	-	-	750,000	750,000	-
7.27 Kianjogu Primary School	200,000	-	200,000	200,000	200,000
7.28 Kianjogu Primary School	2,000,000	-	750,000	2,750,000	2,000,000
7.29 Kirie Primary School	750,000	-	750,000	750,000	750,000
7.30 Kirigo Primary School	-	-	750,000	750,000	-
7.31 Kui Primary School	-	-	750,000	750,000	-
7.32 Kune Primary School	-	-	1,500,000	1,500,000	-

**Mb North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget			Final Budget	comparable basis	Actual on
7.33 Mathai Primary School	-	-	750,000	750,000	750,000	-
7.34 Mianjaitiri Primary School	-	-	1,500,000	1,500,000	1,500,000	-
7.35 Michegethiu Primary School	250,000	-	-	250,000	-	250,000
7.36 Muchonoke Primary School	-	-	750,000	750,000	750,000	-
7.37 Mugwanjogu Primary School	-	-	750,000	750,000	750,000	-
7.38 Mukororia Primary School	400,000	-	750,000	1,150,000	750,000	400,000
7.39 Mung'au Primary School	750,000	-	-	750,000	-	750,000
7.40 Muterairuigu Primary School	750,000	-	-	750,000	-	750,000
7.41 Muterairuigu Primary School	-	550,000	-	550,000	550,000	-
7.42 Muthanthara Primary School	750,000	-	750,000	1,500,000	750,000	750,000
7.43 Ngarwereri Primary School	-	-	1,000,000	1,000,000	1,000,000	-
7.44 Ngiri Primary School	250,000	-	-	250,000	250,000	-
7.45 Ngoce Primary School	1,500,000	-	-	1,500,000	1,500,000	-
7.46 Ngunyumu Primary School	-	-	750,000	750,000	750,000	-
7.47 Njarange Primary School	750,000	-	1,500,000	2,250,000	2,250,000	-
7.48 Nthigirani Primary School	-	-	750,000	750,000	750,000	-
7.49 Ovarire Primary School	-	-	750,000	750,000	750,000	-
7.50 Rwagori Primary School	-	-	750,000	750,000	750,000	-
7.51 Usambara Primary School	-	-	400,000	400,000	400,000	-
7.52 Usambara Primary School	-	-	-	-	-	-

**Mbeere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget	Final Budget		Actual on
		comparable basis	Budget utilization	
	-	100,000	100,000	-
7.53 Witwa Primary School	750,000	-	750,000	-
8.0 Secondary Schools Projects (List all the Projects)				
8.1 Ciangera Secondary School	1,000,000	-	1,000,000	-
8.2 Ciangera Secondary School	3,000,000	-	3,000,000	1,000,000
8.3 Cianthia Secondary School	1,000,000	1,000,000	2,000,000	500,000
8.4 Cieria Secondary School		750,000	750,000	-
8.5 Gangara Secondary School	3,000,000	2,000,000	5,000,000	3,000,000
8.6 Gikuyari Secondary School	1,000,000	-	1,000,000	-
8.7 Gitiburi Secondary School	2,500,000	1,500,000	4,000,000	-
8.8 Itiira Secondary School	6,900,000	-	6,900,000	6,900,000
8.9 Kabachi Secondary School	1,000,000	-	1,000,000	-
8.10 Kambaru Secondary School	-	1,500,000	1,500,000	-
8.11 Kamigua Secondary School	750,000	750,000	1,500,000	-
8.12 Kamwaa Secondary School	1,500,000	-	1,500,000	1,500,000
8.13 Karambari Secondary School	1,000,000	3,200,000	4,200,000	200,000
8.14 Karangare Secondary School	3,000,000	-	3,000,000	-
8.15 Kathagutari Secondary School	-	750,000	750,000	-
8.16 Kathiga Gacheru Secondary School	3,500,000	-	3,500,000	2,000,000
8.17 Kavengero Secondary School	-	1,000,000	1,000,000	1,000,000

**Mb North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget				Final Budget	Budget utilization	Actual on
					comparable basis		
8.18 Kiambere Complex	-	-	1,000,000	-	1,000,000	-	1,000,000
8.19 Kigwambiti Secondary School	1,500,000	-	-	-	1,500,000	1,500,000	-
8.20 Kirie Secondary School	3,700,000	-	-	-	3,700,000	3,700,000	-
8.21 Kirigo Secondary School	-	-	750,000	-	750,000	750,000	-
8.22 Kogari Secondary School	-	-	4,000,000	-	4,000,000	4,000,000	-
8.23 Kune Secondary School	-	-	750,000	-	750,000	750,000	-
8.24 Mbaraga Secondary School	750,000	-	750,000	-	1,500,000	1,500,000	-
8.25 Mbarwari Secondary School	500,000	-	-	-	500,000	-	500,000
8.26 Michengethiu Secondary School	-	-	750,000	-	750,000	750,000	-
8.27 Muchonoke Secondary School	-	-	750,000	-	750,000	750,000	-
8.28 Ngoce Secondary School	1,000,000	-	-	-	1,000,000	1,000,000	-
8.29 Ngoce Secondary School	6,900,000	-	500,000	-	7,400,000	-	7,400,000
8.30 Ngunyumu Secondary School	-	-	600,000	-	600,000	600,000	-
8.31 Riandu Secondary School	3,000,000	-	-	-	3,000,000	-	3,000,000
8.32 Siakago Boys Secondary School	3,000,000	-	-	-	3,000,000	2,000,000	1,000,000
8.33 Siakago Day Secondary School	2,000,000	-	-	-	2,000,000	-	2,000,000
8.34 Siakago Day Secondary School	1,000,000	-	-	-	1,000,000	1,000,000	-
8.35 Siakago Girls Secondary School	-	-	500,000	-	500,000	-	500,000
<b>9.0 Tertiary Institutions Projects (List all the Projects)</b>							
9.1 Ishara Kenya Medical Training							4,000,000

