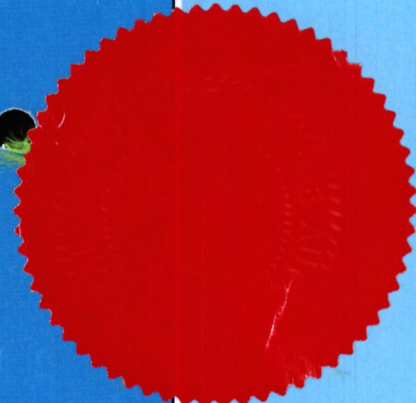


REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**

DATE: 24 NOV 2022

Thursday

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

LoM

F Nginye

**THE AUDITOR-GENERAL**

**ON**

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

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



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**ROYSAMBU 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)

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

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## **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 Roysambu 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>Mary Wanyika</b>
2.	Sub-County Accountant	<b>Prisca Jepchumba</b>
3.	Chairman NGCDFC	<b>David Mwangi</b>
4.	Member NGCDFC	<b>Jamila Wangui</b>

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 65086-00618  
Along Ngumba Road- in Githurai 44 Chiefs office Compound  
**RUARAKA  
NAIROBI, KENYA**

**(f) Roysambu Constituency NGCDF Contacts**

Telephone: (254) 722436368  
E-mail: [cdfroysambu@ngcdf.go.ke](mailto:cdfroysambu@ngcdf.go.ke)  
Website: [www.roysambu.go.ke](http://www.roysambu.go.ke)

**(g) Roysambu Constituency NGCDF Bankers**

0710261637282  
Equity Bank  
Githurai Branch  
P.O Box 15801  
NAIROBI, 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**



Mr David Mwangi, Chairman, **Roysambu NG-CDF**

Roysambu constituents are determined in participating effectively in cascading the objectives of the big 4 agenda as envisaged in the National Development Plan. They are aware of their rights and the power bestowed on them by the Constitution of Kenya (2010) in relation to implementation of the formulated development programmes within the constituency. The Constitution of Kenya gives the right to participate in public forums in order to air their opinions as well as grievances. They too get an opportunity to give feedback in relation to the already implemented development programmes by the Government through different agencies. The utilization of the NG-CDF fund has always been carried out with fairness, transparency, openness and accountability.

### **Financial year budget**

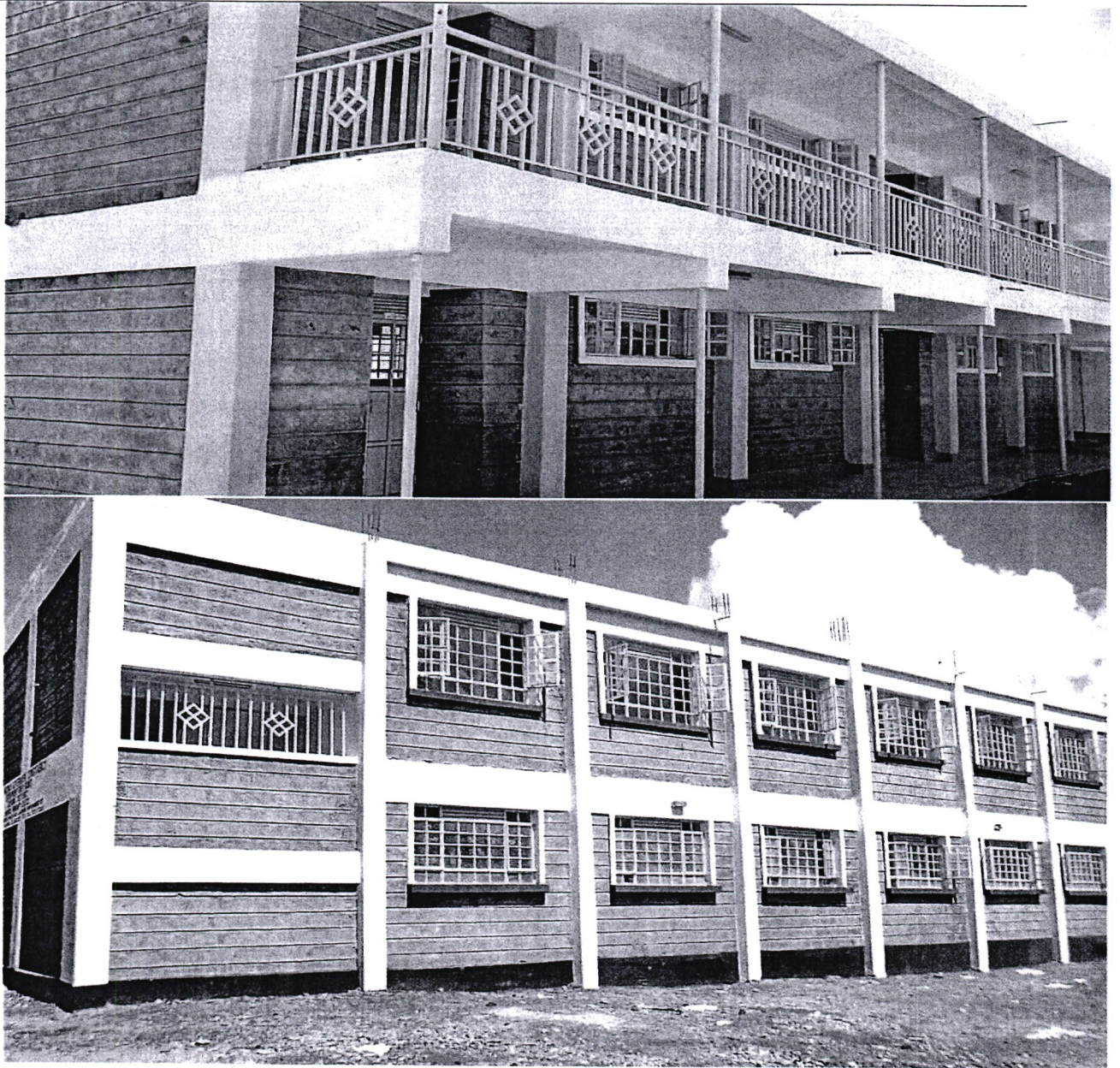
In the financial year 2020/21 the NG-CDF Roysambu Constituency was allocated Kshs. **137,088,879.31**. It was through the NG-CDF Board that we managed to receive a total amount of Kshs. 92,900,000 which translates to approximately 68% of the total allocation. Out of total received, we utilized 95% through implementation of tangible/ physical projects targeted within the financial year.

Among the implemented projects includes: Mahiga Primary School, Garden Estate Primary school, Kiwanja Primary School, Zimmerman Secondary School, Githurai 44 Police Post and Roysambu NGCDF Office Block. The activities range from renovations of existing structures, construction of new structures as well as security wall boundaries. The Constituency considered to construction of NG-CDF offices in order to improve service delivery to the public. The NG-CDF block is expected to host other key sub-county heads of departments in order to bring services closer to mwananchi.

The effects of these activities greatly affected the consumers who are the final end users. The improvement of learning/teaching environment as well creation of more space for the learners who were congested in the existing space. Securing Government installations is key as it promotes security of both the personnel, machinery and the general public.

