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THE AUDITOR-GENERAL

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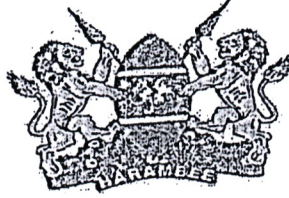
**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
KIPIPIRI CONSTITUENCY**

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

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Revised Template 30th June 2019



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –
KIPIPIRI CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2019

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

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY

27 SEP 2019

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
KIPIPIRI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
KIPIPIRI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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

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Core Values

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

(b) Key Management

The NG-CDF KIPIPIRI Constituency day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

(c) Fiduciary Management

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

No.	Designation	Name
1.	A.I.E holder	Eleanor M. Githogori
2.	Sub-County Accountant	Hellen Riungu
3.	Chairman NG-CDFC	Francis Karuiru
4.	Member NG-CDFC	Joseph Kamiri

(d) Fiduciary Oversight Arrangements

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

(e) NG-CDF KIPIPIRI Constituency Headquarters

P.O. Box 25-20301,
NG-CDF Office Building,
Miharati,
KENYA.

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

Reports and Financial Statements

For the year ended June 30, 2019

(f) NG-CDF KIPIPIRI Constituency Contacts

Telephone: (254) 722265306
E-mail: cdfkipipiri@NG-CDF.go.ke
Website: www.NG-CDF.go.ke

(g) NG-CDF Kipipiri Constituency Bankers

Equity Bank (Kenya) Limited
Ol kalou Branch
Account No. 0620296398093
P.O. Box 215
Ol kalou, 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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
KIPIPIRI CONSTITUENCY
Reports and Financial Statements
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FORWARD BY THE CHAIRMAN NG-CDF COMMITTEE

Guided by the vision of Kipipiri Constituency, which is to be a leading Constituency in the effective and efficient management of the devolved funds:

- The NG-CDF Kipipiri programmes and activities have continued to be implemented in a well-organized and coordinated manner the various projects which follows clearly set performance indicators and time frame, under each of the national functions priorities namely: education infrastructure and bursary, security, environment through equity and sustainable development in poverty eradication at community level.
- The budget performance against actual amounts was good except for a few issues.
- The key achievements have been access to quality and equal opportunity in education by giving bursaries to the less fortunate students both in secondary and tertiary level activities within the constituency.
- Infrastructure in the public primary and secondary schools classrooms, administration block and toilets is underway, hence creating a conducive working environment for both students and teachers which boosts morale and general education standards of the schools. Security projects of various Administration police posts are due for construction and renovation, thus giving the security teams a conducive working environment and also improved security.

Emerging issues, implementation challenges and recommendations

Some of the emerging issues related to implementation of projects was the late disbursement of funds.

Sign 

FRANCIS KARUIRU

CHAIRMAN NG-CDF COMMITTEE

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

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

I. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NG-CDF-Kipipiri Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

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

Approval of the financial statements

The NG-CDF-Kipipiri Constituency financial statements were approved and signed by the Accounting Officer on 26/09/2019.


Fund Account Manager
Name: ELEANOR MUTHONI


Sub-County Accountant
Name: HELLEN RIUNGU



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kipipiri Constituency set out on pages 6 to 39, which comprise of the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and the summary of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Unsupported Bursary Payments

The statement of receipts and payments reflects other grants and transfers of Kshs.53,164,099 which as disclosed under Note 7 to the financial statements, included bursaries of Kshs.29,457,366 and Kshs.8,024,430 to secondary schools and tertiary institutions respectively, both totalling to Kshs.37,481,796. However, a detailed beneficiary listing indicating the school/college, student name, admission number and amounts disbursed for bursaries amounting to Kshs.12,529,191 was not provided.

In the circumstances, the accuracy and validity of the reported bursary payments could not be confirmed.

2. Irregular Payment of Committee Allowances

The statement of receipts and payments reflects payments of Kshs.3,100,155 for use of goods and services which as disclosed at Note 5 to financial statements, includes committee expenses of Kshs.1,904,000. However, an amount of Kshs.184,500 was paid to non-committee members. Further, supporting documents including approved reports and meeting minutes for payments amounting to Kshs.639,300 and Kshs.255,000 relating to monitoring and evaluation expenses and projects inspection program respectively, were not provided.

In the circumstances, the accuracy and propriety of the reported payments of Kshs.1,904,000 for committee expenses could not be confirmed.

3. Unreconciled Variance for Accounts Payable - Staff Gratuity

The statement of assets and liabilities reflects nil accounts payable - staff gratuity. However, Note 12B to the financial statements reflects outstanding staff gratuity of Kshs.560,480 whose total is erroneously shown as Kshs.481,300.

In the circumstances, the accuracy and completeness of the reported nil balance for accounts payable - staff gratuity could not be confirmed.

4. Bank Balances

The statement of assets and liabilities and Note 10A to the financial statements reflect a bank balance of Kshs.11,369,889. However, the bank reconciliation statement for the month of June, 2019 reflected un-presented cheques amounting to Kshs.21,164,447 which included a cheque for Kshs.118,000 which was already stale but had not been written back into the cashbook.

In the circumstances, the accuracy of the reported bank balance of Kshs.11,369,889 as at 30 June, 2019, could not be confirmed.