**Mbeere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget				Final Budget		Actual on
					comparable basis	Budget utilization	
Collage	8,000,000	-		8,000,000	4,000,000		
9.2 Ishiara Kenya Medical Training Collage	-	5,000,000		5,000,000	5,000,000		-
9.3 Ishiara Kenya Medical Training Collage	2,000,000	-		2,000,000	-		2,000,000
9.4 Siakago Technical Training Institute	300,000	-		300,000	300,000		-
9.5 Siakago Technical Training Institute	700,000	-		700,000	700,000		-
<b>10.0 Security Projects</b>							
10.1 County Commissioner Embu	-	-	500,000	500,000	500,000		-
10.2 DCC Office	-	-	750,000	750,000	750,000		-
10.3 Kabubua Ka Nyama Police Post	4,000,000	-	1,500,000	5,500,000	5,500,000		-
10.4 Kamugu Sub-Chief Office	300,000	-	-	300,000	250,000		50,000
10.5 Kanyuambora Police Station	-	-	500,000	500,000	500,000		-
10.6 Karambari Police Post	350,000	-	-	350,000	350,000		-
10.7 Kiogogo Sub-Chiefs Office	600,000	-	-	600,000	-		600,000
10.8 Kirie Assistant County Commissioner House	500,000	-	-	500,000	500,000		-
10.9 Kivue Assistant Chief Office	-	-	250,000	250,000	250,000		-
10.10 Riandu Police Station	2,500,000	-	1,200,000	3,700,000	3,700,000		-
10.11 Siakago Police Divisional Headquarters	2,000,000	-	-	2,000,000	2,000,000		-
<b>11.0 Acquisition of assets</b>							
11.1 NG-CDF Office Motorcycle	533,313	-	-	533,313	-		533,313
11.2 NG-CDF Office Car Park	775,000	-	-	775,000	775,000		-
<b>12.0 Others</b>							

**Mbumba North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget				Final Budget		Actual on Budget utilization
					comparable basis		
12.1 NG-CDF Office	1,866,687	93,911	-	1,960,598	1,866,687	93,911	
12.2 Strategic Plan	-	7,350	-	7,350	-	7,350	
<b>13.0 Funds pending approval**</b>							
13.1 Unapproved projects	-	-	-	-	-	-	
13.2 AIA	-	157,000	97,000	254,000	-	254,000	
13.3 PMC savings	-	34,448	-	34,448	-	34,448	
<b>Total</b>	<b>137,088,879</b>	<b>12,558,074</b>	<b>76,263,723</b>	<b>225,905,676</b>	<b>152,395,915</b>	<b>73,509,761</b>	

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

## **XI. 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 (gratuity 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-Mbeere North Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

### **3. Reporting Currency**

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

### **4. Significant Accounting Policies**

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

#### **a) Recognition of Receipts**

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

#### **Transfers from the National Government Constituency Development Fund (NG-CDF)**

Transfers from the NG-CDF to the constituency are recognized when cash is received in the Constituency account.

#### **Proceeds from Sale of Assets**

Proceeds from disposal of assets are recognized as and when cash is received in the constituency account.

#### **Other receipts**

These include Appropriation-in-Aid and relates to receipts such as proceeds from sale of tender documents, rent receipts, interest earned on bank balances, hire of Plant/Equipment/Facilities, Unutilized funds from PMCs among others.

#### **Unutilized Funds from PMCs.**

All unutilized funds of the Project Management Committee (PMC) are returned to the constituency account. Unutilized funds from PMCs are recognised as other receipts upon return to the constituency account.

#### **External Assistance**

External assistance refers to grants and loans received from local, multilateral and bilateral development partners. In the year under review there was no external assistance 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 constituency and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

**5. In-kind contributions**

In-kind contributions are donations that are made to the constituency 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 constituency 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 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 (gratuity 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. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. 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 are 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 financial year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

#### **10. Unutilized Fund**

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

#### **11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is 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 14<sup>th</sup> June 2020 for the period 1<sup>st</sup> July 2020 to 30<sup>th</sup> June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

#### **12. Comparative Figures**

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

#### **13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2021.

#### **14. Errors**

Material prior period errors are corrected retrospectively in the first set of financial statements authorized for issue after their discovery by:

- i. restating the comparative amounts for prior period(s) presented in which the error occurred; or
- ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

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

#### **15. Related Party Transactions**

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa.