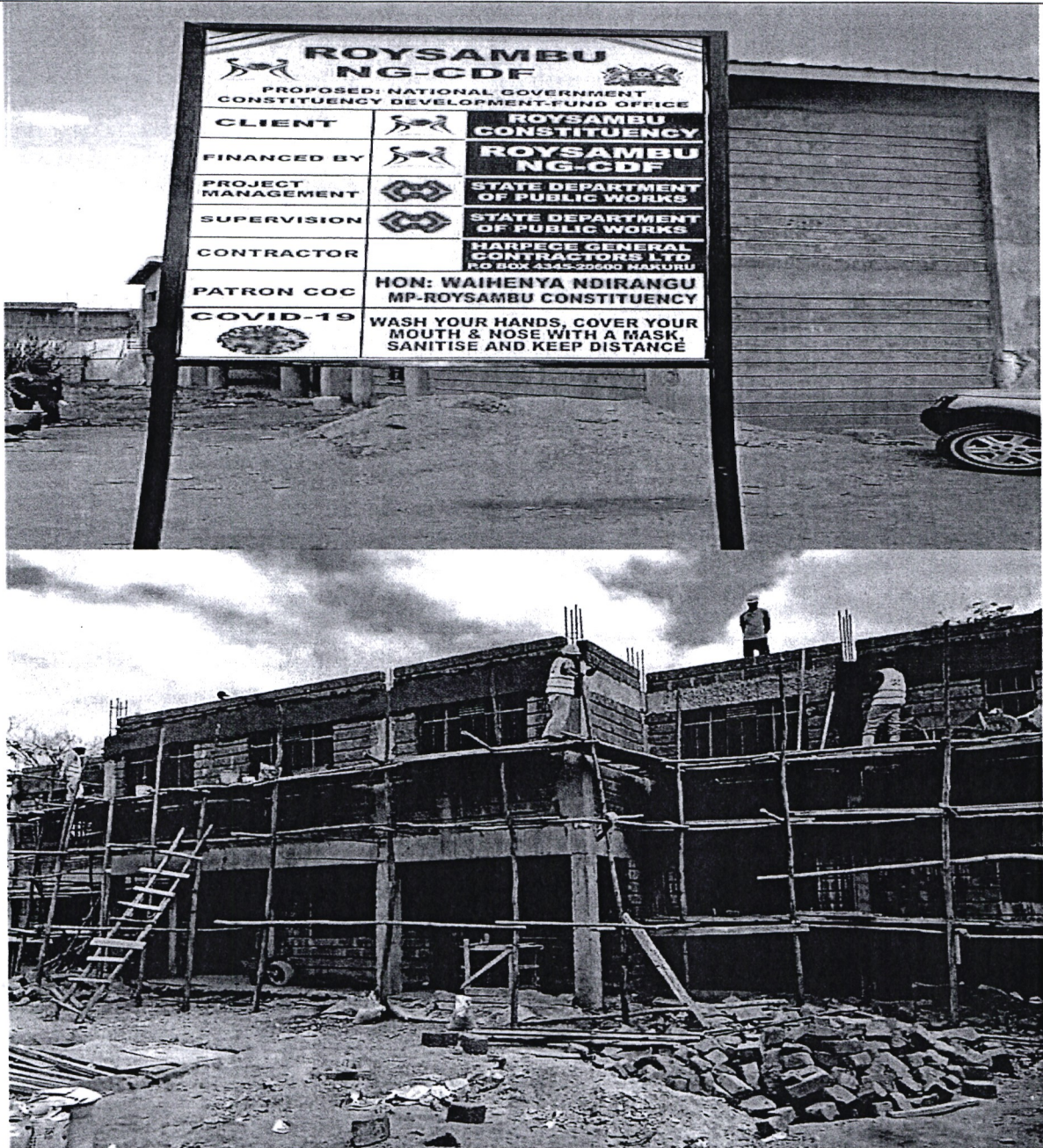
The construction of a new secondary school (Zimmerman Secondary School) is a clear indication of the commitment of Roysambu NGCDF towards achieving 100% transition rate. This gives an equal opportunity to all the school age-going children hence increasing the literacy levels in the country as well independence levels that would promote creation of employment in different sectors of economy

Appended here below are some of the pictorial evidences of the either completed or ongoing projects for the financial year under preview.

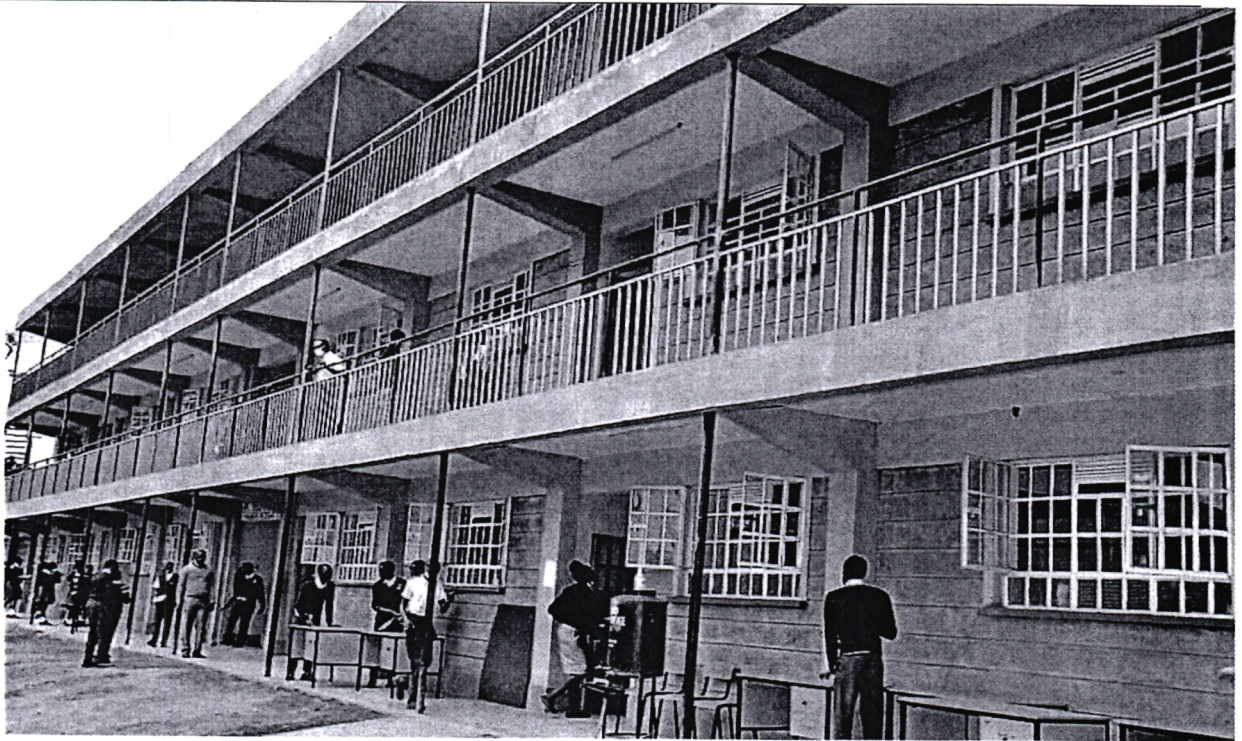


Mahiga Primary School in Kahawa West Ward  
An additional 2NO. Classrooms

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



On-going construction of Roysambu NG-CDF offices within Githurai Chiefs Camp Compound. It is projected that it will be complete by 30<sup>th</sup> October, 2021



