

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY	
DATE: 24 NOV 2022	DAY: Thursday
TABLED BY: LOM	
OF CLERK-AT-THE-TABLE: E Ngiyo	

THE AUDITOR-GENERAL

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ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
NORTH MUGIRANGO CONSTITUENCY**

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

Revised Template 30th June 2021



NORTH MUGIRANGO CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

ANNUAL REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

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

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

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

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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.

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 North Mugirango 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 30th June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Wilson Okumu Ogogo
2.	Sub-County Accountant	Richard Nyachoti
3.	Chairman NGCDFC	Yuvinalis Terah Nyaanga
4.	Member NGCDFC	Vanice Moraa Nyambane

(d) Fiduciary Oversight Arrangements

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

P.O. Box 105 40500
Sub County Commissioners Building
Nyamira Ikonge Road
Nyamira, KENYA

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(f) North Mugirango Constituency NGCDF Contacts

Telephone: (254) 734700485
E-mail: cdfnorthmugirango@ngcdf.go.ke
Website: www.go.ke

(g) North Mugirango Constituency NGCDF Bankers

Equity Bank Kenya Ltd
P.O Box 100-40500
Nyamira

(h) Independent Auditors

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

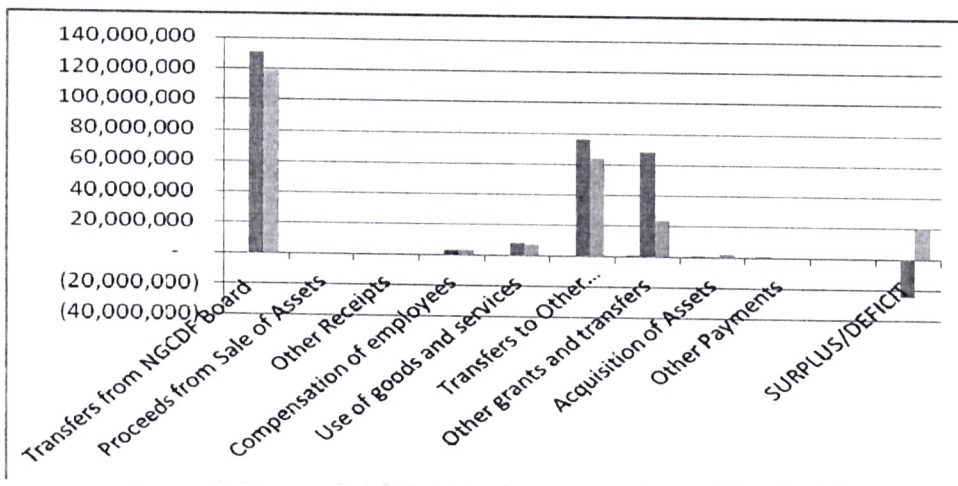
(i) Principal Legal Adviser

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

II. NG-CDF CHAIRMAN’S REPORT



North Mugirango NG- CDF received a total of Kshs. 118,767,724 against its allocation of Kshs. 137,088,879; this was slightly lower than previous year’s disbursement. This represented 56.1% considering rollover balance of Kshs.67, 283,383 from previous year which is part of the received funding.



Late disbursement of funds remain the greatest challenge in the implementation of NG-CDF project and achieving the desired objective of the fund

I finally wish to sincerely thank the area MP, FAM and my Committee that have been a great team in guiding us on financial regulations and constitutional expectations of the North Mugirango National Government Constituency development fund committee

Signature

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 *North Mugirango Constituency 2018-2022* plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

- a) Agri-business Project.
- b) Environmental conservation.
- c) Promoting of Sporting activities
- d) Governance and Resource Mobilization
- e) Promotion of access to quality Education.
- f) Promotion of employment creation activities
- g) Enhance administration and Security infrastructure and facilities of Interior and Coordination of National Government.

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	<ol style="list-style-type: none"> 1. Develop and Improve Infrastructure 2. Provision of Bursaries to needy children. 	Expand learning infrastructure	With improved infrastructure we expect enrolment number to increase	Over 20 Schools were funded during the year
Security	<ol style="list-style-type: none"> 1. Setup More police post 2. Promote Community Policing 3. Discourage and Fight consumption of Illicit Brew and Drugs 	More police post and police units to enhance security.	Extra infrastructure for the police officer	Construction and renovation of:- -Ekerubo Gietai Police Post -Ekembo Police Unit -Magwa Police Post
Environment	<ol style="list-style-type: none"> 1. Facilitate prompt waste 	Having a healthy	Reduced environmental	NG-CDF funded the plantation of

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	<p>collection and Disposal in an Environmentally Acceptable Manner.</p> <p>2. Supplement Beautification of School and Create Recreational Facilities in them.</p> <p>3. Promote Conservation of the Environment.</p> <p>4. Reduce Environmental Pollution.</p>	environment by planting trees distilling of rivers	degradation	over 50,000 tree seedlings with schools and clean-up of rivers
Sports	<p>1. Facilitate organization of sport clubs</p> <p>2. Financing the tournament activities.</p>	Supporting clubs activities.	Reduced crime due to idle youths in the area.	Sports Clubs were funded
Emergency	<p>1. Involve all stakeholders in project implementation.</p> <p>2. Implement all development projects.</p> <p>3. Develop and institutionalize a good governance framework</p>	Mobilizing and harmonization of project both by National Government and the County Government.		Awareness of the planning process, Harmonizing and coordination of the activities of all departments were created. Lobby relevant National Government bodies county to support implementation the constituency a gender i.e. roads