**XII. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO. B 041075	1		19,000,000
AIE NO. B 047264	2		10,000,000
AIE NO. B 047351	3		48,941,876
AIE NO. B 041138	4		4,000,000
AIE NO. B 047814	5		18,000,000
AIE NO. B 049385	6		15,000,000
AIE NO. B 104149	7		500,000
AIE NO. B 104211	8		1,000,000
AIE NO. B 104409	9		15,000,000
AIE NO. B 096618	10		16,000,000
AIE NO. B104571	1	6,099,000	
AIE NO. B104528	2	62,367,724	
AIE NO. B124727	3	8,000,000	
AIE NO. B119573	4	8,500,000	
AIE NO. B119965	5	12,000,000	
AIE NO. B128206	6	6,900,000	
AIE NO. B129168	7	7,000,000	
AIE NO. B132261	8	6,000,000	
AIE NO. B138930	9	12,000,000	
AIE NO. B105018	10	11,000,000	
AIE NO. B105148	11	4,000,000	
AIE NO. B126223	12	7,000,000	
AIE NO. B140661	13	13,000,000	
<b>TOTAL</b>		<b>163,866,724</b>	<b>147,441,876</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**3. OTHER RECEIPTS**

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	5,000
Receipts from sale of tender documents	97,000	152,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	34,448
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	<b>97,000</b>	<b>191,448</b>

**4. COMPENSATION OF EMPLOYEES**

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,959,356	1,466,779
<b>Personal allowances paid as part of salary</b>		491,900
House Allowance	202,200	-
Transport Allowance	204,000	-
Leave allowance	26,000	-
Gratuity to contractual employees	1,347,686	-
Employer Contributions Compulsory national social security schemes	77,760	82,240
<b>Total</b>	<b>3,817,002</b>	<b>2,040,919</b>

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	100,000	45,605
Electricity	47,625	-
Water & sewerage charges	15,255	-
Office rent	-	-
Communication, supplies and services	144,450	158,430
Domestic travel and subsistence	650,000	631,200
Printing, advertising and information supplies & services	696,650	328,510
Rentals of produced assets		-
Training expenses	2,354,500	2,548,200
Hospitality supplies and services	500,000	714,710
Other committee expenses	3,017,400	-
Committee allowance	1,224,000	4,235,200
Insurance costs	359,149	359,149
Specialised materials and services	204,800	-
Office and general supplies and services	99,900	88,455
Fuel , oil & lubricants	450,000	-
<b>Other operating expenses</b>		
Bank service commission and charges	42,100	-
Other Operating Expenses	65,000	59,310
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	1,061,917	905,974
Routine maintenance- other assets	807,242	-
<b>Total</b>	<b>11,839,988</b>	<b>10,074,743</b>

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers to primary schools	32,600,000	19,300,000
Transfers to secondary schools	43,800,000	68,000,000
Transfers to tertiary institutions	10,000,000	18,400,000
<b>TOTAL</b>	<b>86,400,000</b>	<b>105,700,000</b>

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2020-2021	2019-2020
	Kshs	Kshs
Bursary - Secondary	12,347,000	4,523,500
Bursary -Tertiary	13,370,874	6,018,000
Bursary- Special Schools	490,000	195,100
Mocks & CAT	-	-
Social Security programmes	-	-
Security Projects	14,300,000	8,300,000
Roads and Bridges	-	2,000,000
Sports Projects	1,875,000	4,581,817
Environment Projects	1,164,673	1,300,388
Emergency Projects	4,149,691	10,578,241
<b>Total</b>	<b>47,697,238</b>	<b>37,497,046</b>

**8. ACQUISITION OF ASSETS**

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	775,000	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	508,500
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
<b>Total</b>	<b>775,000</b>	<b>508,500</b>

**9. OTHER PAYMENTS**

	2020-2021	2019-2020
	Kshs	Kshs
NGCDF Office Compound	1,866,687	2,578,858
<b>Total</b>	<b>1,866,687</b>	<b>2,578,858</b>

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**10: CASH BOOK BANK BALANCE**

**10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)**

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
Cooperative Bank of Kenya, Siakago Branch A/C No: 01120051117000, KES	25,402,324	5,703,074
	-	-
<b>Total</b>	<b>25,402,324</b>	<b>5,703,074</b>
<b>10B: CASH IN HAND</b>		
Location 1	-	-
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

The Bank balance above of Kshs. 25,402,324 includes Kshs.1, 281,441 represent accumulated provision for NGCDFC Staff gratuity that had not been expensed as at 30<sup>th</sup> June, 2021.

**11: OUTSTANDING IMPRESTS**

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
<b>Total</b>				<b>-</b>

**12A. RETENTION**

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1 <sup>st</sup> July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	-	-

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

**12B. GRATUITY**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)	-	-
Gratuity held during the year (B)	1,347,686	-
Gratuity paid during the Year (C)	66,246	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	<b>1,281,440</b>	-

The above balance of Kshs.1, 281,441 represent accumulated provision for NGCDFC Staff gratuity that had not been expensed as at 30<sup>th</sup> June, 2021. This forms part of the Bank balance of Kshs. 25,402,324 in Note 10A above.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**13. BALANCES BROUGHT FORWARD**

	2020-2021 (1 <sup>st</sup> July 2020)	2019-2020 (1 <sup>st</sup> July 2019)
	Kshs	Kshs
Bank accounts	5,703,074	16,469,816
Cash in hand	-	0
Imprest	-	0
<b>Total</b>	<b>5,703,074</b>	<b>16,469,816</b>

**14. PRIOR YEAR ADJUSTMENTS**

Description of the error	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
	Kshs	Kshs	Kshs
Bank account Balances	5,703,074	6,850,000.00	12,553,074
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>TOTAL</b>	<b>5,703,074</b>	<b>6,850,000</b>	<b>12,553,074</b>

\*\* The adjusted balances are not carried down on the face of the financial statement.  
 (The 6.85M represents payments done during the previous financial year, cleared in the cashbook but not in the bank account. These have been reversed in the current financial year, providing a “receipt” and replaced under the same votes)

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

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	7,945,900	8,580,063
Imprest surrendered during the Year (C)	7,945,900	8,580,063
closing accounts in account receivables D= A+B-C	-	-