Githurai Secondary School. Construction of 12NO. Classrooms is completely done and the facility is in use. The current enrolment of students is 347 with only Form One and Two classes

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

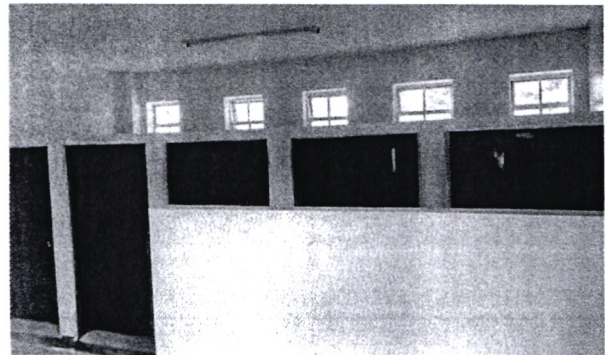




Bursary Application Forms Issuance Financial Year 2020-2021 at Garden Estate Secondary School Playgrounds on October 2020. Involvement of key stakeholders was key to ensure transparency and accountability is highly observed.



Njathaini Primary School: Construction of an additional 2No. Classrooms



Construction of a modern Ablution Block in Garden Estate Secondary School

**EMERGING ISSUES**

- ✓ The urge to achieve 100% transition calls for expansion of the limited space with commensurate infrastructural facilities for teaching/learning to take place.
- ✓ With the growing student population in the wake of COVID-19 pandemic, economically the parents are affected thus demand for bursaries is increasing. An indication that, even those who could afford to pay school to pay school fees have been rendered helpless.

*David Mwangi*  
**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 NGCDF-Roysambu Constituency's 2018-2022 plan are to:

- a) Improve infrastructure on the education sector in Roysambu Constituency
- b) Improve retention and transition rate of pupils from primary to secondary schools and from Secondary to tertiary institutions.
- c) Improve and raise the standards of security and safety in Roysambu Constituency.
- d) Improve the conservation of water within the constituency
- e) Promote Sports and PWD related activities

#### **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:

<b>Constituency Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
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	- Number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 20/21 -we increased number of classrooms, laboratories from 46 to 54 in the Zimmerman Secondary School
Security	To ensure all the Roysambu Constituents have a right to security in their places of living.	Secured Githurai Chiefs Office at Githurai 44 as well as the NG-CDF offices which are within the same compound	Construction of a wall boundary to secure the environs.	The wall boundary secures 3NO. Government installations in the same compound. This gives assurance to the human personnel as the

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

				deliver services to the public
Disaster Management	To allocate emergency funds to cater for any unforeseen occurrences	Timely response to any disaster within the constituency.		In FY 2020/2021, Roysambu NG-CDF responded to three (3No.) cases. On disaster management, the management was able to improve on the access to Garden Estate and Kiwanja Secondary Schools by grading and gravelling the access roads.

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

Roysambu 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 Roysambu NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Roysambu 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 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

## **2. Environmental performance**

Environmental sustainability refers to concerted efforts put in place by the Committee to mitigate against environmental degradation. It is the maintenance of factors and practices that contribute to the quality of environment on a long term basis. The National Environmental Management Authority (NEMA) has but in place Performance Contract Guidelines for all Ministries, Departments and Agencies (MDAs) provide that institutions undertake an Audit to establish extent of compliance with and enforcement of the constitution and other statutory obligations.

These guidelines provide a framework for environmental sustainability audit for MDAs consistent with the provisions of EMCA. During the self audit, and using the guidelines provided by the Board on Environmental sustainability, the Roysambu NGCDF has continued to implement environmental sustainability programme while undertaking project activities. These guidelines have enabled the committee to focus on planning for environmental sustainability by making decisions and taking action that are in the interests of protecting the natural world, with particular emphasis on preserving the capacity of the environment to support human life.

The committee provides Annual environmental audit reports and forwards them to the Board. Environmental education and awareness are other focus for the Constituency. This entails understanding the fragility of our constituency environment and the importance of its protection. The Committee need to make all their staff aware of their relationship with the environment from a social, ecological and economic perspective. The same understanding and awareness should be extended to other stakeholders and the local community.

## **3. Employee welfare**

We invest in providing the best working environment for our employees. Roysambu 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.

The constituency promotes a healthy lifestyle and ensures all employees are included in NHIF. Employees are encouraged and supported to continually build on their skills and knowledge. Roysambu 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-**

Roysambu 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-**

Roysambu 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.

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

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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.

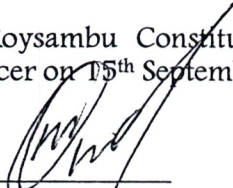
The Accounting Officer in charge of the NGCDF-Roysambu Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. 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-Roysambu 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- Roysambu 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 Roysambu 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- Roysambu Constituency financial statements were approved and signed by the Accounting Officer on 15<sup>th</sup> September, 2021.



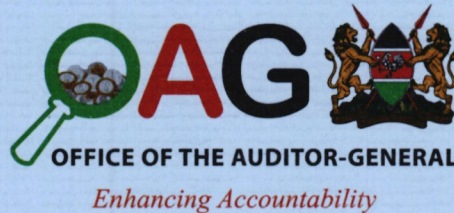
**Chairman NGCDF Committee  
Name: David Mwangi**



**Fund Account Manager  
Name: Mary Wanyika**

# REPUBLIC OF KENYA

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - ROYSAMBU 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 National Government Constituencies Development Fund - Roysambu Constituency set out on pages 18 to 39, which comprise of the statement of assets and liabilities as at 30 June, 2021, statement of receipts and payments, statement of cash flows and the summary statement of

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

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Roysambu 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 National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Cash and Cash Equivalents**

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.40,334,524 as at 30 June, 2021, as further disclosed in Note 10 to the financial statements. Review of the bank reconciliation statements revealed that the Fund spent Kshs.38,592,530 on bursaries to Secondary Schools and Tertiary Institutions in the year under review. However, by 30 June, 2021, cheques totalling Kshs.1,885,000 which had not been presented for payment by the respective beneficiaries had gone stale. Although it was indicated that the cheques had been written back to the cash book in the subsequent year, the cash and cash equivalent balance as at 30 June, 2021 was overstated by the stale cheques amount totalling Kshs.1,885,000.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.40,334,524 reflected in the statement of assets and liabilities 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 - Roysambu 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**

### **1.0 Budgetary Control and Performance**

The summary statement of appropriation reflects final receipts budget and actual receipts on comparable basis totalling Kshs.243,259,067 and Kshs.185,836,043 respectively, resulting to a revenue shortfall of Kshs.57,423,024 or 24% of the budget. Similarly, the Fund spent Kshs.155,127,951 against the approved budget totalling Kshs.243,259,067 resulting to an under-expenditure of Kshs.88,131,116 or 36% of the budget.

The shortfall of revenue and under-expenditure may have constrained the Fund's programmes and activities in the year under review and curtailed delivery of services to Roysambu constituents.

