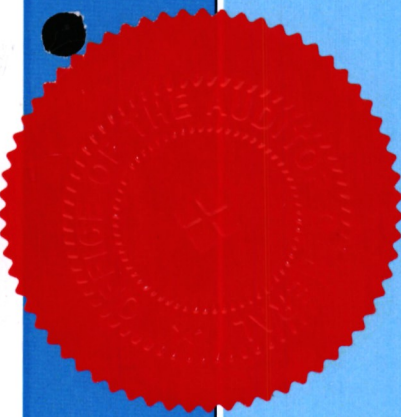
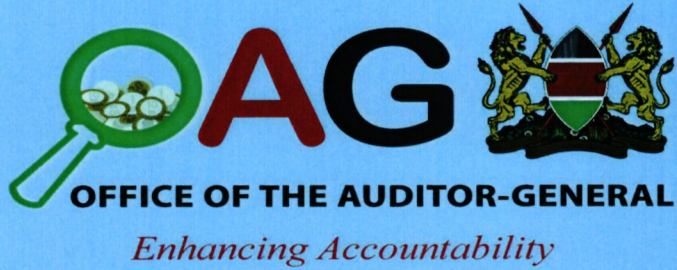



REPUBLIC OF KENYA



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|  THE NATIONAL ASSEMBLY | |
| REPORT PAPERS LAID | |
| DATE: 23 FEB 2022 | DAY: Wed. |
| TABLED BY: | The Majority Whip Hon. E. Wangwey MP |
| CLERK-AT-TABLE: | Benson Inzoga |

THE AUDITOR-GENERAL

PARLIAMENT
OF KENYA
LIBRARY

ON

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

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

OFFICE OF THE AUDITOR GENERAL
P. O. Box 95202, MOMBASA
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Revised Template 30th June 2020



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -TAVETA
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020

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

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

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

TAVETA CONSTITUENCY

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For the year ended June 30, 2020

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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Core Values

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

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2020 and who had direct fiduciary responsibility were:

| No. | Designation | Name |
|-----|-----------------------|--------------------|
| 1. | A.I.E holder | Daniel Mwaluko |
| 2. | Sub-County Accountant | Robert Kibet |
| 3. | Chairman NGCDFC | Julita Baby Mbelle |
| 4. | Member NGCDFC | Kirimi Morris |

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF TAVETA Constituency Headquarters

P.O. Box 243-80302
NG-CDF Building
Taveta- Voi Road
TAVETA, KENYA

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

TAVETA CONSTITUENCY

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For the year ended June 30, 2020

(f) NGCDF TAVETA Constituency Contacts

Telephone: (254) 710-128510
E-mail: tavetangcdf@ngcdf.go.ke
Website: www.ngcdftaveta.go.ke

(g) NGCDF TAVETA Constituency Bankers

1. **Equity Bank, Taveta Branch**
Account no. 1420262668499
P.O. Box 305 - 80302
Taveta, Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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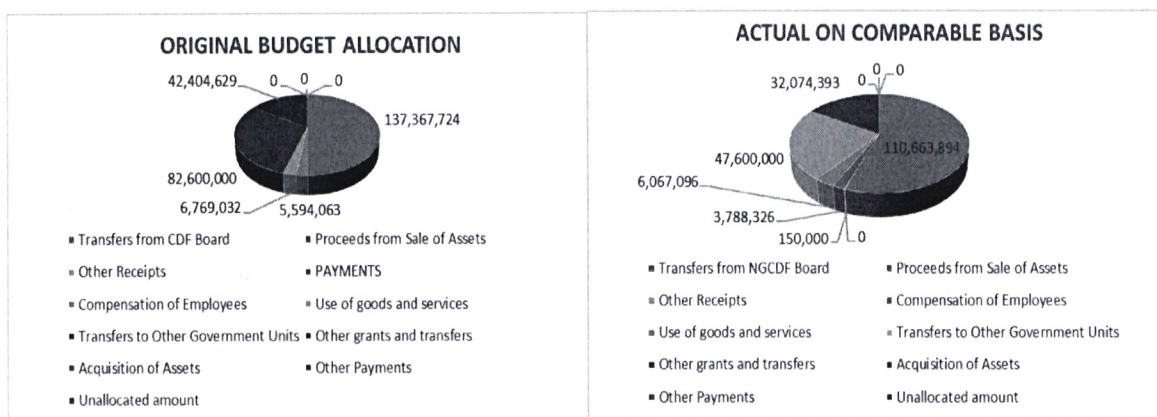
For the year ended June 30, 2020