**16.CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS**

	<b>2020 – 2021</b>	<b>2019 - 2020</b>
	<b>KShs</b>	<b>KShs</b>
Deposit and Retentions as at 1 <sup>st</sup> July (A)	-	-
Deposit and Retentions held during the year (B)	1,347,686	-
Deposit and Retentions paid during the Year (C)	66,246	-
closing account payables D= A+B-C	1,281,440	-
Change E=D-A	1,281,440	-

**17. OTHER IMPORTANT DISCLOSURES**

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

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

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

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	1,281,440	-
Others ( <i>specify</i> )	-	-
	1,281,440	-

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

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	1,038,587	2,560,988
Use of goods and services	(565,710)	1,930,879
Amounts due to other Government entities (see attached list)	53,777,028	48,377,028
Amounts due to other grants and other transfers (see attached list)	17,636,836	28,708,195
Acquisition of assets	533,313	
Others- Strategic plan	7,350	7,350
- NGCDFC office	93,911	93,911
Funds pending approval	288,448	191,448
<b>Total</b>	<b>72,809,763</b>	<b>81,869,799</b>

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances	38,645,252	30,606,352
<b>Total</b>	<b>38,645,252</b>	<b>30,606,352</b>

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

<b>TRIAL BALANCE AS AT 30TH JUNE 2021</b>			
		<b>DR</b>	<b>CR</b>
<b>Cash and Cash equivalents</b>			
	Bank Balances	25,402,324	
	Cash Balances		
	Outstanding Imprest		
<b>Payments</b>			
	Compensation of Employees	3,817,002	
	Use of goods and services	11,839,988	
	Transfers to Other Government Units	86,400,000	
	Other grants and transfers	47,697,238	
	Acquisition of Assets	775,000	
	Other Payments	1,866,687	
<b>Receipts</b>			
	Transfers from the Board		163,866,724
	Proceeds from sale of assets		
	Others receipts		97,000
	Prior Year Adjustment		6,850,000
	Provisions		1,281,440
	<b>Fund Balance b/f</b>		<b>5,703,074</b>
<b>TOTAL</b>		<b>177,798,239</b>	<b>177,798,239</b>

The Bank balance above of Kshs. 25,402,324 includes Kshs.1, 281,441 represent accumulated provision for NGCDFC Staff gratuity that had not been expensed as at 30<sup>th</sup> June, 2021.

*Mbeere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

**XIII.ANNEXES  
ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

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

*Mberere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2021	Comments
<b>NG-CDFC Staff</b>				
GENARD MURATHI NDWIGA	Grounds Man	1st August, 2018	277,892	
PETER NGARI NJUE	Security	1st August, 2018	201,266	
PAUL NYAGA MWENDWA	Driver	1st August, 2018	283,492	
MARY MUTHONI NDWIGA	Office Assistant	1st August, 2018	239,283	
HARRIET WANJUE NJERU	Clerical Officer	1st June, 2014	147,757	
CHRISTINE WANGARI NYAGA	Records	1st February, 2020	131,750	
<b>Sub-Total</b>			<b>1,281,440</b>	
<b>Grand Total</b>				

*Mbeere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

**ANNEX 3 – UNUTILIZED FUND**

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees	Employees salaries	1,738,586	2,560,988	
Use of goods & services	Office running expenses and NGCDF members allowances	-565,710	1,930,879	
<b>Amounts due to other Government entities</b>				
<b>Primary Schools Projects</b>				
Ceria Primary School	Completion of a kitchen	600,000	-	
Ciaikunguku Primary School	Renovation of three classrooms	750,000	-	
Cianthia Primary School	Renovation of three classrooms	750,000	-	
Gangara Primary School	Completion of a dormitory	750,000	1,500,000	
Gatatha Primary School	Renovation of five classrooms	-	750,000	
Gatorori Primary School	Construction of administration block	-	1,500,000	
Gitiburi Primary School	Construction of eight door pit latrines	-	500,000	
Gwakaiithi Primary School	Construction of a dormitory	2,250,000	-	
Itiira Primary School	Renovation of three classrooms	750,000	-	
Itururi Primary School	Purchase of 2 acres land	400,000	-	
Kageri Primary School	Fencing 2 acres school compound (reallocation)	677,028	677,028	
Kamarindo Primary School	Completion of classroom	250,000	-	
Kamarindo Primary School	Renovation of three classrooms	750,000	-	
Kambaru Primary School	Construction of administration block	1,000,000	-	
Kambungu Primary School	Construction of a dormitory	-	1,500,000	
Kanthenge Primary School	Completion of classroom	250,000	750,000	
Kanyuambora Primary School	Construction of a classroom	-	750,000	
Karimari Primary School	Completion of an administration Block	750,000	-	
Katheru Primary School	Construction of two classrooms	-	1,500,000	
Kavengero Primary School	Completion of Administration block	-	400,000	
Kavui Primary School	Completion of classroom	250,000	-	
Kianganja Primary School	Completion of classroom	250,000	-	