### **2.0 Prior Year Issues**

The audit report for the year ended 30 June, 2020 raised several unsatisfactory issues in regard to balances reflected in the financial statements, lawfulness and effectiveness in use of resources and effectiveness of internal controls, risk management and governance.

Management has not appended the report on progress made in resolving the issues to the financial statements for the year under review. The actual status of the issues will be confirmed upon their deliberation by the Legislature.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

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

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

### **Conclusion**

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

## **Basis for Conclusion**

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

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

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

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

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

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

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

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

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


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

report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and 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

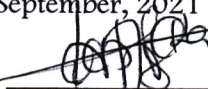
19 July, 2022

**Roysambu 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
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	157,728,022	78,784,868
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	106,000	71,000
<b>TOTAL RECEIPTS</b>		<b>157,834,022</b>	<b>78,855,868</b>
<b>PAYMENTS</b>			
Compensation of employees	4	2,179,947	2,984,651
Use of goods and services	5	10,895,591	8,584,984
Transfers to Other Government Units	6	70,524,461	70,431,296
Other grants and transfers	7	54,527,952	20,797,888
Acquisition of Assets	8	17,000,000	993,540
Other Payments	9	-	-
<b>TOTAL PAYMENTS</b>		<b>155,127,951</b>	<b>103,792,359</b>
<b>SURPLUS/DEFICIT</b>		<b>2,706,071</b>	<b>(24,936,491)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Roysambu Constituency financial statements were approved on 15<sup>th</sup> September, 2021 and signed by:



**Fund Account Manager**

**Name:** Mary Wanyika



**National Sub-County Accountant**

**Name:** Prisca Jepchumba  
**ICPAK M/No:** 15993



**Chairman NG-CDF Committee**

**Name:** David Mwangi

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

**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	40,334,524	28,002,021
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		40,334,524	28,002,021
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		40,334,524	28,002,021
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	-	-
Gratuity	12B	-	-
<b>NET FINANCIAL ASSETS</b>		40,334,524	28,002,021
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...		28,002,021	52,938,512
Prior year adjustments	14	9,626,434	0
Surplus/Deficit for the year		2,706,071	(24,936,491)
<b>NET FINANCIAL POSITION</b>		40,334,524	28,002,021

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Roysambu Constituency financial statements were approved on 15<sup>th</sup> September, 2021 and signed by:



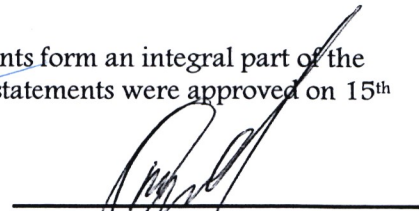
**Fund Account Manager**

**Name:** Mary Wanyika



**National Sub-County Accountant**

**Name:** Prisca Jepchumba  
ICPAK M/No: 15993



**Chairman NG-CDF Committee**

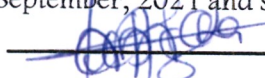
**Name:** David Mwangi


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

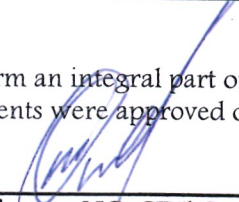
**STATEMENT OF CASHFLOW**

		2020 - 2021	2019 - 2020
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	157,728,022	78,784,868
Other Receipts	3	106,000	71,000
		<b>157,834,022</b>	<b>78,855,868</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	2,179,947	2,984,651
Use of goods and services	5	10,895,591	8,584,984
Transfers to Other Government Units	6	70,524,461	70,431,296
Other grants and transfers	7	54,527,952	20,797,888
Other Payments	9	-	-
		<b>138,127,951</b>	<b>102,798,819</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	9,626,434	-
<b>Net Adjustments</b>		<b>9,626,434</b>	<b>-</b>
<b>Net cash flow from operating activities</b>		<b>29,332,505</b>	<b>(23,942,951)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(17,000,000)	(993,540)
<b>Net cash flows from Investing Activities</b>		<b>(17,000,000)</b>	<b>(993,540)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>			
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>10</b>	<b>28,002,021</b>	<b>52,938,512</b>
<b>Cash and cash equivalent at END of the year</b>		<b>40,334,526</b>	<b>28,002,021</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Roysambu Constituency financial statements were approved on 15<sup>th</sup> September, 2021 and signed by:

  
**Fund Account Manager**  
**Name: Mary Wanyika**

  
**National Sub-County Accountant**  
**Name: Prisca Jepchumba**  
**ICPAK M/No: 15993**

  
**Chairman NG-CDF Committee**  
**Name: David Mwangi**

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

**IX. SUMMARY STATEMENT OF APPROPRIATION**

Receipt/Expense Item	Adjustments		Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
	a	b				
<b>RECEIPTS</b>		Opening Balance (C/Bk) and AIA				
Transfers from NG-CDF Board	137,088,879	28,002,021	243,153,067	185,730,043	57,423,024	76.4%
Proceeds from Sale of Assets			0	-	-	0.0%
Other Receipts		106,000	106,000	106,000	-	100.0%
<b>TOTAL RECEIPTS</b>	<b>137,088,879</b>	<b>28,108,021</b>	<b>243,259,067</b>	<b>185,836,043</b>	<b>57,423,024</b>	<b>76.4%</b>
<b>PAYMENTS</b>						
Compensation of Employees	3,118,600	215,349	3,333,949	2,179,947	1,154,002	65.4%
Use of goods and services	9,154,789	2,773,674	11,928,463	10,895,591	1,032,872	91.3%
Transfers to Other Government Units	48,709,461	1,509,895	90,552,345	70,524,461	20,027,884	77.9%
Other grants and transfers	61,452,075	23,194,203	118,512,048	54,527,952	63,984,096	46.0%
Acquisition of Assets	14,653,954	308,900	18,826,262	17,000,000	1,826,262	90.3%
Other Payments	0	0	0	-	-	#DIV/0!
Funds pending approval		106,000	106,000		106,000	
<b>TOTAL</b>	<b>137,088,879</b>	<b>28,108,021</b>	<b>243,259,067</b>	<b>155,127,951</b>	<b>88,131,116</b>	<b>63.8%</b>

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

- i. There was acquisition of asset in this financial year through Construction of NG-CDF offices
- ii. Disbursement of bursaries for 2019/2020 was largely affected by the COVID-19 pandemic and as a result, it was pushed in the subsequent FY.