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NORTH MUGIRANGO 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 North Mugirango NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** North Mugirango 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

Facilitate prompt waste collection and Disposal in an Environmentally Acceptable Manner, Supplement Beautification of School and Create Recreational Facilities in them, Promote Conservation of the Environment, Reduce Environmental Pollution, Facilitate organization of sport clubs, financing the tournament activities, Improve farmer's capacity, Undertake business plan for each sector, Build capacity of farmers, Increase Agri-business inputs and outputs

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. North Mugirango 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. North Mugirango constituency also has bursary programs aligned to the NG-CDF Act for employees seeking to further their education or advance themselves through formal programs relating to their current or prospective jobs.

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-

North Mugirango 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-

North Mugirango 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

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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.

North Mugirango NG-CDF has 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- North Mugirango 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- North Mugirango 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- North Mugirango 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 North Mugirango 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- North Mugirango Constituency financial statements were approved and signed by the Accounting Officer on 20/8 2022.



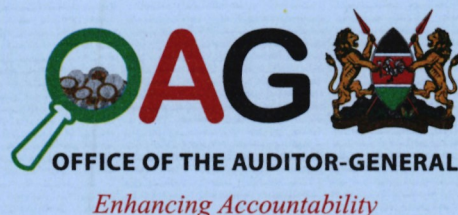
Chairman NGCDF Committee
Name: Yuvinalis Terah Nyaanga



Fund Account Manager
Name: Wilson Okumu Ogogo

REPUBLIC OF KENYA

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

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 - North Mugirango Constituency set out on pages 12 to 47, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary

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

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

Basis for Qualified Opinion

1. Unsupported Committee Allowances

The statement of receipts and payments and as disclosed in Note 5 to the financial statements, reflects use of goods and services balance of Kshs.8,071,217 and which includes an amount of Kshs.3,251,000 in respect of committee allowances. However, Management did not provide the approved schedule of the meetings, signed and dated committee attendance sheet or register, committee meeting minutes as well as monitoring and evaluation reports for audit review.

In the circumstances, the validity and accuracy of the committee allowance amount of Kshs.3,251,000 could not be confirmed.

2. Unsupported Environmental Projects

The statement of receipts and payments and as disclosed in Note 7 to the financial statements, reflects other grants and transfers expenditure balance of Kshs.61,297,235 which includes an amount of Kshs.2,741,775 in respect to environmental projects. However, the supporting documents including the project files were not provided by the Management for audit review. In addition, physical verification carried out at the time of audit on 6 April, 2022 revealed that the projects were not in existence.

In the circumstances, the validity and occurrence expenditures on environmental projects of Kshs.2,741,775 could not be confirmed.

3. Overstated Cash and Cash Equivalents Balance

The statement of assets and liabilities and as disclosed in Note 10A to the financial statements, reflects cash and cash equivalents balance of Kshs.295,013. Review of the bank reconciliation statements revealed un-presented cheques totalling Kshs.17,358,709 which included stale cheques of Kshs.366,687 that had not been reversed in the cash book which led to the overstatement of the cash and cash equivalents balance.

In the circumstances, accuracy and completeness of the balance of Kshs.295,013 in respect to cash and cash equivalents 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 - North Mugirango 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 for the year under review reflects total budgeted receipts of Kshs.200,667,784 and actual receipts of Kshs.155,578,905 resulting to under collection of receipts of Kshs.45,088,879 or 22% of the budget.

Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.200,667,784 and Kshs.155,283,892 respectively resulting in an under expenditure amounting to Kshs.45,383,892 or 23% of the budget.

The underfunding and under expenditure affected the planned activities of the Fund and may have impacted negatively on service delivery to the residents of North Mugirango Constituency.

2. Unsatisfactory Implementation of Primary School Projects

The statement of receipts and payments reflects transfers to other Government entities expenditure balance of Kshs.83,150,000 as disclosed in Note 6 to the financial statements and which includes an amount of Kshs.37,500,000 in respect to transfers to primary schools. Review of expenditure documents revealed that an amount of Kshs.9,000,000 was transferred to four (4) primary schools.

However, a physical verification of the projects carried out at the time of audit on 6 April, 2022 revealed that the projects had not been implemented although funds were transferred to the Project Management Committee bank account in the month of May, 2021.

In the circumstances, value for money for Kshs.9,000,000 was not realized from works not done in the primary school projects.

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 sections 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. Drilling of Boreholes at Gekonge Secondary School

The statement of receipts and payments reflects transfers to other Government entities expenditure balance of Kshs.83,150,000 as disclosed in Note 6 to the financial statements and which includes an amount of Kshs.45,650,000 in respect to transfers to secondary schools. Review of expenditure records revealed that an amount of Kshs.4,000,000 was disbursed to Gekonge Secondary School towards drilling and equipping of three (3) boreholes. However, Management did not provide for review the reports of hydro-geological survey on viability of the project, bills of quantities and inspection and acceptance certificates.

In addition, a physical verification carried out at the time of audit on 6 April, 2022 revealed that the project was not functional and the school community was not benefitting from it due to lack of water.