*Mbere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Kianjeru Primary School	Completion of Administration block	-	750,000	
Kianjogu Primary School	Completion of a kitchen	200,000	-	
Kianjogu Primary School	Construction of a dormitory	2,000,000	750,000	
Kirie Primary School	Renovation of three classrooms	750,000	-	
Kirigo Primary School	Renovation of five classrooms	-	750,000	
Kui Primary School	Construction of a classroom	-	750,000	
Kune Primary School	Construction of two classrooms	-	1,500,000	
Mathai Primary School	Construction of a classroom	-	750,000	
Mianjathiri Primary School	Construction of two classrooms	-	1,500,000	
Michegethiu Primary School	Completion of classroom	250,000	-	
Muchonoke Primary School	Construction of a classroom	-	750,000	
Mugwanjogu Primary School	Renovation of five classrooms	-	750,000	
Mukororia Primary School	Construction of a kitchen	400,000	750,000	
Mung'au Primary School	Renovation of three classrooms	750,000	-	
Muterairugu Primary School	Renovation of three classrooms	750,000	-	
Muthanthara Primary School	Renovation of three classrooms	750,000	750,000	
Ngarwereri Primary School	Construction of a classroom	-	750,000	
Ngarwereri Primary School	Construction of a four door pit latrine (reallocation)	-	250,000	
Ngunyumu Primary School	Construction of a classroom	-	750,000	
Njarange Primary School	Construction of a dormitory	-	1,500,000	
Nthigirani Primary School	Construction of a classroom	-	750,000	
Ovarire Primary School	Construction of a classroom	-	750,000	
Rwagori Primary School	Construction of a classroom	-	750,000	
Usambara Primary School	Completion of Administration block	-	400,000	
Usambara Primary School	Purchase of ten teachers desks	-	100,000	
<b>Secondary Schools Projects</b>				
Ciangera Secondary School	Completion of a Laboratory	1,000,000	-	
Cianthia Secondary School	Completion of an administration Block	500,000	1,000,000	
Cieria Secondary School	Construction of one classroom	-	750,000	
Gangara Secondary School	Construction of a multipurpose hall	3,000,000	2,000,000	
Gitiburi Secondary School	Completion of an administration Block	-	1,500,000	

*Mbeere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Itiira Secondary School	Purchase of school bus	6,900,000	-	
Kambaru Secondary School	Construction of Administration Block	-	1,500,000	
Kamigua Secondary School	Construction of one classroom	-	750,000	
Kamwaa Secondary School	Completion of a dormitory	1,500,000	-	
Karambari Secondary School	Completion of a multipurpose hall	200,000	3,200,000	
Kathagutari Secondary School	Construction of one classroom	-	750,000	
Kathiga Gacheru Secondary School	Construction of a dormitory	2,000,000	-	
Kavengero Secondary School	Completion of a multipurpose hall	1,000,000	1,000,000	
Kiambere Complex	Completion of a multipurpose hall	1,000,000	1,000,000	
Kirigo Secondary School	Construction of one classroom	-	750,000	
Kogari Secondary School	Construction of a Laboratory	-	4,000,000	
Kune Secondary School	Construction of one classroom	-	750,000	
Mbaraga Secondary School	Construction of Administration Block	-	750,000	
Mbarwari Secondary School	Purchase of two acres of Land	500,000	-	
Michengethiu Secondary School	Construction of one classroom	-	750,000	
Muchonoke Secondary School	Construction of one classroom	-	750,000	
Ngoce Secondary School	Purchase of school bus	6,900,000	-	
Ngoce Secondary School	Completion of a Laboratory	500,000	500,000	
Ngunyumu Secondary School	Construction of an Ablution block	-	600,000	
Riandu Secondary School	Construction of a dormitory	3,000,000	-	
Siakago Boys Secondary School	Construction of an administration Block	1,000,000	-	
Siakago Day Secondary School	Completion of purchase of school bus. Kshs. 4.5M allocated last year	2,000,000	-	
Siakago Girls Secondary School	Completion of four classrooms	500,000	500,000	
<b>Tertiary institutions Projects</b>				
Ishiaru Kenya Medical Training Collage	Construction of an administration Block	4,000,000	-	
Ishiaru Kenya Medical Training Collage	Purchase of 5.5 acres of collage Land	2,000,000	-	
<b>Sub-Total</b>		<b>53,777,028</b>	<b>48,377,028</b>	
<b>Amounts due to other grants and other transfers</b>				
<b>Security Projects</b>				
County Commissioner Embu	Installation of CCTV, Procurement of	-	500,000	

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
DCC Office	Projector Package and Purchase of Address System	-	750,000	
	Construction of Executive four door flash toilets plus urinal for DCC Dias	-		
Kabubua Ka Nyama Police Post	Construction of a police post	-	1,500,000	
Kamugu Sub-Chief Office	Completion of two door pit latrine	50,000		
Kanyuambora Police Station	Construction of four door pit latrine	-	500,000	
Kiogogo Sub-Chiefs Office	Construction of Sub-Chiefs office	600,000		
Kivue Assistant Chief Office	Construction of a two door pit latrine	-	250,000	
Riandu Police Station	Construction of a police station	-	1,200,000	
<b>Environment</b>				
Muthanthara Secondary School	Planting and sustaining of 100 trees	-	52,000	
Rwagori Primary School	Planting and sustaining of 100 trees	-	52,000	
Ishara Police Post	Planting and sustaining of 100 trees	-	52,000	
<b>Sports</b>				
Sports	Constituency sports tournament	99,000	99,001	
<b>Emergency</b>				
Emergency	To cater for any unforeseen occurrences	3,331,684	289,168	
<b>Bursary and Social Security</b>				
Secondary Schools	Payment of bursary to needy students in secondary schools	11,070,751	14,142,751	
Tertiary Institutions	Payment of bursary to needy students in tertiary Institutions	2,470,500	9,216,374	
Special Needs	Payment of bursary to needy disabled students	14,900	104,900	
<b>Sub-Total</b>		<b>17,636,836</b>	<b>28,708,194</b>	
<b>Acquisition of assets</b>				
NG-CDF Office Motorcycle	Purchase of a motor cycle Yamaha DT175	533,313	-	
<b>Others (specify)</b>				
<b>Other payments</b>				
NG-CDF Office	Paving of the NGCDF office compound	93,911	93,911	