<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	88,131,116
Less undisbursed funds receivable from the Board as at 30th June 2021	57,423,024
	30,708,092
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	9,626,434
Cash and Cash Equivalents at the end of the FY 202021	40,334,526

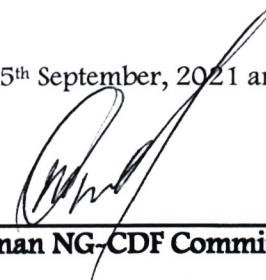
The NGCDF-Roysambu Constituency financial statements were approved on 15<sup>th</sup> September, 2021 and signed by:



**Fund Account Manager**  
**Name: Mary Wanyika**



**National Sub-County Accountant**  
**Name: Prisca Jepchumba**  
**ICPAK M/No: 15993**



**Chairman NG-CDF Committee**  
**Name: David Mwangi**

**Royambu 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(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/B) and AIA	Previous years Outstanding Disbursements				
	2020/2021			2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of employees	3,118,600	215,349		3,333,949	2,179,947	1,154,002	65
1.2 Committee allowances	1,360,000	15,000		1,375,000	1,300,000	75,000	95
1.3 Use of goods and services	3,679,993	1,651,994		5,331,987	5,201,963	130,024	98
<b>Total</b>	8,158,593	1,882,343		10,040,936	8,681,910	1,359,026	
<b>2.0 Monitoring and evaluation</b>							
2.1 Capacity building	1,300,000	65,869		1,365,869	1,102,000	263,869	81
2.2 Committee allowances	1,000,000	47,931		1,047,931	900,000	147,931	86
2.3 Use of goods and services	1,814,796	992,880		2,807,676	2,391,628	416,048	85
<b>Total</b>	4,114,796	1,106,680		5,221,476	4,393,628	827,848	84
<b>3.0 Emergency</b>							
3.1 Primary Schools	-	-		-	100,000	-	-
3.2 Secondary schools	-	-		-	6,600,615	-	-
3.3 Tertiary institutions	-	-		-	-	-	-
3.4 Security projects	-	-		-	-	-	-
3.5 Unutilized	7,192,207	8,918,442		16,110,649	-	-	-
<b>Total</b>	7,192,207	8,918,442		6,700,615	9,410,034	-	-
<b>4.0 Bursary and Social Security</b>							

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

4.1 Secondary Schools	20,000,000	10,902,442	20,975,000	51,877,442	23,300,800	28,576,642	45
4.2 Tertiary Institutions	28,000,000	1,784,879	10,143,416	39,928,295	15,291,730	24,636,565	38
4.3 Social Security		1,000,000		1,000,000		1,000,000	-
4.4 Special Needs							
<b>Total</b>	<b>48,000,000</b>	<b>13,687,321</b>	<b>31,118,416</b>	<b>92,805,737</b>	<b>38,592,530</b>	<b>54,213,207</b>	
<b>5.0 Sports</b>							
5.1	2,743,198	342,042	2,747,354	5,832,594	5,718,137	114,457	98
<b>Total</b>	<b>2,743,198</b>	<b>342,042</b>	<b>2,747,354</b>	<b>5,832,594</b>	<b>5,718,137</b>	<b>114,457</b>	<b>98</b>
<b>6.0 Environment</b>							
6.1	-	4,184		4,184		4,184	
<b>Total</b>	<b>-</b>	<b>4,184</b>	<b>-</b>	<b>4,184</b>	<b>-</b>	<b>4,184</b>	
<b>7.0 Primary Schools Projects</b>							
Mahiga Primary School	1,239,196			1,239,196	1,239,196	-	100
Garden Estate primary school	1,241,219			1,241,219	1,241,219	-	100
Kiwanja Primary School	12,476,973			12,476,973	12,476,973	-	100
Muthaiga Primary School		500,000		500,000	85,000	415,000	17
Kahawa Primary School		9,895		9,895		9,895	-
Garden Estate Primary School			1,320,000	1,320,000	1,320,000	-	100
Kamiti Primary School			1,320,000	1,320,000	1,320,000	-	100
Roysambu Primary School			1,320,000	1,320,000	1,320,000	-	100
Kenyatta University Primary School			1,320,000	1,320,000	1,320,000	-	100
Njathaini Primary School			4,000,000	4,000,000	4,000,000	-	100
Mahiga Primary School			4,000,000	4,000,000	4,000,000	-	100
GSU Primary School			500,000	500,000	-	500,000	-
Kamiti Primary School			3,909,507	3,909,507	-	3,909,507	-
Roysambu Primary School			6,500,000	6,500,000	-	6,500,000	-
Githurai Primary School			3,762,448	3,762,448	-	3,762,448	-
<b>Total</b>	<b>14,957,388</b>	<b>509,895</b>	<b>27,951,955</b>	<b>43,419,238</b>	<b>28,322,388</b>	<b>15,096,850</b>	
<b>8.0 Secondary Schools Projects</b>							

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

Zimmerman Secondary School (Classrooms)	17,452,073			17,452,073	17,452,073	-	100
Zimmerman Secondary School (Ablution Block)	4,800,000			4,800,000	4,800,000	-	100
Zimmerman Secondary School (Modern Twin Laboratory)	11,500,000			11,500,000	11,500,000	-	100
Githurai Secondary School	1,000,000			1,000,000	1,000,000	-	100
Githurai Secondary School		7,450,000		7,450,000	7,450,000	-	
Garden Estate Secondary School		600,000		600,000	600,000	600,000	
Kiwanja Secondary School		4,100,000		4,100,000	4,100,000	4,100,000	
<b>Total</b>	<b>33,752,073</b>	<b>12,150,000</b>	<b>46,902,073</b>	<b>42,202,073</b>	<b>4,700,000</b>	<b>4,700,000</b>	<b>400</b>
<b>9.0 Security Projects</b>							
Githurai 44 Police Station	3,516,670			3,516,670	3,516,670	-	100
Githurai Chiefs/AP Camp	136,592			136,592	136,592	136,592	
Highmasts	55,342			55,342	55,342	55,342	
<b>Total</b>	<b>3,516,670</b>	<b>-</b>	<b>3,708,604</b>	<b>3,516,670</b>	<b>191,934</b>	<b>191,934</b>	
<b>10.0 Acquisition of assets</b>							
10.1 Construction of CDF office	14,653,954	3,863,408		18,817,362	17,000,000	1,817,362	90
10.2 Purchase of furniture and equipment	-	-		8,900	8,900	8,900	-
<b>Total</b>	<b>14,653,954</b>	<b>3,863,408</b>	<b>18,826,262</b>	<b>17,000,000</b>	<b>1,826,262</b>		
<b>11.0 Unallocated Fund</b>							
Unapproved projects		231,034		231,034	231,034	231,034	-
AIA		106,000		106,000	106,000	106,000	-
PMC savings		50,280		50,280	50,280	50,280	-
<b>Total</b>	<b>-</b>	<b>231,034</b>	<b>387,314</b>	<b>-</b>	<b>387,314</b>	<b>387,314</b>	
<b>Grand Total</b>	<b>137,088,879</b>	<b>28,108,021</b>	<b>78,062,167</b>	<b>155,127,951</b>	<b>243,259,067</b>	<b>88,131,116</b>	

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

STATEMENT OF APPROPRIATION EXTRACT (FOR COMPARISON OF APPROPRIATION STATEMENT PAYMENTS TOTALS AND BUDGET EXECUTION TOTALS)							
Receipt/Expense Item	Original Budget a	Opening Balance (C/B) and AIA	Adjustments b Previous years Outstanding Disbursements	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
<b>PAYMENTS</b>							
Compensation of Employees	3,118,600	215,349		3,333,949	2,179,947	1,154,002	65.4%
Use of goods and services	9,154,789	2,773,674		11,928,463	10,895,591	1,032,872	91.3%
Transfers to Other Government Units	48,709,461	1,509,895	40,332,989	90,552,345	70,524,461	20,027,884	77.9%
Other grants and transfers	61,452,075	23,194,203	33,865,770	118,512,048	54,527,952	63,984,096	46.0%
Acquisition of Assets	14,653,954	308,900	3,863,408	18,826,262	17,000,000	1,826,262	90.3%
Other payments	0	0		0	-	-	-
UNALLOCATED FUND		106,000		106,000		106,000	-
<b>TOTAL</b>	<b>137,088,879</b>	<b>28,108,021</b>	<b>78,062,167</b>	<b>243,259,067</b>	<b>155,127,951</b>	<b>88,131,116</b>	<b>63.8%</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-Roysambu 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 30 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.