5. Prior Year Adjustments

The statement of assets and liabilities reflects prior year adjustments of Kshs.1,310,400 which as disclosed under Note 14 to the financial statements, related to bank accounts adjustments. However, Paragraph 1.5 of International Public Sector Accounting Standard – Financial Reporting under the Cash Basis of Accounting requires that errors relating to prior periods be reported by adjusting the cash at the beginning of the period and comparative information to be restated accordingly. The disclosure requirements with regard to correction of errors have also not been met.

In the circumstances, the accuracy and validity of the prior year adjustments of Kshs.1,310,400 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 - Kipipiri 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 receipts budget and actual receipts on comparable basis of Kshs.170,613,785 and Kshs.115,572,909 respectively, resulting into an underfunding of Kshs.55,040,876 or 32% of the budget. Further, of the receipts of Kshs.115,572,909 realized, only Kshs.105,513,420 was utilized resulting into under absorption of Kshs.10,054,489 or 9% of the receipts.

The underfunding and failure to implement all the planned activities may have impacted negatively on service delivery to the constituents of Kipipiri.

2. Unresolved Prior Year Audit Matters

As disclosed under the progress on follow up of auditor recommendations section of the financial statements, some of the prior year audit issues remained unresolved as at 30 June, 2019. No satisfactory explanation was provided for not resolving the issues.

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. Project Implementation Status

The project implementation status report as at 30 June, 2019 indicated that nine (9) projects with an allocation of Kshs.17,300,000 were still ongoing, implementation of forty-

six (46) projects with a funding allocation of Kshs.28,538,993 had not started and that seventeen (17) prior year's projects with a funding allocation of Kshs.9,627,879 were not prioritized as required under Section 46(2) of National Government Constituencies Development Fund Act, 2015 which requires ongoing projects to take precedence over all other projects in funding.

In the circumstances, Management was in breach of the Law. In addition, delayed completion of projects might lead to loss of public funds through cost escalations.

2. Unsatisfactory Implementation of Projects

Audit inspection between 20 and 21 January, 2020 of twenty-one (21) projects with a funding allocation of Kshs.37,800,000 revealed lack of involvement of Project Management Committees, stalled projects, poor workmanship and other anomalies as shown in **Appendix I**.

Further, Project Management Committees (PMCs) were not operating independently in procurement of goods, services and works, implementation of projects and payment for goods, services and works as provided under Section 36(1) of the National Government Constituencies Development Fund Act, 2015.

The Fund Management was therefore, in breach of the Law.

3. Irregular Implementation of Sports Projects

The statement of receipts and payments reflects other grants and transfers of Kshs.53,164,099 which as disclosed at Note 7 to the financial statements, included Kshs.1,452,110 expended on sports projects. However, a Project Management Committee to implement the Project was not appointed as required under Section 15(6) of the National Government Constituencies Development Fund Act, 2015. Further, the items were procured using the direct procurement method although the conditions for use of the method as provided under Section 103 (2) of the Public Procurement and Assets Disposal Act, 2015 had not been met. In addition, supporting documents including stores records, proof of delivery of goods, requisitions and the list of distribution to the beneficiaries were not provided.

In the circumstances, the accuracy and propriety of the payment of Kshs.1,452,110 on sports activities could not be confirmed.

4. Irregular Emergency Projects

Note 7 to the financial statements reflects emergency projects payments of Kshs.5,738,993. However, no evidence was provided that the expenditure was an emergency as provided under Section 8(3) of the National Government Constituencies Development Fund Act, 2015 which provides that emergency shall be construed to mean an urgent, unforeseen need for expenditure for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest

of the constituents. In addition, eight (8) projects with a funding allocation of Kshs.5,038,993 had not been implemented eight (8) months after the PMCs received the funds.

In the circumstances, the propriety of the expenditure amounting to Kshs.5,038,993 on emergency projects could not be confirmed.

5. Irregular Recruitment

The statement of receipts and payments and Note 4 to the financial statements, reflect payments of Kshs.1,309,212 for compensation of employees. However, signed letters of appointment and approval for the recruitment two (2) employees recruited and paid a total salary of Kshs.203,040 between March and June, 2019 were not provided.

Consequently, the propriety of the salaries amounting to Kshs.203,040 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 matters 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

Effectiveness of the Fund Committee

Available information indicated that on 10 May, 2019, the Fund Manager recorded the minutes of the Constituency Committee meeting held in the presence of the Fund Committee Secretary. This is contrary to Regulation 9(2)(c) of the National Government Constituencies Development Fund Regulations, 2016 which provides that recording of the proceedings of the Constituency Committee meeting is the responsibility of the Secretary. Further, the Secretary and the Chairperson did not sign the committee minutes for the meetings held on 13 July, 2018; 31 August, 2018; 8 October, 2018; 05 November, 2018; 03 December, 2018; 29 December, 2019; 30 March, 2019 and

Report of the Auditor-General on National Government Constituencies Development Fund - Kipipiri Constituency for the year ended 30 June, 2019

10 May, 2019 contrary to Regulation 7(10) of the National Government Constituencies Development Fund Regulations, 2016.

Further, the schedule of Committee meetings held during the year prepared and tabled before the Committee as provided under Regulation 7(9) of the National Government Constituencies Development Fund Regulations 2016, was not provided. In addition, various notices/minutes for the Committee meetings, provided for audit review indicated that the venue of the meetings was at the Kipipiri Member of Parliament's Boardroom in Nairobi. It was not clear why the meetings were not held within the boundaries of the Constituency.