**Mbeere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

Name	Brief Transaction Description	Outstanding & Balance 2020/21	Outstanding & Balance 2019/20	Comments
Strategic Plan	Printing of strategic plan	7,350	7,350	
<b>Sub-Total</b>		<b>634,574</b>	<b>101,261</b>	
Funds pending approval				
AIA	Receipts mainly from sale of tender documents	254,000	157,000	
PMC savings	Unspent PMC funds	34,448	34,448	
<b>Grand Total</b>		<b>73,509,762</b>	<b>81,869,798</b>	

*Meere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

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

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	-	-	-	-
Buildings and structures	18,931,224	775,000	-	19,706,224
Transport equipment	6,700,653	-	-	6,700,653
Office equipment, furniture and fittings	4,001,260	-	-	4,001,260
ICT Equipment, Software and Other ICT Assets	412,590	-	-	412,590
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>30,045,727</b>	<b>775,000</b>	<b>0</b>	<b>30,820,727</b>

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2021**

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
A.C.K. Emmanuel Cianthia Secondary School	01139407773500	Cooperative Bank, Siakago	1,126,491	1,000,965
A.C.K. Kamigua Mixed Day Secondary School	1139570095300	Cooperative Bank, Siakago	754,806	-
A.C.K St. Luke Ciangera Secondary School	1139570010800	Cooperative Bank, Siakago	2,241,719	-
Arch Angels Secondary School-Kanyueri	01139570004800	Cooperative Bank, Siakago	1,000	1,000
Ciaikungugu Primary School	01139052736603	Cooperative Bank, Siakago	68,892	189,444
Ciangera Primary School	1139052738602	Cooperative Bank, Siakago	1,579	618,249
Ciangera Sub Chiefs Office	01141570117400	Cooperative Bank, Siakago	345	155,015
Cianthia Primary School	01139570250100	Cooperative Bank, Siakago	1,040	550,000
Cianyi Primary School	1139051832100	Cooperative Bank, Siakago	80,631	81,111
Cieria Chiefs Office	01141570105900	Cooperative Bank, Siakago	1,257	151,505
Cieria Primary School	01139570211000	Cooperative Bank, Siakago	25,704	69,179
DCC Office	01141570220900	Cooperative Bank, Siakago	3,187	975
F.G.C.K Kamaua Primary School	01139570039400	Cooperative Bank, Siakago	1,975	1,975
Gacuriri Primary School	01139344451102	Cooperative Bank, Siakago	1,520	549,520
Gangara Primary School	1007030003638	Sidian Bank, Embu	27,284	-
Gatatha Primary School Pmc	1007030003558	Sidian Bank, Embu	1,075	-
Gatororori Primary School	1117569666200	Cooperative Bank, Siakago	-	-
Gatothia Primary School	01139344640201	Cooperative Bank, Siakago	322,341	218,784
Gikuyari Primary School	1007030003938	Sidian Bank	23	-
Gikuyari Secondary School	01139344108102	Cooperative Bank, Siakago	76,002	1,006,410
Gikuyari Secondary School	1007030003928	Sidian Bank, Embu	135,943	-
Gitiburi Secondary School	1007030003708	Sidian Bank, Embu	465,998	-
Gitiburi Primary School	1007030003688	Sidian Bank, Embu	3,375	-
Gwakaithi Primary School	01139570226701	Cooperative Bank, Siakago	69,605	246,652
Ibutuka Primary School	1139344119801	Cooperative Bank, Siakago	1,981	-
Iriaitune Chiefs Office	01141570229200	Cooperative Bank, Siakago	106,935	498,975

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Ishiara Kmtc	1007030003168	Sidian Bank, Embu	3,001,597	-
Ishiara Social Hall	1141570052700	Cooperative Bank, Siakago	1,775	-
Itiira Secondary School	01139051604602	Cooperative Bank, Siakago	368,996	368,996
Itiira Sub-Chief Office	1141570127900	Cooperative Bank, Siakago	25	-
Kabachi Primary School	1139052537801	Cooperative Bank, Siakago	1,570	-
Kabachi Secondary School	01139569163202	Cooperative Bank, Siakago	1,737,771	737,771
Kabubua Ka Nyama	1007030003788	Sidian Bank	1,184,584	-
Kageri Primary School	1139570004400	Cooperative Bank	3,230	-
Kamarindo Primary School	1007030002561	Sidian Bank, Embu	70,761	550,098
Kambaru Primary School	1007030003538	Sidian Bank, Embu	18,231	-
Kambungu Primary School	01139052735504	Cooperative Bank, Siakago	492,262	499,520
Kamigua Primary School	1139570086700	Cooperative Bank, Siakago	12,505	-
Kamugu Sub Chiefs Office	1007030004296	Sidian Bank	250,015	-
Kamukanya Primary School	01139570229700	Cooperative Bank, Siakago	1,002	549,520
Kamwaa Secondary School	01139570226600	Cooperative Bank, Siakago	105,046	999,520
Kanganga Primary School	1139570054001	Cooperative Bank, Siakago	1,000	-
Kanthenge Primary School	1007030002531	Sidian Bank, Embu	79,932	-
Kanyangi Primary School	01139570237600	Cooperative Bank, Siakago	1,000	249,520
Kanyuambora Chiefs Office	1141570064800	Cooperative Bank, Siakago	725	-
Kanyuambora Police Station Pmc	1007030003828	Sidian Bank	5	-
Kanyuambora Secondary School	01139051033603	Cooperative Bank, Siakago	805,581	728,293
Karambari Police Post	1007030004116	Sidian Bank, Embu	350,000	-
Karambari Secondary School	01139344179502	Cooperative Bank, Siakago	1,283,949	209,414
Karangare Secondary School	1007030004106	Sidian Bank, Embu	2,998,975	-
Karigiri Primary School	01139052737401	Cooperative Bank, Siakago	70,103	521,820
Karigiri Secondary School	1139569250704	Cooperative Bank, Siakago	132,446	549,520
Katheru Primary School	1139570005500	Cooperative Bank, Siakago	708	-