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

I would like to extend my gratitude to Taveta constituents for giving me the opportunity to serve in my capacity as the chairperson NG-CDFC. This is a gracious position which has also promoted gender equality being a woman holding this position. Our agenda is enclaved in the slogan “*maendeleo kwa wote*” as we purpose to deliver improved livelihoods through promoting quality education at primary, secondary schools and tertiary institutions. This financial year ending June 2020 has seen us almost complete the KMTC construction and close to 160 pioneer students enrolled in the institution. There has also been tremendous increase in bursary allocation, ensuring more students are in schools. We have endeavoured to nature Youth talent by supporting sports through supply of full uniform and organizing tournaments. In the environment sectors through budgetary support for purchase of 3,600 tree seedlings to plant in public institutions to increase our forest cover. Her excellent performance can be attributed to tremendous support from the NG-CDF Board, Member of Parliament and all stakeholders.

Taveta constituency is one of the four constituencies in Taita-Taveta county, coast Region. During the financial year 2019/2020 we received Kshs. 102,367,724.10. Our utilization of funds for the financial year stands at 61% of the total budget of Kshs.137,367,724.14. The low absorption of funds was due to kshs:35,000,000 meant for Kmtc TAVETA Campus which has not been received at the closure of the financial year. The NG-CDF Board should provide funds in time for 100% utilization to be achieved.

The project allocation percentage per sector is as indicated below:-



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TAVETA CONSTITUENCY**

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Achievements

There have been several success stories in this financial year ending June 2020. Project is attributed to the harmonious working relationship amongst the NGCDFC members, staff and technical support from the government officials as well. The synergy has been achieved through continuous training and engagement to promote team work and quality project.

During the financial year 2019/2020 the Constituency realised tremendous improvement in infrastructure across the two key sectors namely; Education and Security Sector. Seventeen (17) new classrooms were constructed and four (4) Chief's Offices whose construction is ongoing. The completion of NG-CDF Office extension project will facilitate efficient and effective service delivery to Wananchi.

Below is a sample of projects undertaken during the financial year.



a. Extension of Ng-CDF Office- Ongoing

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b. Construction of Nakruto Chief's office- Ongoing

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c. Construction of one complete classroom at Ngutini secondary school

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d. Environment project at Timbila Boys High school – fruit and indigenous trees

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e. Rain water harvesting at Lotima Primary school- complete

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f) sports

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g) Construction of laboratory at Sowene secondary school- complete

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h) Construction of pit latrine at Njukini secondary school- complete

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Challenges

Delay in disbursement of funds from the NG-CDF Board has affected timely implementation of projects and absorption of funds allocated during the financial year, in addition insufficient funds for monitoring and evaluation and capacity building of various operatives has impacted negatively on funds administration.

Way forward

In order to improve on timely completion of projects NG-CDF Board should disburse funds quarterly, Allocation for monitoring and evaluation vote should be increased for effective and efficient management of projects. Lastly, Projects should be funded in full to avoid delays in completion County projects committee should be operationalized for consultation at county level to guard against any duplication of projects and enhance synergy between all development agents.

Sign-----



CHAIRPERSON NG-CDF COMMITTEE

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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For the year ended June 30, 2020

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-TAVETA Constituency's 2018-2022 plan are to:

- a) Increase access to education at primary and secondary school levels
- b) Enhance security and peaceful coexistence in the constituency
- c) Promote of environmental conservation initiatives
- d) Provide access to medical, health and technical training courses to secondary school graduates
- e) Promote of sports and cultural activities
- f) Create of employment activities for the youth

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:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