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**XII. NOTES TO THE FINANCIAL STATEMENTS**

GFS CODES				
	<b>1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES</b>			
	<b>Description</b>		<b>2020 -2021</b>	<b>2019 - 2020</b>
<b>1330407</b>	Normal Allocation		<b>Kshs</b>	<b>Kshs</b>
	1	AIE NO. B 041193		4,000,000
	2	AIE NO. B 047642		20,000,000
	3	AIE NO. B 049163		6,000,000
	4	AIE NO. B 041384		3,736,592
	5	AIE NO. B 101081		15,000,000
	6	AIE NO. B 104463		23,000,000
	7	AIE NO. B 104202		7,048,276
	1	AIE NO. B 104865	53,292,659	
	2	AIE NO. B 124655	9,000,000	
	3	AIE NO. B 119629	10,000,000	
	4	AIE NO B 128019	13,000,000	
	5	AIE NO. B 124795	3,863,408	
	6	AIE NO. B 128261	6,900,000	
	7	AIE NO. B 132022	7,000,000	
	8	AIE NO. B 105154	7,671,955	
	9	AIE NO B 126045	13,000,000	
	10	AIE NO. B 126277	6,000,000	
	11	AIE NO. B 132316	6,000,000	
	12	AIE NO. B 105072	10,000,000	
	13	AIE NO. B 140716	12,000,000	
<b>1330408</b>	Conditional Grants	AIE NO...		
<b>1330409</b>	Receipt from other Constituency			
	<b>TOTAL</b>		<b>157,728,022</b>	<b>78,784,868</b>
<b>3510000</b>	<b>2 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS</b>			
	<b>Description</b>		<b>2020 - 2021</b>	<b>2019 - 2020</b>
			<b>Kshs</b>	<b>Kshs</b>
<b>3510202</b>	Receipts from the Sale of Buildings		-	-
<b>3510601</b>	Receipts from the Sale of Vehicles and Transport Equipment		-	-
<b>3510801</b>	Receipts from the Sale Plant Machinery and Equipment		-	-
<b>3510803</b>	Receipts from the Sale of Office and General Equipment		-	-
	<b>TOTAL</b>		<b>-</b>	<b>-</b>

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1400000		<b>3 OTHER RECEIPTS</b>		
	Description		2020 - 2021	2019 - 2020
			Kshs	Kshs
1410107	Interest Received			-
1410405	Rents			-
1420601	Receipts Sale of Tender Documents		106,000	71,000
	Hire of plant/equipment/facilities		-	-
	Unutilized funds from PMCs		88,360,577	62,663,734
1450207	Other Receipts Not Classified Elsewhere (specify)		-	-
	<b>TOTAL</b>		<b>88,466,577</b>	<b>62,734,734</b>
2110000		<b>4 COMPENSATION OF EMPLOYEES</b>		
	Description		2020 - 2021	2019 - 2020
			Kshs	Kshs
2110201	NG-CDFC Basic staff salaries		1,682,240	1,802,534
	<b>Personal allowances paid as part of salary</b>			
2110301	House allowance		259,000	-
2110314	Transport allowance		-	-
2110320	Leave allowance		135,707	135,707
2710120	Gratuity-contractual employees		-	968,160
2120101	Employer Contributions Compulsory national social security schemes		58,600	53,950
			44,400	24,300
	<b>TOTAL</b>		<b>2,179,947</b>	<b>2,984,651</b>
2200000		<b>5 USE OF GOODS AND SERVICES</b>		
	Description		2020 - 2021	2019 - 2020
			Kshs	Kshs
2210100	Utilities, supplies and services		763,168	346,957
2210101	Electricity		-	30,890
2210102	Water & sewerage charges		-	-
2210104	Office rent		1,103,600	1,039,200
2210200	Communication, supplies and services		462,330	422,151
2210300	Domestic travel and subsistence		536,060	191,450
2210500	Printing, advertising and information supplies & services		5,650	3,047
2210600	Rentals of produced assets			-
2210700	Training expenses		1,028,000	680,800

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2210800	Hospitality supplies and services		1,361,000	825,795
2210802	Other committee expenses		1,677,700	1,047,300
2210809	Committee allowance		1,150,700	2,336,000
2210900	Insurance costs			-
2211000	Specialized materials and services		142,600	-
2211100	Office and general supplies and services		2,267,392	1,049,068
2211200	Fuel , oil & lubricants		-	2,000
2211300	Other operating expenses		-	294,468
2211301	Bank service commission and charges		-	77,400
2211310	Other Operating Expenses		382,391	226,498
2211313	Security operations			-
2220100	Routine maintenance - vehicles and other transport equipment			0
2220200	Routine maintenance- other assets		15,000	11,960
	<b>TOTAL</b>		<b>10,895,591</b>	<b>8,584,984</b>
<b>2630200</b>	<b>6 TRANSFER TO OTHER GOVERNMENT ENTITIES</b>			
	<b>Description</b>		<b>2020 - 2021</b>	<b>2019 - 2020</b>
			<b>Kshs</b>	<b>Kshs</b>
2630204	Transfers to Primary Schools		28,322,388	21,837,819
2630205	Transfers to Secondary Schools		42,202,073	48,593,477
2630206	Transfers to Tertiary Institutions			
	<b>TOTAL</b>		<b>70,524,461</b>	<b>70,431,296</b>
<b>2640000</b>	<b>7 OTHER GRANTS AND OTHER PAYMENTS</b>			
	<b>Description</b>			
2640101	Bursary - Secondary ( see attached list)		Kshs	Kshs
2640102	Bursary -Tertiary ( see attached list)		23,300,800	4,696,707
2640104	Bursary- Special Schools		15,291,730	4,400,000
2640105	Mocks & CAT ( see attached list)		-	-
	Social Security programmes (NHIF)		-	-
2640507	Security Projects ( see attached list)		3,516,670	4,884,217
2640509	Sports Projects ( see attached list)		5,718,137	
2640510	Environment Projects ( see attached list)			2,974,940
2640200	Emergency Projects ( see attached list)		6,700,615	3,842,024
	<b>TOTAL</b>		<b>54,527,952</b>	<b>20,797,888</b>

**Roysambu Constituency**  
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<b>8 ACQUISITION OF ASSETS</b>				
<b>3100000</b>				
	<b>Non-Financial Assets</b>		<b>2020 - 2021</b>	<b>2019 - 2020</b>
			<b>Kshs</b>	<b>Kshs</b>
3110102	Purchase of Buildings		-	-
3110202	Construction of Buildings		17,000,000	-
3110302	Refurbishment of Buildings		-	-
3110701	Purchase of Vehicles and Other Transport Equipment		-	-
3110704	Purchase of Bicycles & Motorcycles		-	-
3110801	Overhaul of Vehicles and Other Transport Equipment		-	-
	Purchase of Household Furniture and Institutional Equipment			
	Purchase of office furniture and General Equipment		-	993,540
	Purchase of computers ,printers and other IT equipment's		-	-
	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>17,000,000</b>	<b>993,540</b>
<b>9 Other Payments</b>				
2211310	Strategic Plan		-	-
2211311	ICT Hubs		-	-
				-
	<b>TOTAL</b>		<b>-</b>	<b>-</b>