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Kathiga Gaceru Secondary School	01139051697301	Cooperative Bank, Siakago	1,689,746	2,613,028
Kathutheri Primary School	1007030002541	Sidian Bank	167,589	-
Kavairi Primary School	1007030002551	Sidian Bank	998,975	-
Kavengero Secondary School	01139569475900	Cooperative Bank, Siakago	63,845	63,845
Kavui Primary School	01139570053900	Cooperative Bank, Siakago	45,770	551,020
Kiamugongo Primary School	1139344523100	Cooperative Bank, Siakago	76,626	-
Kianganja Primary School	1007030002791	Sidian Bank	21,405	275,741
Kianjeru Primary School	01139569655600	Cooperative Bank, Siakago	-	69,752
Kianjeru Secondary School	1139570071000	Cooperative Bank, Siakago	72,146	-
Kianjeru Secondary School	01139570071000	Cooperative Bank, Siakago	157,852	620,688
Kianjogu Primary School	01139344515000	Cooperative Bank, Siakago	164,440	249,520
Kianjonya Primary School	1139569750701	Cooperative Bank, Siakago	3,050	751,100
Kianthenge Primary School	01139344657000	Cooperative Bank, Siakago	76,496	599,520
Kiathambu Secondary School	01108569199300	Cooperative Bank, Siakago	97,957	91,792
Kigwambiti Secondary School	01139344561503	Cooperative Bank, Siakago	2,011,989	4,176
Kirie Accs Office	1141570126400	Cooperative Bank, Siakago	132,446	497,017
Kirie Administration Police Line	1141570074900	Cooperative Bank, Siakago	1,199	-
Kirie Ap Post Pmc	1007030002571	Sidian Bank, Embu	68,967	150,359
Kirie Primary School	01139052734902	Cooperative Bank, Siakago	-	90,326
Kirigo Primary School	1007030003798	Sidian Bank, Embu	1,655	-
Kirigo Secondary School	1007030003808	Sidian Bank, Embu	2,805	-
Kivue Day Mixed Secondary School	01139052929302	Cooperative Bank, Siakago	-	1,005,615
Kivue Primary School	01139052732701	Cooperative Bank, Siakago	5,460	549,520
Kivue Secondary School	01139052929302	Cooperative Bank, Siakago	46,497	-
Kogari Secondary School	1007030003498	Sidian Bank, Embu	84,533	-
Kune Sub Chief Office	1141570052300	Cooperative Bank, Siakago	1,463	-
Kwandambogo Primary School	01139570229400	Cooperative Bank, Siakago	70,303	549,520

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Mang'ote Primary School	1117052739702	Cooperative Bank, Siakago	-	19,441
Mathai Primary School	1139570052600	Cooperative Bank, Siakago	4,238	-
Mbachi Primary School	1117569656000	Cooperative Bank, Siakago	-	-
Mbaraga Secondary School	1139570269900	Cooperative Bank, Siakago	751,015	-
Mbarwari Primary School	1139052736901	Cooperative Bank, Siakago	11,891	-
Mbeere North Ng-Cdf Office	1007030002471	Sidian Bank, Embu	1,610	3,643
Mbeere North Environment Pmc	1007030002431	Sidian Bank, Embu	350	3,830
Mbeere North Ng-Cdf Office Equipment	1007030002481	Sidian Bank, Embu	1,635	1,635
Mianjatiri Primary School	1007030003508	Sidian Bank, Embu	9,515	-
Michegethiu Primary School	01139570223100	Cooperative Bank, Siakago	69,841	512,020
Muchonoke Primary School	1007030003678	Sidian Bank, Embu	55	-
Mugwanjogu Primary School	1007030003768	Sidian Bank, Embu	175	-
Mukororia Primary School	1139344244401	Cooperative Bank, Siakago	1,315	-
Muminji Chiefs Office	1007030002841	Sidian Bank	14,653	111,713
Murangu Primary School	1139407575002	Cooperative Bank, Siakago	1,015	-
Muthantara Secondary School	01139344130502	Cooperative Bank, Siakago	1,107	1,107
Muthanthara Primary School	1007030003648	Sidian Bank, Embu	145	-
Muthanu Sub-Chiefs Office	1141570222700	Cooperative Bank, Siakago	16,256	16,256
Ndutori Primary School	01139052752602	Cooperative Bank, Siakago	27,839	186,383
Ndutori Secondary School	01139569515002	Cooperative Bank, Siakago	1,320	199,520
Ngiiri Primary School	01139051182401	Cooperative Bank, Siakago	251,000	525,450
Ngoce Primary School	1139570105800	Cooperative Bank, Siakago	825,057	-
Ngoce Secondary School	01139344247002	Cooperative Bank, Siakago	555,693	623,373
Njarange Primary School	1007030003548	Sidian Bank, Embu	61,023	-
Nthigirani Primary School	1007030003848	Sidian Bank, Embu	85	-
Ovarire Primary School	01139052737102	Cooperative Bank, Siakago	101,380	299,520
Riandu Mixed Secondary School	1139344739600	Cooperative Bank, Siakago	-	765,379