In the circumstances, value for money was not achieved from the expenditure of Kshs.4,000,000 on drilling of bore holes.

2. Other Grants and Transfers

2.1 Lack of a Properly Constituted Bursary Sub-Committee

The statement of receipts and payments reflects other grants and transfers expenditure balance of Kshs.61,297,235 as disclosed in Note 7 to the financial statements and which includes an amount of Kshs.43,588,460 in respect to bursaries to secondary schools. However, Management did not provide documentation to confirm that the bursary sub-committee as constituted co-opted two members, one whom must be the area Education Officer or representative of the of Ministry of Education. This is contrary of the provisions of the CDF Board circular reference No.VOL1/111, dated 13 September, 2010 which requires formation of a sub-committee of constituency development fund to manage the bursary scheme including two co-opted members one of whom must be an education officer or an officer seconded from the Ministry of Education.

In the circumstances, Management was in breach of the guidelines.

2.2 Emergency Expenditure

The statement of receipts and payments reflects other grants and transfers expenditure balance of Kshs.61,297,235 as disclosed in Note 7 to the financial statements and which includes an amount of Kshs.8,967,000 in respect to emergency projects. However, Management did not provide documentary evidence that the utilization of emergency reserve was reported to the National Constituency Development Fund Board in line with the provisions of Regulation 20(2) of the National Government Constituency Fund Regulations, 2016 which provides that, the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

In the circumstances, Management was in breach of the regulations.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and 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 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 controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution.

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

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism 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 controls.

- 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 ability of the Fund 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 controls 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

20 September, 2022

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

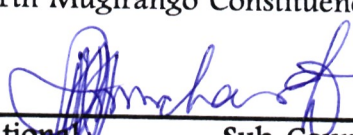
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	130,767,724	118,995,688
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		130,767,724	118,995,688
PAYMENTS			
Compensation of employees	4	2,765,440	2,623,379
Use of goods and services	5	8,071,217	7,141,651
Transfers to Other Government Units	6	83,150,000	45,037,000
Other grants and transfers	7	61,297,235	42,111,582
Acquisition of Assets	8	-	2,070,000
Other Payments	9	-	-
TOTAL PAYMENTS		155,283,892	98,983,612
SURPLUS/DEFICIT		(24,516,168)	20,012,076

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- North Mugirango Constituency financial statements were approved on 22/8 2022 and signed by:


Fund Account Manager

Name: Wilson Okumu Ogo


National Sub-County
Accountant

Name: Richard Nyachoti

ICPAK M/No:


Chairman NG-CDF Committee

Name: Yuvinalis Terah
Nyaanga


*North Mugirango 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
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	295,013	24,811,181
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		295,013	24,811,181
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		295,013	24,811,181
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		295,013	24,811,181
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	24,811,181	4,799,376
Prior year adjustments	14	-	(271)
Surplus/Defict for the year		(24,516,168)	20,012,076
NET FINANCIAL POSITION		295,013	24,811,181

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- North Mugirango Constituency financial statements were approved on 22/8 2022 and signed by:


Fund Account Manager
Name: Wilson Okumu Ogogo


National Sub-County Accountant
Name: Richard Nyachoti
ICPAK M/No:



Chairman NG-CDF Committee
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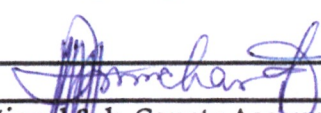
*North Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

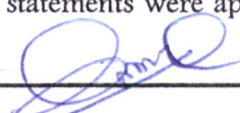
IX. STATEMENT OF CASHFLOW

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	130,767,724	118,995,688
Other Receipts	3	-	-
		130,767,724	118,995,688
Payments for operating activities			
Compensation of Employees	4	2,765,440	2,623,379
Use of goods and services	5	8,071,217	7,141,651
Transfers to Other Government Units	6	83,150,000	45,037,000
Other grants and transfers	7	61,297,235	42,111,582
Other Payments	9	-	-
		155,283,892	96,913,612
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	(271)
Net Adjustments		-	(271)
Net cash flow from operating activities		(24,516,168)	22,081,805
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	2,070,000
Net cash flows from Investing Activities		-	(2,070,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		(24,516,168)	20,011,805
Cash and cash equivalent at BEGINNING of the year	10	24,811,181	4,799,376
Cash and cash equivalent at END of the year		295,013	24,811,181

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- North Mugirango Constituency financial statements were approved on 20/8 2022 and signed by:


Fund Account Manager
Name: Wilson Okumu Ogogo


National Sub-County Accountant
Name: Richard Nyachoti
ICPAK M/No:


Chairman NG-CDF Committee
Name: Yuvinalis Terah Nyaanga

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

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipts/Payments	Original Budget a	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 %
RECEIPTS							
Transfers from NG-CDF Board	137,088,879	24,811,181	38,767,724	200,667,784	155,578,905	45,088,879	77.5%
Proceeds from Sale of Assets				0	0	-	0.0%
Other Receipts				0	-	-	
TOTAL RECEIPTS	137,088,879	24,811,181	38,767,724	200,667,784	155,578,905	45,088,879	77.5%
PAYMENTS							
Compensation of Employees	3,836,573	1,141,201		4,977,774	2,765,440	2,212,334	55.6%
Use of goods and services	7,281,015	833,602		8,114,617	8,071,217	43,400	99.5%
Transfers to Other Government Units	67,500,000	20,700,000	13,563,000	101,763,000	83,150,000	25,813,000	74.6%
Other grants and transfers	58,471,291		25,204,724	83,676,015	61,297,235	15,178,780	81.9%
Acquisition of Assets		2,136,378		2,136,378	-	2,136,378	0.0%
Other Payments	0			0	-	-	
TOTAL	137,088,879	24,811,181	38,767,724	200,667,784	155,283,892	45,383,892	77.4%