**Roysambu Constituency**  
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<b>10A: Bank Balances (cash book bank balance)</b>				
	<b>Name of Bank, Account No. &amp; currency</b>	<b>Account Number</b>	<b>2020 - 2021</b>	<b>2019 - 2020</b>
			<b>Kshs (30/6/2021)</b>	<b>Kshs (30/6/2020)</b>
	<i>Equity Bank, Githurai Branch</i>	<i>A/C No.261637282</i>	<b>40,334,454</b>	<b>28,002,021</b>
	others		-	-
	<b>TOTAL</b>		<b>40,334,454</b>	<b>28,002,021</b>
<b>10B: CASH IN HAND)</b>				
			<b>2020 - 2021</b>	<b>2019 - 2020</b>
			<b>Kshs (30/6/2021)</b>	<b>Kshs (30/6/2020)</b>
	Location 1		-	-
	Other receipts (specify)		-	-
	<b>TOTAL</b>		-	-
				<i>[Provide cash count certificates for each]</i>
<b>11: OUTSTANDING IMPRESTS</b>				
	<i>Name of Officer</i>		<i>Amount Taken</i>	<i>Amount Surrendered</i>
		<b>Date imprest taken</b>	<i>Kshs</i>	<i>Kshs</i>
				-
	<b>TOTAL</b>		-	-
<b>12A Retention</b>				
			<b>2020-2021</b>	<b>2019-2020</b>
			<b>Kshs</b>	<b>Kshs</b>
	<b>Retention as at 1st July (A)</b>		-	-
	<b>Retention held during the year (B)</b>		-	-
	<b>Retention paid during the Year (C)</b>		-	-
	<b>Closing Retention as at 30th June D= A+B-C</b>		-	-

**Roysambu Constituency**  
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<b>12 B Gratuity</b>			
		<b>2020-2021</b>	<b>2019-2020</b>
		<b>Kshs</b>	<b>Kshs</b>
	Gratuity as at 1 <sup>st</sup> July (A)	298,915	-
	Gratuity held during the year (B)	597,830	298,915
	Gratuity paid during the Year (C)	-	-
	Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	896,745	298,915
<b>13 BALANCES BROUGHT FORWARD</b>			
		<b>2020- 2021</b>	<b>2019- 2020</b>
		<b>Kshs.</b>	<b>Kshs.</b>
		<b>(01/07/2021)</b>	<b>(01/07/2020)</b>
	Bank accounts	40,334,524	28,002,021
	Cash in hand	0	0
	Imprest	0	0
	<b>TOTAL</b>	<b>40,334,524</b>	<b>28,002,021</b>
<b>14. PRIOR YEAR ADJUSTMENTS</b>			
		Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments
	<b>Description of the error</b>	Kshs	Kshs
	Bank accounts balances	29,176,690	1,174,669
	Cash in hand	-	-
	Accounts Payable	-	-
	Receivables	-	-
	Others (Reallocated funds from Githurai Chiefs Camp to Construction of Roysambu NG-CDF offices)	8,451,765	8,451,765
	<b>Total</b>	<b>37,628,455</b>	<b>9,626,434</b>
	<i>*The adjusted balances are not carried down on the face of the financial statement.</i>		
	<i>(Entity to provide disclosure on the adjusted amounts)</i>		
	Clarification note included		
		<b>2020- 2021</b>	<b>2019- 2020</b>
		<b>Kshs</b>	<b>Kshs</b>
	Outstanding Imprest as at 1st July (A)	-	-
	Imprest issued during the year (B)	4,155,806	4,040,000
	Imprest surrendered during the Year (C)	4,155,806	4,040,000

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

	Net changes in accounts receivables (D=A+B-C)		-	-
<b>16. CHANGES IN ACCOUNTS PAYABLE - DEPOSITS AND RETENTION</b>				
			<b>2020- 2021</b>	<b>2019- 2020</b>
			<b>Kshs</b>	<b>Kshs</b>
	Deposits and Retention as at 1st July 2019 (A)		-	-
	Deposits and Retention held during the year (B)		-	-
	Deposits and Retention paid during the year ©		-	-
	Closing accounts payable at 30th June (D=A+B-C)		-	-
<b>17. OTHER IMPORTANT DISCLOSURES</b>				
<b>17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)</b>				
			<b>2020- 2021</b>	<b>2019- 2020</b>
			<b>Kshs</b>	<b>Kshs</b>
	Construction of buildings		1,700,000	-
	Construction of civil works		-	465,856
	Supply of goods		-	-
	Supply of services		-	-
	<b>TOTAL</b>		<b>1,700,000</b>	<b>465,856</b>
<b>17.2: PENDING STAFF PAYABLES (See Annex 2)</b>				
			<b>2020- 2021</b>	<b>2019- 2020</b>
			<b>Kshs</b>	<b>Kshs</b>
	NGCDF Staff		-	-
	Others –Staff Gratuity		597,830	298,915
			597,830	298,915
<b>17.3: UNUTILISED FUNDS (See Annex 3)</b>				
			<b>2020- 2021</b>	<b>2019- 2020</b>
			<b>Kshs</b>	<b>Kshs</b>
	Compensation of employees		1,154,002	693,085
	Use of goods and services		1,032,872	1,324,138
	Amounts due to other Government entities (see attached list)		20,027,884	41,031,176
	Amounts due to other grants and other transfers (see attached list)		63,933,816	28,369,424
	Acquisition of assets		1,826,262	1,000,000
	Others ( <i>specify</i> )		50,280	-
	Funds pending approval		106,000	71,000
	<b>TOTAL</b>		<b>88,131,116</b>	<b>72,488,823</b>

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

<b>17.4: PMC ACCOUNT BALANCES (See Annex 4)</b>				
		<b>2020- 2021</b>	<b>2019- 2020</b>	
		<b>Kshs</b>	<b>Kshs</b>	
	PMC account balances (see attached list)	88,360,577	62,663,734	
	<b>TOTAL</b>	<b>88,360,577</b>	<b>62,663,734</b>	

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

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

**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. Construction of Roysambu NG-CDF Office	25,488,802	December, 2020	15,300,000	1,700,000	The completion of this project is projected to end by October, 2021
<b>Sub-Total</b>	<b>25,488,802</b>		<b>15,300,000</b>	<b>1,700,000</b>	
<b>Construction of civil works</b>					
2. Grading and gravelling of Garden Estate Pry Sch	3,741,000	August, 2019	3,275,144	465,856	To contract other service providers to complete the works since the engaged contractor has failed to honor
<b>Sub-Total</b>	<b>3,741,000</b>		<b>3,275,144</b>	<b>465,856</b>	
1.	-	-	-	-	-
2.	-	-	-	-	-
<b>Sub-Total</b>					
<b>Supply of goods</b>					
3.	-	-	-	-	-
4.	-	-	-	-	-
<b>Sub-Total</b>					
<b>Supply of services</b>					
5.	-	-	-	-	-
6.	-	-	-	-	-
<b>Sub-Total</b>					
<b>Grand Total</b>	<b>29,229,802</b>		<b>18,575,144</b>	<b>2,165,856</b>	