In the circumstances, it was not possible to confirm whether internal controls and governance of the Fund was effective.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide

a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern 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 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

23 December, 2021

Appendix I - Unsatisfactory Implementation of Projects

Project Beneficiary and Details	Allocation (Kshs.)	Audit Observations
Jomo Primary - Trees Planting	100,000	<ul style="list-style-type: none"> • Pre and post distribution lists and evidence of delivery of 1,000 seedlings were not made available for audit review. • Seedlings could not be traced on the ground as it was explained to have weathered. • There was no evidence of PMC involvement in the Project.
St. Peters Mawingo Primary - Trees planting	150,000	<ul style="list-style-type: none"> • Pre and post distribution lists and evidence of delivery of 1,000 seedlings were not made available for audit review; • Seedlings could not be traced on the ground as it was explained to have weathered; • There was no evidence of PMC involvement in the Project.
Gathiriga Primary- Construction of Classrooms	2,800,000	<ul style="list-style-type: none"> • Project had been funded in 2017/2018 financial year but was incomplete one year later; • Contractor was paid in cash under unclear circumstances. • The mandate for operating the bank account was not adhered to: two signatories signed to withdraw the cash instead of the mandatory three.
Kiamboga Primary- Construction of Classrooms	1,850,000	<ul style="list-style-type: none"> • Project was incomplete and contractor was not on site; • Kshs.1,850,000 had been spent on the Project in 2017/2018 financial year. However, works not done included roofing, doors and windows, and finishes with provisions of Kshs.98,400, Kshs.80,000 and Kshs.67,000 respectively; • Works paid for but not done amounted to Kshs.245,400.

Project Beneficiary and Details	Allocation (Kshs.)	Audit Observations
Mumoi Primary- Construction of Classrooms	1,400,000	<ul style="list-style-type: none"> • Contract was awarded on 13/3/2019 but remained incomplete almost one (1) year later; • Works remaining included roofing, fixing windows, doors, plastering, keying, painting, wiring and site clearing; • Kshs.975,000 had been paid to the contractor leaving out a balance of Kshs.425,000 which was not commensurate with the remaining works; • Variation of Kshs.600,000 had been effected without the requisite approvals; • Cracks had formed on the veranda.
Wanjohi Primary School - Construction of Toilet	150,000	Project was incomplete with the entrance cover wall undone; and the foundation not satisfactorily completed.
Kabati Primary School - Flooring of classrooms	300,000	Six (6) months after the floors were done there were noticeable cracks and surfaces peeling off yet the contractor had been paid a substantial amount of Kshs.245,490 as at 2 August, 2019.
Marimu Primary School - Flooring of Classrooms, Levelling of the playground	800,000	<p>The floors were unsatisfactorily done with cracks and peeling of the surface evident; and</p> <p>Levelling of the playground had not been done.</p>
Migaa Primary School - Construction of classrooms	1,700,000	<ul style="list-style-type: none"> • The Project was incomplete but the contractor was not on site; • Two (2) classrooms had been done up to the roofing level with one (1) classroom partitioned to serve as an office; • The other two (2) classrooms had been constructed up to the lintel level; • Both Projects had stalled despite the Projects account having a balance of Kshs.3,053,870 as at 13 February, 2020.

Project Beneficiary and Details	Allocation (Kshs.)	Audit Observations
Ririchua Primary School - Construction of classrooms, staff and boy's toilets and levelling of playground.	3,050,000	Levelling of the playground had not been done.
Rutuba Primary School - Construction of Classrooms. Flooring of classrooms	2,400,000	<ul style="list-style-type: none"> • The Project started in January 2019 and was scheduled for completion on 30 April, 2019. The Project was therefore behind schedule; • The rafters were freshly done; • The flooring works were fairly done
Manunga Mixed Secondary - Construction of Science Laboratory	3,000,000	Project was incomplete, and had taken significantly long to complete.
Wanjohi Girls' Secondary School - Dormitory Plumbing of Drainage	700,000	<ul style="list-style-type: none"> • Project was incomplete and the Contractor was not on site; • Several works with a value of Kshs.272,000 in the bill of quantities (BQ) were undone; • Styling works done was not in the BQ; • Works were varied by Kshs.266,000 to cover drainage works. However, the varied works had already been provided for in the BQ; • Kshs.35,000 being PMC allowance and stationary had not been accounted for.
Kimuru Secondary School - Construction of Science Laboratory	3,000,000	<ul style="list-style-type: none"> • Project was incomplete and the contractor was not on site; • Works not done included painting works costing Kshs.28,210, internal walls costing Kshs.95,550 and electrical fittings costing Kshs.50,000; • Walling had not been plastered to smooth surface.
Malewa Secondary School - Construction of Classrooms	1,600,000	<ul style="list-style-type: none"> • Project was incomplete and the contractor was not on site; • Works not done included installation of 2 windows and 2 doors costing Kshs.160,000, plastering, painting costing Kshs.134,000, electrical fittings, writing board, ceiling board.