- i. *Compensation of employee was utilized to 70.1% unutilized was gratuity provision which will be paid on the expiry of contract terms.*
- ii. *There were less consumable in during the year as the normal office operations were affected by the Covid-19.*
- iii. *Transfers to Other Government Unit were disbursed up to 56.8% due to late funding by the board.*
- iv. *Other grants and transfer were affected by the covid 19 pandemics as payment to needy students as bursaries were not paid.*
- v. *Only assets that were funded in time were purchased resulting to 43.1% utilization.*

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- North Mugirango Constituency financial statements were approved on 20/06/2022 and signed by: _____

[Signature]
Fund Account Manager
 Name: Wilson Okumu Ogozo

[Signature]
National Sub-County Accountant
 Name: Richard Nyachoti

[Signature]
Chairman NG-CDF Committee
 Name: Yuvinalis' Terah Nyanga


ICPAK M/No: _____


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


XI. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipts/Payments	Original Budget	Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
	a	b	Opening Balance (C/Bk) and AIA				
RECEIPTS							
Transfers from NG-CDF Board	11,117,588	1,974,803		13,092,391	10,836,657	2,255,734	77.5%
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts				0	-	-	
TOTAL RECEIPTS	11,117,588	1,974,803		13,092,391	10,836,657	2,255,734	77.5%
PAYMENTS							
Compensation of Employees	3,836,573	1,141,201		4,977,774	2,765,440	2,212,334	55.6%
Use of goods and services	7,281,015	833,602		8,114,617	8,071,217	43,400	99.5%
TOTAL	11,117,588	1,974,803		13,092,391	10,836,657	2,255,734	77.4%

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- North Mugirango Constituency financial statements were approved on 20/12/21 2022 and signed by:


Fund Account Manager
 Name: Wilson Okumu Ogo


National Sub-County Accountant
 Name: Richard Nyachoti


Chairman NG-CDF Committee
 Name: Yuvinalis Terah Nyanga


ICPAK M/No:


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


XII. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b	c				
RECEIPTS			Opening Balance (C/Bk) and AIA				
Transfers from NG-CDF Board	125,971,291	22,836,378	Previous years Outstanding Disbursements	187,575,393	144,447,235	43,128,158	77.5%
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts				0	-	-	
TOTAL RECEIPTS	125,971,291	22,836,378	38,767,724	187,575,393	144,447,235	43,128,158	77.5%
PAYMENTS							
Transfers to Other Government Units	67,500,000	20,700,000		101,763,000	83,150,000	25,813,000	74.6%
Other grants and transfers	58,471,291			83,676,015	61,297,235	15,178,780	81.9%
Acquisition of Assets		2,136,378		2,136,378	-	2,136,378	0.0%
Other Payments	0			0	-	-	
TOTAL	125,971,291	22,836,378	38,767,724	187,575,393	144,447,235	43,128,158	77.4%

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF - North Mugirango Constituency financial statements were approved on 20th 2022 and signed by:


Fund Account Manager
 Name: Wilson Okumu Ogogo


National Sub-County Accountant
 Name: Richard Nyachoti


Chairman NG-CDF Committee
 Name: Yuvinalis Terah Nyaanga

ICPAK M/No:


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

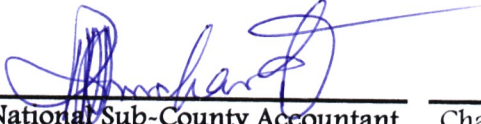
- vi. *Compensation of employee was utilized to 55.6% unutilized was gratuity provision which will be paid on the expiry of contract terms.*
- vii. *Transfers to Other Government Unit were disbursed up to 74.6% due to late funding by the board.*
- viii. *Other grants and transfer were disbursed up to 81.9%, this was growth from previous year as bursaries to needy students were disbursed.*
- ix. *No asset was purchased during the year.*


Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	45,383,892
Less undisbursed funds receivable from the Board as at 30th June 2021	45,088,879
	295,013
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Increase in Cash and Cash Equivalents at the end of the FY 202021	295,013

Reconciliation of Statement of Budget Appropriation to Statement of Assets and Liabilities introduced

The NGCDF-North Mugirango Constituency financial statements were approved on 20/8 2022 and signed by:


 Fund Account Manager
 Name: Wilson Okumu Ogogo


 National Sub-County Accountant
 Name: Richard Nyachoti
 ICPAK M/No:


 Chairman NG-CDF Committee
 Name: Yuvinalis Terah Nyaanga

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

XIII. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget 2020/2021 Kshs	Adjustments		Final Budget 2020/2021 Kshs	Actual on comparable basis 30/06/2021 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,836,573	1,141,201		4,977,774	2,765,440	2,212,334
1.2 Committee allowances	1,007,157	615,000		1,622,157	1,622,157	(0)
1.3 Use of goods and services	2,161,192	196,861		2,358,053	2,314,653	43,400
1.4 Acquisition of assets	-			-		-
2.0 Monitoring and evaluation						
2.1 Capacity building	1,200,000			1,200,000	1,200,000	-
2.2 Committee allowances	1,460,000			1,460,000	1,460,000	-
2.3 Use of goods and services	1,452,666	21,741		1,474,407	1,474,407	0
3.0 Emergency						
Health	7,192,207	-	1,774,793	8,967,000	8,967,000	(0)
3.2 Secondary schools	-			-		-
3.3 Tertiary institutions	-			-		-
3.4 Security projects	-			-		-

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference	
	2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	30/06/2021	
4.0 Bursary and Social Security				-		-
4.1 Primary Schools	-			-		-
4.2 Secondary Schools	13,000,000	-	17,409,394	30,409,394	30,409,394	-
4.3 Tertiary Institutions		-	8,583,537	8,583,537	8,583,537	-
4.4 Universities	11,795,529		-	11,795,529	11,795,529	0
4.5 Social Security				-		-
5.0 Sports				-		-
Constituency Sports	2,741,778			2,741,778	13,000	2,728,778
6.0 Environment				-		-
North Mugirango Environment PMCs	2,741,778			2,741,778	2,741,775	3
7.0 Primary Schools Projects				-		-
Tombe primary school	2,000,000			2,000,000	2,000,000	-
Gitwebe Primary School	1,000,000	-	1,000,000	2,000,000	2,000,000	-
Kiomachingi Primary School		500,000		500,000		500,000
Munyara Primary School		1,000,000		1,000,000		1,000,000
Nyabweri Primary School		500,000		500,000		500,000
Nyagokiani Primary School		600,000		600,000	600,000	-
Nyakaranga Primary School		-		-		-
Nyamauro Primary School		-	3,200,000	3,200,000	3,200,000	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Enchoro Primary	2020/2021	-	-	-	-	-
Nyamwanchania Primary School		1,000,000		1,000,000		1,000,000
Amatierio primary school	2,000,000			2,000,000	2,000,000	-
Nyasiororia primary school	1,500,000	-		1,500,000		1,500,000
Nyaututu primary school	2,000,000			2,000,000	2,000,000	-
Matongo primary school	2,000,000			2,000,000	2,000,000	-
Ongera primary school	2,000,000			2,000,000	2,000,000	-
Mwancha primary school	2,000,000			2,000,000	2,000,000	-
Kiamogake primary school	2,000,000			2,000,000	2,000,000	-
kiabora primary school	2,000,000			2,000,000	2,000,000	-
Kenguso primary school	3,000,000			3,000,000	3,000,000	-
Nyairanga primary school	2,000,000			2,000,000	2,000,000	-
Esanige primary school	2,500,000			2,500,000		2,500,000
Kenयो primary school	2,000,000			2,000,000	2,000,000	-
Riomoria primary school	500,000			500,000		500,000
Ekerubo boarding primary school	2,000,000			2,000,000		2,000,000
Nyakenyomisio primary school	500,000			500,000		500,000
Iteresi primary school	2,000,000			2,000,000	2,000,000	-
Kebabe primary school	1,500,000			1,500,000		1,500,000
Nyamonuri primary school	500,000			500,000		500,000
Eronge primary school	2,000,000			2,000,000	1,587,000	413,000
Eaka primary school	500,000			500,000		500,000
7.4				-	-	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
8.0 Secondary Schools Projects	2020/2021					
Ikamu Secondary School		6,800,000		6,800,000	6,800,000	-
Maagonga Secondary School		8,800,000		8,800,000	3,800,000	5,000,000
Matongo Secondary School		1,500,000		1,500,000		1,500,000
Nyasio Girls Sec. School	1,000,000			1,000,000		1,000,000
Riomega PAG Secondary School		-	6,800,000	6,800,000	6,800,000	-
Kenguso secondary school	2,000,000			2,000,000	2,000,000	-
Nyakenyomisa secondary school	1,000,000			1,000,000		1,000,000
				-		-
WATER PROJECT				-		-
Maagonga Secondary School	4,000,000			4,000,000	1,600,000	2,400,000
Enkinda secondary school	4,000,000			4,000,000	4,000,000	-
magwagwa primary school	4,000,000			4,000,000	4,000,000	-
Kea primary school	4,000,000			4,000,000	4,000,000	-
Kerema primary school	2,000,000			2,000,000		2,000,000
Matongo secondary school	4,000,000			4,000,000		4,000,000
Kienua secondary school	4,000,000			4,000,000	3,850,000	150,000
9.4				-		-
10.0 Security Projects				-		-
Kebobora police post	3,000,000			3,000,000	3,000,000	-
Itibo police post	3,000,000			3,000,000	3,000,000	-
North Mugiango DCC's residential house	3,000,000			3,000,000		3,000,000
				-		-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
11.0 Roads and Bridges				-		-
Getangwa Primary School-Kiabonyoru roads	2,000,000			2,000,000	2,000,000	-
Nyamatauta Roads	2,000,000			2,000,000	2,000,000	-
Ikonge Mixed Secondary School road	3,000,000			3,000,000	2,700,000	300,000
Eukinde-Nyaacha Road	2,000,000	-		2,000,000		2,000,000
Kibabo Primary School Road	3,000,000	-		3,000,000		3,000,000
				-		-
11.0 Acquisition of assets				-		-
11.1 Motor Vehicles				-		-
11.2 Construction of CDF office				-		-
11.3 Purchase of furniture and equipment				-		-
11.4 Purchase of computers		2,136,378		2,136,378		2,136,378
				-		-
12.0 Others				-		-
	137,088,879	24,811,181	38,767,724	200,667,784	155,283,892	45,383,892