**Royambu 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	Outstanding Balance	Comments
Compensation of employees	Employee salaries	1,154,002	693,085	
Use of goods & services	Purchase of fuel, repairs \$ maintenance, printing, stationery, telephone travel and subsistence	1,032,872	1,324,138	
<b>Sub-Total</b>		<b>2,186,874</b>	<b>2,017,223</b>	
Amounts due to other Government entities				
Garden Estate Secondary School	Construction of an Ablution Block	600,000	3,500,000	Reallocate the Kshs. 600,000 since the project is complete and
Garden Estate Secondary School	Construction of 4NO. Classes		5,000,000	
Githurai Secondary School	Construction of an Ablution Block		4,677,027	
Githurai Secondary School	Construction of 4NO. Classes		7,329,115	
Kahawa Garrison Secondary School	Construction of 2No. Classes		5,359,600	
Kiwanja Secondary School	Construction of an Ablution Block	4,100,000	4,100,000	Resubmission approved
Kiwanja Secondary School	Construction of 4NO. Classes		5,000,000	
<b>Sub-Total</b>		<b>4,700,000</b>	<b>34,965,742</b>	
Kiwanja Primary School	Supply and delivery of 221 desks		1,458,600	
Kahawa Primary School	Supply and delivery of 221 desks	9,895	1,458,600	Reallocate Kshs. 9,895 since the project is complete

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Mahiga Primary School	Supply and delivery of 221 desks		1,458,600	
Njathaini Primary School	Supply and delivery of 221 desks		1,458,600	
Muthaiga Primary School	Additional funds for completion of Renovations of 5NO. Classrooms)	415,000		Charge of activity to utilize Kshs. 415,000
GSU Primary School	Supply and delivery of 75NO. desks	500,000		
Kamiti Primary School	Renovation of 5NO. Classrooms	3,909,507		
Roysambu Primary School	Construction of 4NO. Ground floor Classrooms with a slab roof and a staircase	6,500,000		
Githurai Primary School	Completion of a resource center	3,762,448		
<b>Sub-Total</b>		<b>15,096,850</b>	<b>5,834,400</b>	
Amounts due to other grants and other transfers				
Githurai Chiefs/ AP Camp	Construction of Chiefs/ AP Camp		300,000	
Githurai Chiefs/AP Camp	the stagnant water all-round the building to allow accessibility on the delivery of services		3,736,592	
Githurai Chiefs/ AP Camp	Backfilling and pumping out of the stagnant water all-round the building to allow accessibility on the delivery of services	136,592		Reallocate Kshs. 136,592 since the project is complete and in use
Highmasts (4NO.)		55,342		Reallocate Kshs. 55,342 since the
<b>Sub-Total</b>		<b>191,934</b>	<b>4,036,592</b>	

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Roysambu NG-CDF Offices	Construction of NGCDF offices		3,863,408	
Roysambu NG-CDF Offices	Construction of NG- CDF Offices		4,855,867	
Bursary to Secondary Schools	Bursary award to needy	28,576,642		
Bursary to Tertiary Institutions	Bursary award to needy	24,636,565	5,597,674	
Social Security (NHIF)	To pay NHIF for the needy cases within the	1,000,000		
Constituency Sports	Constituency Tournament	114,457	227,586	Reallocate Kshs. 114,457 since the amount of Kshs. 4,104 the project is
Environment Activities	Installation of dustbins in 3NO. Public Primary	4,184	227,586	
Emergency	Unforeseen Occurrences	9,410,034	9,060,711	An amount of Kshs. 3,456,700 is set aside to renovate 6NO. Classrooms and wall perimeter in Muthaiga Primary School. An amount of Kshs. 465,856 will too be utilized to complete the remaining works in Garden Estate Primary School as
<b>Sub-Total</b>		<b>68,741,882</b>	<b>29,892,892</b>	

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Acquisition of assets		1,826,262	1,000,000	
Others (specify)				
Kamuthi- Githurai Bridge			500,000	Reallocated to GSU Primary School for Supply and delivery of 75NO. Desks
Sub-Total			500,000	
Funds pending approval				
Kiwanja Primary School	Additional funds for completion of an Ablution Block	231,034	231,034	Following up with the NG-CDF Board for the necessary approvals
Sub-Total		231,034	231,034	
Unallocated Funds A-I-A		106,000	71,000	To seek authority to spend. Already submitted necessary documents for authentication
PMC Savings		50,280		To be reallocated to other projects
<b>Grand Total</b>		<b>88,131,116</b>	<b>72,488,823</b>	

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**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
Land				
Buildings and structures		17,000,000		17,000,000
Transport equipment				
Office equipment, furniture and fittings	3,691,100		0	3,691,100
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	3,691,100	17,000,000	0	20,691,100

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**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
Kiwanja Secondary School	Equity Bank	710263683343	1,956,089	13,580,688
Muthaiga Primary School	Equity Bank	710169615309	233,022	148,022
Kahawa Primary School	Equity Bank	710169615207	9,620	9,620
Mahiga Primary Schoool	Equity Bank	710169615263	790,705	3,899
Githurai Primary School	Equity Bank	710170691229	967,307	6,461,563
Kahawa Garrison Secondary	Equity Bank	1130279078716	806	2,160,054
Kamiti Secondary School	Equity Bank	710169615286	1,396,880	3,967,628
Githurai Secondary School	Equity Bank	710279261865	15,526,764	19,369,053
Roysambu SP & Website	Equity Bank	710265125322	147,420	30,060
Githurai Chiefs / AP Camp	Equity Bank	710164999549	128,660	8,467,865
Roysambu Const. Environment	Equity Bank	710265125462	2,720,954	2,979,434
Roysambu Const. Sports	Equity Bank	710265125134	5,498,563	64,546
Zimmerman Secondary School (Classes)	Equity Bank	710281042304	17,452,073	0.00
Zimmerman Secondary School (Ablution Block)	Equity Bank	710281042292	4,800,000	0.00
Zimmerman Secondary School (Modern Laboratory)	Equity Bank	710281042280	11,500,000	0.00

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Njathaini Primary School	Cooperative Bank of Kenya	1134284238500	2,901,963	2,912
Garden Estate Primary School	Cooperative Bank of Kenya	1141576865400	21,383	177,087
Garden Estate Secondary School	Cooperative Bank of Kenya	1134575250401	6,304,476	2,721,751
Thome AP Police Post	Cooperative Bank of Kenya	1134575510900	19	3,469
Kiwanja Primary School	Family Bank	44000007040	12,483,356	38,812
Kamiti Primary School	Family Bank	44000007785	3,130	2,474,154
Githurai 44 Police Post	Family Bank	044000015042	3,514,270	0.00
Kenyaatta University Primary School	National Bank of Kenya	1022205462900	3,117	3,117
<b>TOTAL</b>			<b>88,960,577</b>	<b>62,668,734</b>

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**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 and subsequent progress made on the resolution of the issues.

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>

NB: We have not yet received the final report for the concluded external audit of the FY 2019- 2020