TAVETA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

| Constituency Program | Objective | Outcome | Indicator | Performance |
|----------------------|--|---|--|---|
| Education | <p>1. Increase access to education at primary and secondary school levels</p> <p>2. Provide access to medical, health and technical training courses to secondary school graduates</p> | <p>Increased enrolment in primary schools and 100% transition to secondary schools and tertiary institutions</p> <p>Funding completion of KMTC Taveta Campus.</p> | <ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels | <p>In the FY 19/20 -we constructed 17 new classrooms and renovated 6 classrooms in primary schools and secondary schools, constructed 2 dormitories, 3 laboratories, purchased 160 desks and 120 lockers and chairs. The constituency was able to achieve a 98% transition from primary to secondary school.</p> <p>-2,148 Bursary beneficiaries at all levels were funded as per the attached schedules</p> <p>The KMTC Taveta campus admitted 150 pioneer students in September 2019.</p> |
| Security | <p>1. Enhanced security and peaceful coexistence in the constituency</p> | <p>Increased and effective service delivery</p> | <p>Number of chief offices and police offices constructed</p> | <p>In the FY 2019/20 we funded the construction of 4 chief offices and completed Taveta Sub County police headquarters</p> |

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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For the year ended June 30, 2020

| | | | | |
|---------------------|---|--|--|---|
| Environment | 1.Promotion of environmental conservation initiatives | Increased tree cover, improved sanitation in public institutions | Number of trees planted, number of toilets constructed | In the FY 2019/20 we planted 3600 tree seedlings 1000 being fruit seedlings, constructed 19 pit latrines in various public institutions and water harvesting in 2 primary schools. |
| Sports | Promotion of sports and cultural activities | Increased participation in sports and cultural activities | Number of sport teams supported | In the FY 2019/20 we financed purchase of full uniforms for 11 football teams |
| Disaster Management | Promotion of disaster mitigation strategies | Increased awareness of disaster preparedness measures | Number of public awareness meetings and training conducted | In the FY 2019/2020 we conducted 5 ward meetings where members of the public were sensitized on disaster mitigation measures focusing on floods, drought, fire and earthquakes We conducted 1 training for NG-CDFC and NG-CDFC staff on disaster management, fire drill was conducted by the deputy Sub County Commander |

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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For the year ended June 30, 2020

| | | | | |
|-------------------|---|---|--------------------------------|---|
| Youth Empowerment | Creation of employment activities for the youth | Establishment of constituency innovation hubs | Number of ICT hubs established | In the FY 2019/2020 we operationalized 4 constituency innovation hubs where 100 youths have already been trained on use of internet to do online jobs |
|-------------------|---|---|--------------------------------|---|

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile –

Taveta NG-CDF endeavours to finance construction of quality buildings that are PLWD friendly and adhere to international construction standards. All stake holders are adequately sensitized on their roles and responsibilities before embarking on any project.

| Model | Definition | Relevance to sustainable strategy |
|--------------------|--|---|
| Vision | To be economically stable constituency providing equitable and sustainable use of all resources for quality life of the residents. | What the constituency is striving for in the future that influence the strategies, purpose and aspirations put in place |
| Mission | To promote inclusive participation and people centered development approach that support equitable and sustainable utilization of constituency resources for quality life of all residents. | This communicates what the office does to attain sustainable developments |
| Core Values | Integrity, professionalism and teamwork, Accountability and transparency, Diligence impartiality and respect for diversity continuous learning, To promote a culture of efficiency and transparency, To ensure the stakeholders are involved at all levels of projects implementation. | These are the norms , principles and beliefs that the office upholds in order to follow the right path towards attainment of the set objectives |

2. Environmental performance

Taveta NG-CDF promotes tree planting and roof water harvesting to increase forest cover and reduce soil erosion caused by runoff water. Project management committees and contractors are encouraged to plant tree seedlings during the construction period. The policy statement of Taveta NG-CDF includes;

- Regular communicating of our environmental performance to our stakeholders
- Monitoring and improving of our environmental performance
- Developing our management processes to ensure that environmental factors are considered during planning and implementation.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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- Comply with all relevant environmental legislation, regulations and approved codes of practice.

3. Employee welfare

Taveta NG-CDF takes into account gender, skills, ethnicity during recruitment of staffs when vacancy occurs. Currently we have seven staffs on contract terms where 5 are male and 2 are female, six students on attachment and internship 3 female and 3 male.

The staffs are frequently trained on job and encouraged to advance their education through bursary support.

4. Community Engagements-

Taveta NG-CDFC and NG-CDFC staffs visited Taveta primary school special unit and issued clothing, food stuffs assisted in the cleaning of the special unit compound and spent time with the PLWD.