(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)

***NORTH MUGIRANGO Constituency
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XIV. 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- North Mugirango 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 xx June 2020 for the period 1st July 2020 to 30th June 2020 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 30th 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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XV. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
		15,659,482.00
Normal Allocation		1,736,206.00
		3,600,000.00
		4,000,000.00
		20,000,000.00
B049153		6,000,000.00
B104067		14,000,000.00
B104446		24,000,000.00
B096770		30,000,000.00
B096907	5,000,000.00	
B104665	19,000,000.00	
B124642	9,000,000.00	
B104963	6,367,724.00	
B119612	8,500,000.00	
B128002	12,000,000.00	
B128243	6,900,000.00	
B132005	6,000,000.00	
B132299	6,000,000.00	
B138968	12,000,000.00	
B126260	7,000,000.00	
B105055	11,000,000.00	
B105151	9,000,000.00	
B142950	13,000,000.00	
Conditional Grants		
Receipt from other Constituency		
TOTAL	130,767,724	118,995,688

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2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
	0	0
Total	0	0

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from sale of tender documents	0	0
Hire of plant/equipment/facilities	0	0
Unutilized funds from PMCs	0	0
Other Receipts Not Classified Elsewhere	0	0
	0	0
Total	0	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,576,560	1,794,202
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	-	687,837
Employer Contributions Compulsory national social security schemes	188,880	141,340
TOTAL	2,765,440	2,623,379

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Utilities, supplies and services	1,130,000	68,624
Electricity		0
Water & sewerage charges		-
Office rent		-
Communication, supplies and services	200,000	15,000
Domestic travel and subsistence	500,000	0
Printing, advertising and information supplies & services	230,000	957,000
Rentals of produced assets		-
Training expenses		0
Hospitality supplies and services		0
Other committee expenses	1,010,000	200,000
Committee allowance	3,251,000	4,006,885
Insurance costs	331,970	569,515
Specialised materials and services		-
Office and general supplies and services	350,000	600,000
Fuel , oil & lubricants	700,000	700,000
Other operating expenses	325,000.	0
Bank service commission and charges	43,246	0
Other Operating Expenses		-
Security operations		-
Routine maintenance - vehicles and other transport equipment		24,627
Routine maintenance- other assets		0
TOTAL	8,071,217	7,141,651

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to Primary Schools	37,500,000.00	12,637,000
Transfers to Secondary Schools	45,650,000.00	32,400,000
Transfers to Tertiary Institutions		
TOTAL	83,150,000.00	45,037,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary - Secondary (see attached list)	43,588,460.05	3,825,299
Bursary -Tertiary (see attached list)		
Bursary- Special Schools		-
Mocks & CAT (see attached list)		-
Social Security programmes (NHIF)		
Security Projects (see attached list)	6,000,000.00	5,693,000
Sports Projects (see attached list)		4,339,595
Roads and bridges	0	18,823,276
Environment Projects (see attached list)	2,741,775.00	3,472,412
Emergency Projects (see attached list)	8,967,000.00	5,958,000
TOTAL	61,297,235.05	42,111,582

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	0
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	0	0
Purchase of ICT Equipment, Software and Other ICT Assets	0	2,070,000
Purchase of Specialized Plant, Equipment and Machinery	0	0
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets	0	0
	0	0
Total	0	2,070,000

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	0	3,500,000
ICT Hub	0	0
	0	3,500,000

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10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Equity Bank Nyamira Branch A/C No. 0520262112242</i>	295,013	24,811,181
Equity Bank	-	-
	-	-
TOTAL	295,013	24,811,181
10B: CASH IN HAND)		
	2020 - 2021	2019 - 2020
	Kshs (30/6/2021)	Kshs (30/6/2020)
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
TOTAL	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer</i>	dd/mm/yy	0	0	0
<i>Name of Officer</i>	dd/mm/yy	0	0	0
<i>Name of Officer</i>	dd/mm/yy	0	0	0
<i>Name of Officer</i>	dd/mm/yy	0	0	0
<i>Name of Officer</i>	dd/mm/yy	0	0	0
<i>Name of Officer</i>	dd/mm/yy	0	0	0
<i>Total</i>		0	0	0

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

12A. RETENTION

	2020-2021	2019-2020
	Kshs	Kshs
Retention as at 1 st July (A)	0	0
Retention held during the year (B)	0	0
Retention paid during the Year (C)	0	0
Closing Retention as at 30 th June D= A+B-C	0	0

[Provide short appropriate explanations as necessary.]