**Mbeere North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Riandu Police Post	01141570066500	Cooperative Bank, Siakago	2,855,430	2,118,376
Riandu Secondary School	1139344739600	Cooperative Bank, Siakago	1,594,605	-
Rwagori Primary School	01139344247601	Cooperative Bank, Siakago	3,000	549,520
Rwanjeru Primary School	01139051167601	Cooperative Bank, Siakago	1,410	249,520
Siakago Boys Secondary School	01139569021400	Cooperative Bank, Siakago	2,445,974	2,003,280
Siakago Girls High School	01139344348500	Cooperative Bank, Siakago	1,899	165,636
Siakago Law Courts	01141570256200	Cooperative Bank, Siakago	1,075	498,975
Siakago Police Headquarter	01120570002900	Cooperative Bank, Siakago	2,076,918	536,492
Siakago Primary School	01139569762300	Cooperative Bank, Siakago	-	80,433
Siakago Technical Training Institute	1007030002811	Sidian Bank, Embu	4,909	389
Sports Pmc	1007030002461	Sidian Bank, Embu	5,189	409
St. Anthony Siakago Mixed Secondary School	1139344430900	Cooperative Bank, Siakago	1,861,568	911,568
St. Peter's Upper Primary School	1139570110600	Cooperative Bank, Siakago	8,093	59,703
St.John's The Baptist Kirie Day Secondary School	1139051129802	Cooperative Bank, Siakago	418,527	29,322
Usambara Primary School	1139570143800	Cooperative Bank, Siakago	3,060	-
Witwa Primary School	01139344761400	Cooperative Bank, Siakago	97,669	97,169
<b>Total</b>			<b>38,645,252</b>	<b>30,606,352</b>

*Mberere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

The following is the summary of issues raised by the external auditor during audit for the financial statements of the financial year 2019/2020, and the management comments that were provided to the auditor and subsequent progress made on the resolution of the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0.	Basis for Qualified Opinion  Inaccurate adjustment on Un utilized Funds-The summary statement of appropriation (Recurrent and Development combined) for the year ended 30th June 2020 reflects Kshs.102,902,140 in respect to adjustments for the year being the unutilized funds in the previous year. However, the financial statements for the year 2018/2019 reflects Ksh.90,510,692 in respect to the same item resulting to un reconciled and unexplained variance of Kshs.12,391,448.	We are looking into this and will provide the necessary information in due course	Not resolved	One month
2.0.	Unsupported Expenditure on Other Grants and Transfers-The statement of receipts and payments and note 7 to the financial statements reflect other grants and transfers of Kshs.37,497,046 which include Kshs.10,736,600 in respect of bursaries but only Ksh.4,523,100 worth of those bursaries were acknowledged by the respective beneficiaries thus leaving a balance of ksh.6,213,500 or 58% unacknowledged.	We are looking into this and will provide the necessary information in due course	Not resolved	One month

*Mberere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<b>Budget Control Performance</b>	We are looking into this and will provide the necessary information in due course	Not resolved	One month
1.0.	Budgetary Control Performance -Revenue Shortfall Kshs.76,166,725 and Under expenditure of Kshs.81,869,798.-	We are looking into this and will provide the necessary information in due course	Not resolved	One month
2.0.	Project Implementation Status Report -Projects worth Kshs.52,983,023 not started	We are looking into this and will provide the necessary information in due course	Not resolved	One month
3.0.	Idle Projects :Kirie Administration Police Line-Kshs.1,300,000 disbursed t the project, for construction of 4 staff houses and Kirie Assistant County Commissioners Office Kshs.3,000,000 in respect of construction of 2 bedroom staff house to completion .The two projects were complete but not in use.	We are looking into this and will provide the necessary information in due course	Not resolved	One month
4.0.	Presentation of Financial Statements-Financial statements do not include a separate summary statement of appropriation for recurrent and development as required by PSASB template. The statement of receipt and payment and statement of cash flows do not indicate for the year ended 30th	We are looking into this and will provide the necessary information in due course	Not resolved	One month

*Mbere North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	June 2020 and statement of asset and liabilities does not indicate as at 30th June 2020.			
	<b>Lawfulness and effectiveness in use of public funds</b>	We are looking into this and will provide the necessary information in due course	Not resolved	One month
1.0.	Unallocated amount in the combined statement of Appropriation (Recurrent and Development) of 191,448 which was not approved by the Board contrary to section 5(1)(2) of the National Government Constituencies Development Fund Act 2015.	We are looking into this and will provide the necessary information in due course	Not resolved	One month
2.0.	Tender for fencing of Siakago Technical training-Kshs. 3,400,000 for fencing with concrete poles and chain link. Request for quotations method was used without justification contrary to the first schedule of Public Procurement and Disposal (Amendment) Regulations 2013, which caps amount for request of quotations to Kshs. 500,000 for class C procurement entities. In addition the respondents local service order (LSOs) and invoices were not availed for audit review; In addition the concrete posts were crumbling indication of poor quality.	We are looking into this and will provide the necessary information in due course	Not resolved	One month