Public Participation in Project Identification and Implementation and Monitoring

The NG-Constituency Development Act 2015 stipulates in part 5 section 27 subsection 1 and 2 that the chairperson of the NG-CDFC shall, within the first year of the commencement of a new Parliament and at least once every two years thereafter, convene open forum public meetings in every ward in the constituency to deliberate on development matters in the ward and in the constituency.

The NG-CDFC shall then deliberate on project proposals from all the wards in the constituency and any other projects which the Constituency Committee considers beneficial to the constituency, including joint projects with other constituencies, consider the national development plans and policies and the constituency strategic development plan, and identify a list of priority projects, both immediate and long term, out of which the list of projects to be submitted in accordance with the Act shall be drawn from. There after the list of proposed constituency based projects to be covered under this Act shall be submitted by NG-CDFC to the Board.

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. 11

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

Public Awareness and Sensitization Exercise Provide

- A menu of options for including individuals and organizational actors in identifying development priorities and selecting NG-CDF projects.
- Ensuring implementation of NG-CDF funded projects are transparent and known to everybody within the community.
- Increase accountability hence ensure local citizens gain skills and confidence to carryout social audits as means to enhanced accountability in management of other devolved funds apart from NG-CDF at constituency and other levels within the constituency.
- Increase public participation at all stages of project cycle funded under NG-CDF kitty
- Identify control and report any irregularities witnessed during NG-CDF project

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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- implementation cycle
- Measure the impact of the projects funded by NG-CDF
- Enable people to exercise their rights by instilling democratic culture through enhanced social accountability and transparency among state and non state actors.
- Promote awareness creation on constitution and devolved governance system in Kenya

Covid-19 Mitigation Measures

Taking into consideration the current Corona Virus epidemic, in line with the Governments directive on reducing the chances of being infected or spreading COVID-19, the office resolved to aid by taking the following precautionary measures.

NG-CDF TAVETA in conjunction with Taveta Constituency Office distributed 4,000 bottles of 250mls sanitizers to the community free of charge and 5,000 pcs of facial masks.

In addition, both NG-CDFC and constituency office employees work in shifts to ensure social distancing at the work place, COVID-19 educational materials are displayed in the entrance at the gate, notice board and entrance to the office.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TAVETA CONSTITUENCY**

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

V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF-TAVETA 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, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-TAVETA Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-TAVETA Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The NGCDF-TAVETA Constituency financial statements were approved and signed by the Accounting Officer on 12/9/ 2020.



**Fund Account Manager
Name: Daniel Mwaluko**

**Sub-County Accountant
Name: Robert Kibet
ICPAK Member Number:**

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TAVETA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Taveta Constituency set out on pages 24 to 48, which comprise the statement of financial assets and liabilities as at 30 June, 2020, statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the 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 - Taveta Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with National Government Constituencies Development Fund Act No. 30 of 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Outstanding Imprest

As previously reported, Note 11 to the financial statements reflects an outstanding imprest of Kshs.88,600 which was issued in the year 2017. Available records indicated that the imprest was issued to an employee who has since been transferred to another Government department outside Taveta Sub-County. The management has prepared a loss report on the same for consideration to write-off as a result of fruitless recovery efforts.

Consequently, the recoverability of outstanding imprest of Kshs.88,600 as at 30 June, 2020.

2.0 Cash and Cash Equivalents

The statement of assets and liabilities as at 30 June, 2020 reflects cash and cash equivalents balance of Kshs.21,284,080. Bank reconciliation statement provided for

audit reflected unpresented cheques totalling to Kshs.227,660 out of which cheques amounting to Kshs.148,087 had not cleared in the bank for more than six months and were therefore stale as at 30 June, 2020. No explanation was provided for non-reversal of the stale cheques in the cashbooks.