12B. GRATUITY

	2020-2021	2019-2020
	Kshs	Kshs
Gratuity as at 1 st July (A)	0	0
Gratuity held during the year (B)	0	0
Gratuity paid during the Year (C)	0	0
Closing Gratuity as at 30 th June D= A+B-C	0	0

[Provide short appropriate explanations as necessary]

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13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	24,811,181	4,799,376
Cash in hand		
Imprest		
TOTAL	24,811,181	4,799,376

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	(271)	0	(271)
Cash in hand	0	0	0
Accounts Payables	0	0	0
Receivables	0	0	0
Others (<i>specify</i>)	0	0	0
TOTAL	(271)	0	(271)

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST*

	2020-2021	2019-2020
	Kshs	Kshs
Outstanding Imprest as at 1 st July (A)	0	0
Imprest issued during the year (B)	0	0
Imprest surrendered during the Year (C)	0	0
closing accounts in account receivables D= A+B-C	0	0

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16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 - 2019
	Kshs	Kshs
Deposit and Retentions as at 1 st July (A)	0	0
Deposit and Retentions held during the year (B)	0	0
Deposit and Retentions paid during the Year (C)	0	0
closing account receivables D= A+B-C	0	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	0	0

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff		1,116,621
Others (<i>specify</i>)	(0)	0
		1,116,621

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	2,212,334	1,116,621
Use of goods and services	43,400	833,602
Amounts due to other Government entities (see attached list)	25,813,000	34,856,000
Amounts due to other grants and other transfers (see attached list)	15,178,780	28,340,782
Acquisition of assets	2,136,378	2,136,378
Others (<i>specify</i>)	0	-
Funds pending approval	0	0
	45,383,892	67,283,383

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	0	0
	0	0

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IVX. 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	
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					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees		2,212,334	1,116,621	Ongoing
Use of goods & services		43,400	833,602	Ongoing
Amounts due to other Government entities				
Gitwebe Primary School			1,200,000	Complete
Komachingi Primary School		500,000	500,000	Ongoing
Munyara Primary School		1,000,000	1,000,000	Ongoing
Nyabweri Primary School		500,000	500,000	Ongoing
Nyagokiani Primary School			600,000	Complete
Nyakaranga Primary School			2,300,000	Complete
Nyamauro Primary School			2,607,000	Complete
Enchoro Primary			63,000	Complete
Ikamui Secondary School			6,800,000	Complete
Nyasirotoria primary school		1,500,000		Ongoing
Maagonga Secondary School			8,800,000	Complete
Matongo Secondary School		1,500,000	1,500,000	Ongoing
Riomega PAG Secondary School			6,800,000	Complete
Nyamwanchania Primary School		1,000,000	1,000,000	Ongoing
Riomoria primary school		500,000		Ongoing
Nyakenyomisio primary school		500,000		Ongoing
Kebabe primary school		1,500,000		Ongoing
Nyamunuri primary school		500,000		Ongoing
Eronge primary school		413,000		Ongoing
Faka primary school		500,000		Ongoing
Maagonga Secondary School		5,000,000		Ongoing
Esanige primary school		2,500,000		Ongoing
Ekerubo boarding primary school		2,000,000		Ongoing
Nyasio Girls Sec. School		1,000,000		Ongoing
Nyakenyomisisa secondary school		1,000,000		Ongoing
Sub-Total		25,813,000	35,620,223	
Amounts due to other grants and other				

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
transfers				
Secondary Schools			17,409,394	Complete
Tertiary Institutions			9,716,147	Complete
Emergency			1,808,241	Complete
Constituency Sports		2,728,778		Ongoing
North Mugirango Environment PMCs		3		Ongoing
Maagonga Secondary School		2,400,000		Ongoing
Kerema primary school		2,000,000		Ongoing
Matongo secondary school		4,000,000		Ongoing
Kiemuma secondary school		150,000		Ongoing
Ikonge Mixed Secondary School road		300,000		Ongoing
Eukinde-Nyaacha Road		2,000,000		Ongoing
Kibabo Primary School Road		3,000,000		Ongoing
North Mugirango DCC's residential house		3,000,000		Ongoing
Sub-Total		15,178,780	28,933,782	
Acquisition of assets				
11.4 Purchase of computers		2,136,378	2,136,378	Ongoing
Others (specify)				
Sub-Total		0	0	
Funds pending approval				
Grand Total		45,383,893	67,283,383	

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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 (Kshs) 2020/21
Land	0	0	0	0
Buildings and structures	0	0	0	0
Transport equipment	12,920,000	0	0	12,920,000
Office equipment, furniture and fittings	478,660	0	0	478,660
ICT Equipment, Software and Other ICT Assets	879,748	0	0	879,748
Other Machinery and Equipment	230,760	0	0	230,760
Heritage and cultural assets	0	0	0	0
Intangible assets	0	0	0	0
Total	14,509,168	0	0	14,509,168