Report of the Auditor-General on National Government Constituencies Development Fund - Kipipiri Constituency for the year ended 30 June, 2019

Project Beneficiary and Details	Allocation (Kshs.)	Audit Observations
		The pending works was attributed to inadequate funding.
Mumoi Secondary - Construction of Classroom	800,000	<ul style="list-style-type: none"> • Project was incomplete while the Contractor was not on site; • Kshs.760,000 has been paid to the contractor leaving out a balance of Kshs.40,000; • Works not done included windows installation, wall plastering, painting works and electrical wiring; and • Contract agreement was not available for review as the tendering process was conducted at the NG-CDF offices.
St. Peters Mawingo Primary - Construction of Science Laboratory	3,000,000	<ul style="list-style-type: none"> • Construction was funded on 26 March, 2019 and remained incomplete almost one (1) year later; • The contract agreement was not provided for review.
Wanjohi Girls Secondary School - Construction of a Twin Laboratory	4,000,000	<ul style="list-style-type: none"> • The Project was funded in 2013/14 financial year but the contractor abandoned it; • The building was in ruins and had been turned into storage for old school furniture; • Works not done included fitting of windows, doors, plastering, screening of floor, fitting of fascia boards, painting and fitting of laboratory systems.
Kagongo Secondary School - Construction of Laboratory	3,000,000	<ul style="list-style-type: none"> • The Project was incomplete and the contractor was not on site. • Works not done included painting and decorations, rainwater installation, fascia board, ceiling, electrical works, sign board
Kianjogu Secondary School - Construction of Laboratory	3,000,000	<ul style="list-style-type: none"> • Project was incomplete and the contractor was not on site; • Works not done included; painting and decorations, rainwater installation, fascia board, electrical works, sign board; and cracks on the floor were notable.

Report of the Auditor-General on National Government Constituencies Development Fund - Kipipiri Constituency for the year ended 30 June, 2019

Project Beneficiary and Details	Allocation (Kshs.)	Audit Observations
Nдеми AP Police Post - Construction of Officers houses	1,000,000	<ul style="list-style-type: none"> • Project had been completed but was yet to be put to use; • The houses had developed cracks on the walls and the foundation level was so low that whenever it rained, water flowed into the houses.
Total	37,800,000	

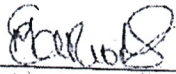


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
KIPIPIRI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

II. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018-2019 kshs	2017-2018 kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	108,784,483	46,455,172
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	5,000	68,000
TOTAL RECEIPTS		108,789,483	46,523,172
PAYMENTS			
Compensation of employees	4	1,309,212	1,086,697
Use of goods and services	5	3,100,155	2,619,637
Transfers to Other Government Units	6	43,500,000	41,700,000
Other grants and transfers	7	53,164,099	3,700,000
Acquisition of Assets	8	4,439,954	-
Other Payments	9	-	-
TOTAL PAYMENTS		105,513,420	49,106,334
SURPLUS/DEFICIT		3,276,063	(2,583,162)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-Kipipiri Constituency financial statements were approved on 26/9/2019 and signed by:


 Fund Account Manager
 Name: ELEANOR MUTHONI

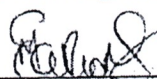

 Sub-County Accountant
 Name: HELLEN RIUNGU

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
KIPIPIRI CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2019

III. STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019	2017-2018
		kshs	kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	11,369,889	6,783,426
Cash Balances (cash at hand)	10B	-	-
Total Cash & Cash Equivalents		11,369,889	6,783,426
Current Receivables -Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		11,369,889	6,783,426
FINANCIAL LIABILITIES			
Accounts Payable -Gratuity	12B	-	-
NET FINANCIAL ASSETS		11,369,889	6,783,426
Fund balance b/fwd 1st July...	13	6,783,426	6,783,426
Surplus/Deficit for the year		3,276,063	(2,583,162)
Prior year adjustments	14	1,310,400	198,160
NET FINANCIAL POSITION		11,369,889	6,783,426

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF- Kipipiri Constituency financial statements were approved on 26/9/2019 and signed by:


 Fund Account Manager
 Name: ELEANOR MUTHONI


 Sub-County Accountant
 Name: HELLEN RIUNGU


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
KIPIPIRI CONSTITUENCY

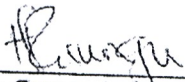
Reports and Financial Statements
For the year ended June 30, 2019

IV. STATEMENT OF CASHFLOW

		2018-2019	2017-2018
Receipts for operating income			
Transfers from CDF Board	1	108,784,483	46,455,172
Other Receipts	3	5,000	68,000
		108,789,483	46,523,172
Payments for operating expenses			
Compensation of Employees	4	1,309,212	1,086,697
Use of goods and services	5	3,100,155	2,619,637
Transfers to Other Government Units	6	43,500,000	41,700,000
Other grants and transfers	7	53,164,099	3,700,000
Other Payments	9	-	-
		101,073,466	49,106,334
Adjusted for:			
Adjustments during the year	14	1,310,400	198,160
Changes in in Payables			
Net cash flow from operating activities		9,026,417	(2,385,002)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	4,439,954	-
Net cash flows from Investing Activities		(4,439,954)	-
NET INCREASE IN CASH AND CASH EQUIVALENT			
		4,586,463	(2,385,002)
Cash and cash equivalent at BEGINNING of the year	13	6,783,426	9,168,428
Cash and cash equivalent at END of the year		11,369,889	6,783,426

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-Kipipiri Constituency financial statements were approved on 26/9/2019 and signed by:


Fund Account Manager
Name: ELEANOR MUTHONI


Sub-County Accountant
Name: HELLEN RIUNGU

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	109,040,876	61,567,909	170,608,785	115,567,909	55,040,876	67.7%
Proceeds from Sale of Assets						
Other Receipts			5,000	5,000	-	
TOTAL	109,040,876	61,567,909	170,613,785	115,572,909	55,040,876	67.7%
PAYMENTS						
Compensation of Employees	2,500,000	573,303	3,073,303	1,309,212	1,764,091	42.6%
Use of goods and services	3,180,248	2,410,123	5,590,371	3,100,155	2,490,216	55.5%
Transfers to Other Government Units	67,738,993	4,000,000	71,738,993	43,500,000	28,238,993	60.6%
Other grants and transfers	31,621,634	39,586,339	71,207,973	53,164,099	18,043,874	74.7%
Acquisition of Assets		4,700,000	4,700,000	4,439,954	260,046	94.5%
Other Payments	4,000,000	10,298,144	14,298,144		14,298,144	0.0%
TOTAL	109,040,875	61,567,909	170,608,784	105,513,420	65,095,364	61.8%

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

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

In B, Give Explanation on all the items below 90% Utilization

- i. Receipts - The total receipts from the NG-CDF Board was 67.7% awaiting additional funding.
- ii. Compensation of Employees - 58.3% is due to prior year funding.

b
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

- iii. Use of Goods & Services - 58.2% (Administration and Monitoring & Evaluation) is due to prior year funding.
- iv. Transfers to Other Government Units - 60.6% is due to prior year funding.
- v. Other grants & Payments - 73.9% is due to prior year funding.
- vi. Other Payments - 2.8% is due to prior year funding.
- vii. Reallocations amounting to Kshs. 20,189,963.12 is awaiting approval from the Board.

(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

The NG-CDF-Kipipiri Constituency financial statements were approved on 26/9/ 2019 and signed by:



Fund Account Manager
Name: ELEANOR MUTHONI



Sub-County Accountant
Name: HELLEN RIUNGU

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) -
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	com
	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent				
1.1 Compensation of employees	2,500,000	573,303	3,073,303	
1.2 Committee allowances	2,000,000	1,290,000	2,000,000	
1.3 Use of goods and services	2,042,452	2,410,123	2,042,452	
2.0 Monitoring and evaluation				
2.1 Capacity building	1,137,796.07		1,137,796.07	
2.2 Committee allowances	1,000,000		1,000,000	
2.3 Use of goods and services	1,000,000		1,000,000	
3.0 Emergency				
3.1 Primary Schools	3,938,993		3,938,993	
3.2 Secondary schools	1,800,000		1,800,000	
3.3 Tertiary institutions	0		0	
3.4 Security projects	0		0	
4.0 Bursary and Social Security				
4.1 Primary Schools	0		0	
4.2 Secondary Schools	17,260,000	20,067,114	17,260,000	
4.3 Tertiary Institutions	10,000,000		10,000,000	
4.4 Universities	0		0	
4.5 Social Security	0		0	
5.0 Sports				
5.1	2,180,817	1,452,110	3,632,927	
6.0 Environment				
6.1	2,180,817		2,180,817	
7.0 Primary Schools Projects (Refer to Annex 6)		4,000,000		
7.1 Jura Primary School	250,000		250,000	
7.2 Githioro Primary School	250,000		250,000	
7.3 Migaa Primary School	1,850,000		1,850,000	
7.4 Njomo Primary School	250,000		250,000	
7.5 St. Peters Primary School	50,000		50,000	
7.6 Gathiriga Primary School	1,000,000		1,000,000	
7.7 Turasha Primary School	1,800,000		1,800,000	
7.8 Mumui Primary School	600,000		600,000	
7.9 Kirichua Primary School	2,000,000		2,000,000	
7.10 Mwangaza Primary School	150,000		150,000	
7.11 Kimbo Primary School	150,000		150,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) -
 KIPIPIRI CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2019