Consequently, the accuracy and completeness of cash and cash equivalents balance of kshs.21,284,080 as at 30 June, 2020 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Taveta Constituency in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation – recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.145,813,894 and Kshs.110,813,894 respectively resulting to shortfall of Kshs.35,000,000 or 24% of the approved budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totaling to Kshs.145,813,894 and Kshs.89,529,814 respectively, resulting in underperformance amounting to Kshs.56,284,080 or 39% of the budget.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed. 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, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Projects

1.1 Projects Implementation Status

The projects implementation status report as at 30 June, 2020 provided for audit review indicates that fifty-four (54) projects with a total budget of Kshs.69,256,388 received the entire allocation. Further, analysis of the report revealed that thirty-eight (38) projects with a budget of Kshs.36,150,000 and disbursements of the same amount were completed, fifteen (15) projects which had a budget of Kshs.31,006,387 were ongoing while one (1) project with a budget of Kshs.2,100,000 and received the amount had not started.

The Management needs to strengthen monitoring and evaluation of development projects as it provides crucial feedback on areas that require urgent and continuous improvement. In the circumstances, service delivery to the residents of Taveta Constituency and the intended purpose of the projects may not be realized.

1.2 Projects Inspection

An audit inspection of fourteen (14) projects with total allocation of Kshs.24,906,388 in the month of January 2020 indicated the following state of affairs:

| No. | Project Name | Approved Activity | Amount Allocated (Kshs.) | Amount Disbursed (Kshs.) | Comments on physical Verifications |
|-----|---------------------------------|---|--------------------------|--------------------------|--|
| 1 | Timbila Boys High School | Construction of two classrooms | 2,200,000 | 2,200,000 | Project complete but the one classroom not being used |
| 2 | Sowene Secondary School Project | Completion of a 60-student laboratory (plastering, wiring, sockets, | 2,200,000 | 2,200,000 | Lab preparation room used as staff room, Lab assistant |

| No. | Project Name | Approved Activity | Amount Allocated (Kshs.) | Amount Disbursed (Kshs.) | Comments on physical Verifications |
|-----|---------------------------------------|---|--------------------------|--------------------------|---|
| | | bulbs, flooring, plumbing, gas system, ceiling). | | | office used as the principal office |
| 3 | Abori Primary School Project | Construction of administration block (Phase I) For (Head teacher, deputy head teacher, senior teacher, clerk, guiding and counseling room, staff room and store). | 2,000,000 | 2,000,000 | Plastering, floor, windows, doors not yet done. contractor not on site |
| 4 | Sowene Secondary School Project | Construction of two classroom to completion. | 2,200,000 | 2,200,000 | No chalk rails on blackboard, cracks on walls and floor |
| 5 | Kiwalwa Secondary School Project | Construction of laboratory (Phase I) for 60 students. | 3,000,000 | 3,000,000 | Huge cracks on the ramp. Plastering, floor, windows, doors not yet done. contractor not on site |
| 6 | Kiwalwa Secondary School Project | Renovation of Two classrooms (walling, roofing, plastering, wiring, sockets, bulbs flooring and painting) to completion. | 1,200,000 | 1,200,000 | Huge cracks on walls and floor. Floors not done with coloured cement |
| 7 | Timbila Secondary school Project | Construction of Dormitory (Phase I) for 112 students to completion. | 5,000,000 | 5,000,000 | Plastering, floor, windows, doors not yet done. contractor not on site |
| 8 | Taveta Sub-County Police Headquarters | Pavement slabs, and fire exit door. | 500,000 | 500,000 | Project Complete |

| No. | Project Name | Approved Activity | Amount Allocated (Kshs.) | Amount Disbursed (Kshs.) | Comments on physical Verifications |
|--------------|--|---|--------------------------|--------------------------|--|
| 9 | Taveta Sub-County Police Headquarters | Tiling of the two storey office block. | 1,200,000 | 1,200,000 | Project Complete |
| 10 | Taveta Sub-County Police Headquarters | Fencing (Concrete posts and chainlink, gate and gate house) 400 Meters. | 1,406,388 | 1,406,388 | Fencing complete, works at gate and gate house ongoing |
| 11 | Taveta Sub-County Police Headquarters | Construction of 3 door public pit latrine to completion. | 500,000 | 500,000 | Plastering and fixing of ventilation pipes on going |
| 12 | Taveta Sub-County Police Headquarters | Construction of parking (cabro paved and car shed) | 1,000,000 | 1,000,000 | Laying of cabro Ongoing |
| 13 | Timbila Chiefs Office | Construction of chiefs office and four door pit latrine. Chiefs offices, 2 assistant chiefs offices, clerk office, store and meeting room for 300 people. | 2,000,000 | 2,000,000 | Foundation, walling and roofing done. Finishes not complete and the contractor not on site |
| 14 | Taveta Deputy County Commissioners Official Residence. | construction of 3 door pit latrine | 500,000 | 500,000 | Project complete, two manholes constructed instead of three as per Bills of Quantities |
| Total | | | | 24,906,388 | |