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Tombe primary school	KCB Bank-Nyamira Branch	1286668786	0	
Gitwebe Primary School	KCB Bank-Nyamira Branch	1270898574	8,855	
Nyagokiani Primary School	KCB Bank-Nyamira Branch	1279823429	200,000	
Nyakaranga Primary School	KCB Bank-Nyamira Branch	1271174782	199,375	
Nyamauro Primary School	KCB Bank-Nyamira Branch	1285656903	1,497,830	
Enchoro Primary	KCB Bank-Nyamira Branch	1253603855	17,095	
Nyamwanchania Primary School	KCB Bank-Nyamira Branch	1258678330	3,375	
Matongo primary school	KCB Bank-Nyamira Branch	1286489164	2,000,000	
Mwanacha primary school	KCB Bank-Nyamira Branch	1278315993	10,975	
Kiamogake primary school	KCB Bank-Nyamira Branch	1278314806	487	
kiabora primary school	KCB Bank-Nyamira Branch	1277866732	14,925	
Kenguso primary school	KCB Bank-Nyamira Branch	1286587956	0	
Nyairanga primary school	KCB Bank-Nyamira Branch	1287086993	0	
Esanige primary school	KCB Bank-Nyamira Branch	1287087140	0	
Iteresi primary school	KCB Bank-Nyamira Branch	1287087566	0	
Kebabe primary school	KCB Bank-Nyamira Branch	1287464521	0	
Ikamu Secondary School	KCB Bank-Nyamira Branch	1177108984	3,150,895	
Maagonga Secondary School	KCB Bank-Nyamira Branch	1278055762	784,023	
Matongo Secondary School	KCB Bank-Nyamira Branch	1258068494	100,395	
Nyasio Girls Sec. School	KCB Bank-Nyamira Branch	1273685547	150,425	
Enkinda secondary school	KCB Bank-Nyamira Branch	1286018668	470	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
magwagwa primary school	KCB Bank-Nyamira Branch	1253576521	20,395	
Kea primary school	KCB Bank-Nyamira Branch	1255436867	13,430	
Kebobora police post	KCB Bank-Nyamira Branch	1285270886	849,030	
North Mugirango DCC's residential house	KCB Bank-Nyamira Branch	1285922271	447,900	
Getangwa Primary School-Kiabonyoru roads	KCB Bank-Nyamira Branch	1255436565	5,017	
Ikonge Mixed Secondary School road	KCB Bank-Nyamira Branch	1266279083	655	

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VX. 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.

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)
Our Ref N MUGIGANGO/A UDIT.RESP/001/02/2018	The ledger for the financial year 2017/2018 reflects an amount of Kshs. 1,725,000 for utilities, supplies and services. However, the payments made to M/s Boflos enterprises of Kshs. 375,000 being payment for purchases of two hundred and fifty (250) school mattresses for two primary schools whose dormitories were burned down by fire is classified under utilities, supplies and services instead of emergency projects	The payments made to M/s Boflos enterprises of Kshs. 375,000 being payment for purchases of two hundred and fifty (250) school mattresses for two primary schools whose dormitories were burned down by fire which was classified under utilities, supplies and services instead of emergency projects has since been corrected and charged to the right vote. Attached is the amended financial statement (Appendix 1)	Fund Account Manager	K.I.V	Immediately
Our Ref N MUGIGANGO/A UDIT.RESP/001/02/2018	Master Pic Limited was given Kshs. 150,000 for supply of fuel to the North Mugirango NG-CDF. However, management did not avail for review the procurement documents to support the expenditure. Consequently, completeness of the expenditure could not be ascertained.	Procurement documents to support the expenditure of Kshs. 150,000 made to Master Pic Limited for the supply of fuel to the North Mugirango NG-CDF is hereby attached for audit review (Appendix 2)	Fund Account Manager	K.I.V	Immediately

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Our Ref N MUGIGANGO/A UDIT.RESP/001/ 02/2018	The committee spent a total of Kshs. 582,703.98 on employee compensation, however during the audit review only expenditure totaling to Kshs. 416,532.60 was fully accounted for while the balance of Kshs. 166,171.38 was not supported as required by the primary ledgers.	The unsupported employee compensation of Kshs. 166,171.38 was occasioned by misfiling of voucher at the sub county treasury, however the voucher has since been retrieved and is available for audit review. <i>(Appendix 3)</i>	Fund Account Manager	K.I.V	Immediately
Our Ref N MUGIGANGO/A UDIT.RESP/001/ 02/2018	There were a total of un presented Cheques of Kshs. 14,131,544.55 as at 31 June 2018 out of which there were stale cheques amounting to Kshs. 135,141 Reasons were not provided why these cheques have not been presented nor reversed in the cash book	The stale cheques has since been reversed in the cash book <i>(Appendix 4)</i>	Fund Account Manager	K.I.V	Immediately
Our Ref N MUGIGANGO/A UDIT.RESP/001/ 02/2018	During the audit review it was observed that Kshs. 399,400 was allocated for Training allowances. However, the management did not avail for review signed minutes and procurement documents for the trainings that took place.	The training that took place at The Vic Hotel was procured by the regional office (Nyanza Region) and in their invitation letter and minute dated 1 st May 2018, the 42 constituencies that make up the region were instructed to facilitate their representation in the training. <i>(Appendix 5)</i>	Fund Account Manager	K.I.V	Immediately
Our Ref N MUGIGANGO/A	During the year under review, transfer to other government units,	The underfunding of projects are as a result budget cut by the	Fund Account Manager	Not Resolved	September

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
UDIT.RESP/001/02/2018	the committee initiated nine (9) projects across the constituency at a total cost of Kshs. 10,800,000. During field inspection of the projects conducted on 14th and 15th January 2019, projects totaling to Kshs. 6,700,000 were incomplete and at different stages of construction	CDF Board and high demand of development in the constituency, however the CDF Committee has tried to fund the projects with the available fund received. Some project are being implemented in phases due to scares resources.			