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	com
7.12 Kariara Primary School	500,000		500,000	
7.13 Karuri Primary School	100,000		100,000	
7.14 Mahindu Primary School	150,000		150,000	
7.15 Kabati Primary School	1,750,000		1,750,000	
7.16 Kamahia Primary School	600,000		600,000	
7.17 Rutumo Primary School	50,000		50,000	
7.18 Ihiga Primary School	150,000		150,000	
7.19 Gitwe Primary School	1,600,000		1,600,000	
7.20 Mahinga Primary School	500,000		500,000	
7.21 Kipipiri Primary School	150,000		150,000	
7.22 Kanyua Primary School	150,000		150,000	
7.23 Forest One Primary School	1,600,000		1,600,000	
7.24 Munyuini Primary School	900,000		900,000	
7.25 Marimu Primary School	1,650,000		1,650,000	
7.26 Kiambogo Primary School	2,000,000		2,000,000	
7.27 Mikeu Primary School	200,000		200,000	
7.28 Kagongo Primary School	1,050,000		1,050,000	
7.29 Gathuthi Primary School	200,000		200,000	
7.30 Rutuba Primary School	1,050,000		1,050,000	
7.31 Kianjogu Primary School	1,900,000		1,900,000	
7.32 Karia-ni Primary School	150,000		150,000	
7.33 Rumwe Primary School	550,000		550,000	
7.34 Ngatho Primary School	500,000		500,000	
7.35 Wanjohi Primary School	950,000		950,000	
7.36 Rayetta Primary School	800,000		800,000	
7.37 Ndem Primary School	2,400,000		2,400,000	
7.38 Mureranjau Primary School	50,000		50,000	
7.39 Gatondo Primary School	50,000		50,000	
7.40 Gitei Primary School	50,000		50,000	
7.41 Mubao Primary School	150,000		150,000	
7.42 Ndiara Primary School	150,000		150,000	
7.43 Kiburuti Primary School	50,000		50,000	
7.44 Mwireri Primary School	150,000		150,000	
7.45 Magomano Primary School	200,000		200,000	
7.46 Karima Primary School	150,000		150,000	
7.47 Gichigirira Primary School	50,000		50,000	
7.48 Huhirio Primary School	100,000		100,000	
7.49 Kiamboga Primary School	900,000		900,000	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
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Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	com
7.50 Kahiga Primary School				
8.0 Secondary Schools Projects (List all the Projects)		100,000	100,000	
8.1 Kimuru Secondary school	3,000,000		3,000,000	
8.2 St. Peters Secondary school	3,000,000		3,000,000	
8.3 Kianjogu Secondary School	3,000,000		3,000,000	
8.4 Manunga Secondary School	3,000,000		3,000,000	
8.5 Kagongo Secondary School	3,000,000		3,000,000	
8.6 Gathuthi Secondary School	3,000,000		3,000,000	
8.7 Kabati Secondary School	1,000,000		1,000,000	
8.8 Githioro Secondary School	2,000,000		2,000,000	
8.9 Turasha Secondary School	600,000		600,000	
8.10 Mahinda Secondary School		800,000	800,000	
8.11 St. Peters Mawingu Secondary		800,000	800,000	
9.0 Tertiary institutions Projects (List all the Projects)				
9.1				
10.0 Security Projects				
10.1 Kipipiri OCPD office	2,000,000		2,000,000	
10.2 Gatondo Chief's Office	1,000,000		1,000,000	
10.3 Mumui Assistant Chief Camp	1,000,000		1,000,000	
10.4 Makumbi AP Camp		500,000	500,000	
10.5 mawingu Ap camp		500,000	500,000	
10.6 Nдеми AP camp		500,000	500,000	
10.7 Assisant County commissioners office		500,000	500,000	
11.0 Acquisition of assets				
11.1 Motor Vehicles (including motorbikes)		4,700,000	4,700,000	
11.2 Construction of NG-CDF office	4,400,000		4,400,000	
11.3 Purchase of furniture and equipment				
11.4 Purchase of computers				
11.5 Purchase of land				
12.0 Others				
12.1 Strategic Plan				
12.2 Innovation Hub				

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the NG-CDF-Kipipiri Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
KIPIPIRI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

8. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

9. Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Entity at the end of the year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

10. Unutilized Fund

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
KIPIPIRI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1st July 2018 to 30th June 2019 as required by Law.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2019

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) -
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019	2017-2018
		Kshs	Kshs
NG-CDF Board			
AIE NO	A855870		5,500,000
AIE NO	A892734		3,050,000
AIE NO	A892954		37,905,172
AIE NO	B005166	54,784,483	
AIE NO	B006269	15,000,000	
AIE NO	B006393	10,000,000	
AIE NO	B047013	29,000,000	
TOTAL		108,784,483	46,455,172

2 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS		
Description	2018-2019	2017-2018
	kshs	kshs
Receipts from the Sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Receipts from the Sale of office and general equipment	0	0

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
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3 OTHER RECEIPTS		
Description	2018-2019	2017-2018
	kshs	kshs
Interest Received	0	0
Rents	0	0
Receipts from sale of tender documents	5,000	68,000
Other Receipts Not Classified Elsewhere (reversals)		
Total	5,000	68,000

4 COMPENSATION OF EMPLOYEES		
Description	2018-2019	2017-2018
	kshs	kshs
Basic wages of contractual employees	795,382	1,086,697
Basic wages of casual labour		
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance	10,000	0
Other personnel payments		
Employer contribution to NSSF	22,400	0
Gratuity	50,430 481,430	0
Total	1,309,212	1,086,697

1,309,212

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) -
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019
NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 USE OF GOODS AND SERVICES		
Description	2018-2019	2017-2018
	kshs	kshs
Committee Expenses	1,904,500	1,193,900
Office rent	79,000	
Utilities, supplies and services	164,795.40	529,742
Communication, supplies and services	0	
Domestic travel and subsistence	0	64,100
Printing, advertising and information supplies & services	0	203,560
Rentals of produced assets	0	
Training expenses	289,340	
Hospitality supplies and services	0	98,000
Insurance costs	150,715	
Specialised materials and services	0	
Office and general supplies and services	485,460	338,000
Other operating expenses - Bank Charges	26,845	42,335
Routine maintenance - vehicles and other transport equipment	0	150,000
Routine maintenance - other assets	0	
Total	3,100,155.40	2,619,637

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 TRANSFER TO OTHER GOVERNMENT ENTITIES		
Description	2018-2019	2017-2018
	kshs	kshs
Transfers to National Government Entities		
Transfers to Primary Schools (See attached list)	20,300,000	45 31,300,000
Transfers to secondary schools (See attached list)	23,200,000	65 10,400,000
Transfers to Tertiary institutions (See attached list)		
Transfers to Health institutions (See attached list)		
TOTAL	43,500,000	41,700,000