The above observations are indications of poor workmanship which casts doubt on project supervision of the fourteen projects for the year ended 30 June, 2020.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the ability of the Fund 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 the Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to 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 Fund's 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 Fund's financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the 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 Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

10 February, 2022

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

TAVETA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

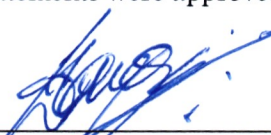
**VII. STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

| | Note | 2019 - 2020 | 2018 - 2019 |
|-------------------------------------|------|--------------------|--------------------|
| | | Kshs | Kshs |
| RECEIPTS | | | |
| Transfers from NGCDF board | 1 | 102,367,724 | 163,825,359 |
| Proceeds from Sale of Assets | 2 | - | - |
| Other Receipts | 3 | 150,000 | 30,000 |
| | | | |
| TOTAL RECEIPTS | | 102,517,724 | 163,855,359 |
| | | | |
| PAYMENTS | | | |
| | | | |
| Compensation of employees | 4 | 3,788,326 | 4,377,130 |
| Use of goods and services | 5 | 6,067,095 | 5,384,275 |
| Transfers to Other Government Units | 6 | 47,600,000 | 110,130,000 |
| Other grants and transfers | 7 | 32,074,393 | 36,953,951 |
| Acquisition of Assets | 8 | - | 399,990 |
| Other Payments | 9 | - | - |
| TOTAL PAYMENTS | | 89,529,814 | 157,245,346 |
| | | | |
| SURPLUS/(DEFICIT) | | 12,987,910 | 6,610,013 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TAVETA Constituency financial statements were approved on 12/9/ 2020 and signed by:



Fund Account Manager
Name: Daniel Mwaluko



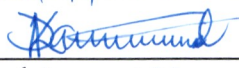
National Sub-County Accountant
Name: Robert Kibet
ICPAK Member Number:

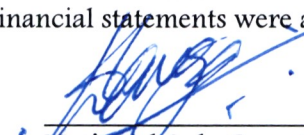
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TAVETA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

VIII. STATEMENT OF ASSETS AND LIABILITIES
AS AT 30TH JUNE, 2020

| | Note | 2019-2020 | 2018-2019 |
|--|-----------|-------------------|------------------|
| | | Kshs | Kshs |
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances (as per the cash book) | 10A | 21,284,080 | 8,296,170 |
| Cash Balances (cash at hand) | 10B | - | - |
| Total Cash and Cash Equivalents | | 21,284,080 | 8,296,170 |
| Accounts Receivable | | | |
| Outstanding Imprests | 11 | 88,600 | 88,600 |
| TOTAL FINANCIAL ASSETS | | 21,372,680 | 8,384,770 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payable | | | |
| Retention | 12A | - | - |
| Deposits (Gratuity) | 12B | - | - |
| TOTAL FINANCIAL LIABILITES | | | |
| NET FINANCIAL ASSETS | | 21,372,680 | 8,384,770 |
| REPRESENTED BY | | | |
| Fund balance b/fwd | 13 | 8,384,770 | 1,774,757 |
| Prior year adjustments | 14 | - | - |
| Surplus/Defict for the year | | 12,987,910 | 6,610,013 |
| NET FINANCIAL POSITION | | 21,372,680 | 8,384,770 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TAVETA Constituency financial statements were approved on 12/9/ 2020 and signed by:


 Fund Account Manager
 Name: Daniel Mwaluko


 National Sub-County Accountant
 Name: Robert Kibet
 ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