7 OTHER GRANTS AND OTHER PAYMENTS		
Description	2018-2019	2017-2018
	kshs	kshs
Bursary -Secondary Schools (see attached list)	29,457,366	
Bursary -Tertiary (see attached list)	8,024,430	
Bursary-Special schools	155,000	
Mocks & CAT		
water		
Agriculture (food security)		
Electricity projects		
Security	6,000,000	65 2,000,000
Environment	2,336,200	65 1,700,000
Roads		
Sports	1,452,110	
Other capital grants and transfer (bodaboda sheds)		
Emergency Projects (specify)	5,738,993	
Total	53,164,099	3,700,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
 KIPIPIRI CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2019
 NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 ACQUISITION OF ASSETS		
Non Financial Assets	2018-2019	2017-2018
	kshs	kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles	4,439,954	0
Purchase of Bicycles & Motorcycles	0	0
Overhaul of Vehicles	0	0
Purchase of Office furniture and fittings	0	0
Purchase of computers ,printers and other IT equipments	0	0
Purchase of photocopier	0	0
Purchase of other office equipments	0	0
Purchase of soft ware	0	0
Acquisition of Land	0	0
Total	4,439,954	0

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) -
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

9 Other Payments		
ict hubs		
specify	0	0
specify	0	0
TOTAL	0	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
 KIPIPIRI CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2019
 NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Balances (cash book bank balance)	11,369,889		
Name of Bank, Account No. & currency		2018-2019	2017-2018
	Account Number	kshs	kshs
<i>EQUITY OLKALOU BRANCH</i>	0620296398093	11,369,889	6,783,426
Total		11,369,889	6,783,426.00

10B: CASH IN HAND)			
		2018-2019	2017-2018
		kshs	kshs
District Treasury		0	-
Location 2		0	-
Location 3		0	-
Other receipts (specify)		0	-
Total		0	-
			<i>[Provide cash count certificates for each]</i>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
KIPIPIRI CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS			
<i>Name of Officer</i>			<i>Amount Taken</i>
	<i>Date imprest taken</i>		<i>Kshs</i>
		0	
		0	-
		0	-
		0	-
		0	-
		0	-
		0	-

12A. RETENTION

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

[Provide short appropriate explanations as necessary]

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
KIPIPIRI CONSTITUENCY**
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For the year ended June 30, 2019
NOTES TO THE FINANCIAL STATEMENTS (Continued)

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019 Kshs	2017-2018 Kshs
ESTHER MUTHONI MWANGI	158,100	-
GABRIEL NJINJU MWANGI	130,200	-
NEHEMIAH KABA KU GATHUMBI	98,270	-
SAMUEL MURAYA KINUTHIA	98,270	-
GRACE WANGARI KIRAGU	54,250	-
MARTIN NJOROGE WANJIRU	21,390	-
Total	481,300	-

[Provide short appropriate explanations as necessary]

13 BALANCES BROUGHT FORWARD			
		2018-2019	2017-2018
		kshs	kshs
Bank accounts		6,783,426	9,168,428.00
Cash in hand		0	-
Imprest			
Total		6,783,426	9,168,428.00

[Provide short appropriate explanations as necessary]

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) -
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

14. PRIOR YEAR ADJUSTMENTS			
		2018-2019	2017-2018
		kshs	kshs
Bank accounts (Adjustments)		1,310,400	198,160.00
Cash in hand		0	-
Imprest		0	-
Total		1,310,400	198,160.00

(Provide short appropriate explanations as necessary)

Summary of the adjustments is as follows:

1. Kshs. 1,000,000 - Cash book bank balance undercast.
2. Kshs. 300,000 - Bursary Cheques reversals
3. Kshs. 10,320 - PAYE Bank reversal

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
KIPIPIRI CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019
NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019	2017-2018
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	<u>-</u>	<u>-</u>

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
NG-CDFC Staff	-	-
Others (<i>specify</i>)	-	-
	<u>-</u>	<u>-</u>

15.3: UNUTILIZED FUND (See Annex 3)

	Kshs	Kshs
Compensation of employees	1,764,091	573,303
Use of goods and services	2,490,216	2,410,123
Amounts due to other Government entities (see attached list)	28,238,993	4,000,000
Amounts due to other grants and other transfers (see attached list)	18,043,874	39,586,339
Acquisition of assets	260,046	4,700,000
Others (<i>specify</i>)	14,298,144	10,298,144
	<u>65,095,364</u>	<u>61,567,909</u>

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) -
KIPIPIRI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	55,522,439	44,400,000
	55,522,439	44,400,000

NATIONAL GOVERNMENT ENTITY - KIPIPIRI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2019 d=a-c	Comments
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
		a	b	c	d=a-c	
<u>Senior Management</u>						
1.						
2.						
3.						
	Sub-Total					
<u>Middle Management</u>						
4.						
5.						
6.						
	Sub-Total					
<u>Unionisable Employees</u>						
7.						
8.						
9.						
	Sub-Total					
<u>Others (specify)</u>						
10.						
11.						
12.						
	Sub-Total					
	Grand Total					

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/2018	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	-			0
Buildings and structures	-			0
Transport equipment	643,050			643,050
Office equipment, furniture and fittings	667,250			667,250
ICT Equipment, Software and Other ICT Assets	698,380			698,380
Other Machinery and Equipment	348,763	4,439,954		4,788,717
Heritage and cultural assets	-			0
Intangible assets	-			0
Total	2,357,443			6,797,397

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
ST. PETERS PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369622	40,525	350,000
KAIHIGA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369631	399,890	100,000
MIKEU PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369628	114,205	300,000
MWANGAZA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369611	765,175	350,000
TURASHA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369602	765,175	950,000
KARURI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369621	212,120	200,000
JURA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369644	506,920	150,000
GATHIRIGA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369577	4,329,362	3,100,000
WENDANI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369589	123,906	350,000
NDEMI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369566	26,685	350,000
SATIMA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369576	105,530	300,000
RAYETTA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369544	1,000,000	300,000
MARA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369583	112,672	150,000
MACHINERY PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369616	170,276	300,000
GATONDO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369407	114,580	400,000
GITEI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369558	9,757	100,000

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
FOREST ONE PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369377	1,750,000	150,000
MIGAA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369551	2,553,870	1,650,000
KIBURUTI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369594	650,000	550,000
KIPIPIRI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369561	167,380	200,000
MITI ITANO PIMARY SCHOOL - NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369612	250,000	250,000
MAGOMANO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369548	936,900	1,600,000
MICHORE PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369601	300,000	300,000
KABATI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369423	1,639,030	300,000
GICHIGIRIRA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369609	2,080	50,000
KIAMBOGA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369552	1,700,000	1,600,000
KIMBO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373058	256,170	100,000
RIRICHUA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277372984	2,669,520	1,050,000
KIAMBOGO PRIMARY SCHOOL NG-CDF 2018	EQUITY BANK, OL KALOU BRANCH	0620277369405	2,370,716	400,000
KIANJOGU PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369393	2,427,980	900,000
WANJOHI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369420	60,156	1,100,000
MUBAO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369573	550,000	300,000
KANYUA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU	0620277369446	164,702	200,000

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PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
	BRANCH			
NDIARA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369606	400,000	150,000
MAHINGA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369637	904,763	250,000
MALEWA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373097	400,000	400,000
MWIRERI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277385993	200,000	100,000
LERESHA SECONDARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277386548	574,640	600,000
KARIARA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373125	700,000	100,000
MUMUI SECONDARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277385998	800,000	800,000
GETA SECONDARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277385908	600,000	600,000
HUHIRIO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373241	319,020	450,000
KAGONGO SECONDARY SCHOOL NG-CDF 2018	EQUITY BANK, OL KALOU BRANCH	0620277385977	3,816,700	800,000
A.C.C MIHARATI OFFICES NG-CDF 2018 PROJECT	EQUITY BANK, OL KALOU BRANCH	0620277382817	68,739	500,000
GATONDO MIXED SECONDARY NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277386036	800,000	800,000
KARIA-INI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373209	350,000	200,000
NJOMO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373251	29,201	300,000
MALEWA SECONDARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277386006	109,400	1,600,000
MARIMU PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277372880	1,975,057	800,000

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PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
KIMURU SECONDARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277386017	1,677,310	800,000
MANUNGA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373250	400,000	200,000
JURA SECONDARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277385956	442,820	600,000
WANJOHI MIXED DAY SECONDARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277400005	268,900	1,400,000
BONDENI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373257	655,728	700,000
MUMUI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373246	417,134	1,800,000
GATHUTHI SECONDARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277385972	4,023,448	1,600,000
KIMURU PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373261	300,000	300,000
MAKUMBI LOCATION APS CAMP NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369812	101,953	500,000
RUMWE PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277386004	399,760	300,000
NGARUA RIRONI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277400140	200,000	200,000
MIHATO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277372769	350,000	350,000
GATHUTHI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373235	550,000	550,000
RUTUBA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373249	3,114,580	2,400,000
MURERANJAU PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277393092	12,140	250,000
RUTUMO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277372723	100,000	100,000
GITHIORO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU	0620277373130	800,000	800,000

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PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
	BRANCH			
MAHINDU PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277372655	276,646	350,000
MAWINGU LOCATION CHIEFS AP CAMP NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373252	53,868	500,000
NDEMI AP CAMP NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373224	118,041	500,000
MAWINGO SECONDARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277393096	56,455	800,000
KAGONGO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373237	114,580	300,000
KAMAHIA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277393114	615,099	400,000
MUNYUINI PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369389	917,362	250,000
KIGOGO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373242	600,000	50,000
IHIGA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369444	350,000	100,000
NGATHO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277373260	250,000	150,000
KAMAGOKO PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277372690	850,000	850,000
GITWE PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369596	150,000	150,000
KARIMA PRIMARY SCHOOL NG-CDF PROJECT 2018	EQUITY BANK, OL KALOU BRANCH	0620277369374	350,000	250,000
			55,522,439	44,400,000

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Mikeu Chief's Camp	There was a dispute between the contractor and the PMCs relating to amount of work done which will be sorted.	Chairman, Project Management Committee.	Resolved	
2	Geta DO's Office	There was a dispute between the PMCs relating to location of the project which will be sorted.	Chairman, Project Management Committee.	Resolved	
3	Stalled project - Kipipiri Milk Collection Centre	The project will be handed over to the County.	Eleanor Muthoni, Fund Account Manager	Not Resolved	
4	Unspent funds for projects	There was change of management in respect of NG-CDFCs thus the delay in implementation.	Eleanor Muthoni, Fund Account Manager	Resolved	