TAVETA CONSTITUENCY

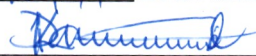
Reports and Financial Statements

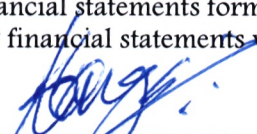
For the year ended June 30, 2020

**IX. STATEMENT OF CASHFLOW
FOR THE YEAR ENDED JUNE 30, 2020**

| | | 2019 - 2020 | 2018 - 2019 |
|---|----|--------------------|--------------------|
| | | Kshs | Kshs |
| Receipts for operating income | | | |
| Transfers from NGCDF Board | 1 | 102,367,724 | 163,825,359 |
| Other Receipts | 3 | 150,000 | 30,000 |
| Total receipts | | 102,517,724 | 163,855,359 |
| Payments for operating expenses | | | |
| Compensation of Employees | 4 | 3,788,326 | 4,377,130 |
| Use of goods and services | 5 | 6,067,095 | 5,384,275 |
| Transfers to Other Government Units | 6 | 47,600,000 | 110,130,000 |
| Other grants and transfers | 7 | 32,074,393 | 36,953,951 |
| Acquisition of assets | 8 | - | 399,990 |
| Other Payments | 9 | - | - |
| Total payments | | 89,529,814 | 157,245,346 |
| Total Receipts Less Total Payments | | 12,987,910 | 6,610,013 |
| Adjusted for: | | | |
| Decrease/(Increase) in Accounts receivable: (outstanding imprest) | 15 | - | - |
| Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention) | 16 | - | - |
| Prior year adjustments | 14 | - | - |
| Net cash flow from operating activities | | 12,987,910 | 6,610,013 |
| CASHFLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from Sale of Assets | 2 | - | - |
| Acquisition of Assets | 9 | - | - |
| Net cash flows from Investing Activities | | - | - |
| NET INCREASE IN CASH AND CASH EQUIVALENT | | 12,987,910 | 6,610,013 |
| Cash and cash equivalent at BEGINNING of the year | 13 | 8,384,770 | 1,774,757 |
| Cash and cash equivalent at END of the year | | 21,372,680 | 8,384,770 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TAVETA Constituency financial statements were approved on 12/9/2020 and signed by:


Fund Account Manager
Name: Daniel Mwaluko


National Sub-County Accountant
Name: Robert Kibet
ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA CONSTITUENCY

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

**X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED
FOR YEAR ENDED JUNE 30, 2020**

| Receipt/Expense Item | Original Budget a | Adjustments b | Final Budget c=a+b | Actual on Comparable Basis d | Budget Utilisation Difference e=c-d | % of Utilisation f=d/c % |
|--|----------------------|------------------|-----------------------|---------------------------------------|--|--------------------------------|
| RECEIPTS | | | | | | |
| Transfers from NGCDF Board | 137,367,724 | 8,296,170 | 145,663,894 | 110,663,894 | 35,000,000 | 76% |
| Proceeds from Sale of Assets | | | | | | |
| Other Receipts | | 150,000 | 150,000 | 150,000 | 0 | 0% |
| PAYMENTS | | | | | | |
| Compensation of Employees | 5,594,063.45 | 431,951 | 6,026,014 | 3,788,326 | 2,237,688 | 63% |
| Use of goods and services | 6,769,032 | 644,209 | 7,413,241 | 6,067,095 | 1,346,146 | 82% |
| Transfers to Other Government Units | 82,600,000 | 0 | 82,600,000 | 47,600,000 | 35,000,000 | 58% |
| Other grants and transfers | 42,404,629 | 7,190,000 | 49,594,629 | 32,074,393 | 17,520,236 | 65% |
| Acquisition of Assets | - | 10 | 10 | - | 10 | 0% |
| Other Payments | - | - | - | - | - | 0% |
| Unallocated amount | | 180,000 | 180,000 | 0 | 180,000 | 0% |
| TOTALS | 137,367,724 | 8,446,170 | 145,813,894 | 89,529,814 | 56,284,080 | 61% |

(a) Adjustments was are result of opening balance of kshs 8,296,170.30

(b) Included in the payments is unallocated amount of Kshs 180,000 being A in A not yet approved by the NG-CDF board.

(c) Underutilisation of compensation of employees was due to accrued outstanding staff gratuity of Kshs 392,770 and Kshs. 1,193,190 respectively


(d) Underutilisation of transfers to other Government units was as a result of delay of approval by the NG-CDF Board of kshs:35,000,000 for KMTC Campus Taveta.

(e) Underutilisation of other Grants and transfers was due to closure of learning institutions as a result of Covid – 19 pandemic.

The NGCDF -TAVETA Constituency financial statements were approved on 12/9/2020 and signed by:



Fund Account Manager
Name: Daniel Mwaluko


Sub-County Accountant
Name: Robert Kibet
ICPAK Member Number

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

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

| Programme/Sub-programme | Original Budget | Adjustments | Final Budget | Actual on | Budget |
|---|-------------------|------------------|-------------------|--|-----------------------------------|
| | 2019/2020 Kshs | Kshs | 2019/2020 Kshs | comparable basis 30/06/2020 Kshs | utilization difference Kshs |
| 1.0 Administration and Recurrent | | | | | |
| 1.1 Compensation of employees | 5,594,063 | 431,951 | 6,026,014 | 3,788,326 | 2,237,688 |
| 1.2 Committee allowances | 1,248,000 | 0 | 1,248,000 | 1,248,000 | 0 |
| 1.3 Use of goods and services | 1,400,000 | 644,209 | 2,044,209 | 2,044,209 | 0 |
| Sub-total | 8,242,063 | 1,076,160 | 9,318,223 | 7,080,535 | 2,237,688 |
| 2.0 Monitoring and evaluation | | | | | |
| 2.1 Capacity building | 1,000,000 | 0 | 1,000,000 | 1,000,000 | 0 |
| 2.2 Committee allowances | 2,621,032 | 0 | 2,621,032 | 1,274,887 | 1,346,145 |
| 2.3 Use of goods and services | 500,000 | 0 | 500,000 | 500,000 | 0 |
| Sub-total | 4,121,032 | 0 | 4,121,032 | 2,774,887 | 1,346,145 |
| 3.0 Emergency | | | | | |
| 3.1 Primary Schools | | | | | |
| Ulawani primary school project | | | | 100,000 | 0 |
| Khadija muna primary school project | | | | 100,000 | 0 |
| Grigan primary school project | | | | 700,000 | 0 |
| Grigan primary school project | | | | 100,000 | 0 |
| Machungwani primary school project | | | | 0 | |
| 3.2 Secondary schools | | | | 0 | 0 |
| Malukiloriti secondary school | | | | 1,900,000 | 0 |
| Njukini secondary school | | | | 1,900,000 | 0 |
| Timbila high school | | | | 2,200,000 | 0 |
| Sub-total | 7,198,241 | 0 | 7,198,241 | 7,100,000 | 98,241 |
| 3.3 Tertiary institutions | | | | | |
| 3.4 Security projects | | | | | |

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

| Programme/Sub-programme | Original Budget 2019/2020 | Adjustments | Final Budget 2019/2020 | Actual on comparable basis 30/06/2020 | Budget utilization difference |
|---|------------------------------|------------------|---------------------------|---|-------------------------------------|
| 4.0 Bursary and Social Security | | | | | |
| 4.1 Primary Schools | | | | | |
| 4.2 Secondary Schools | 11,000,000 | 1,000,000 | 12,000,000 | 1,300,000 | 10,700,000 |
| 4.3 Tertiary Institutions | 4,000,000 | 190,000 | 4,190,000 | 0 | 4,190,000 |
| Sub-total | 15,000,000 | 1,190,000 | 16,190,000 | 1,300,000 | 14,890,000 |
| 4.4 Universities | | | | | |
| 4.5 Social Security | | | | | |
| 5.0 Sports | 2,500,000 | 0 | 2,500,000 | 2,500,000 | 0 |
| 5.1 | | | | | |
| Sub-total | 2,500,000 | 0 | 2,500,000 | 2,500,000 | 0 |
| 6.0 Environment | | | | | |
| 6.1 Chala Secondary School | 500,000 | 0 | 500,000 | 500,000 | 0 |
| 6.2 Deputy County Commissioners residence | 550,000 | 0 | 550,000 | 550,000 | 0 |
| 6.3 Riata Primary School | 300,000 | 0 | 300,000 | 300,000 | 0 |
| 6.4 Lotima Primary school | 650,000 | 0 | 650,000 | 650,000 | 0 |
| 6.5 Timbila Boys High School | 50,000 | 0 | 50,000 | 50,000 | 0 |
| 6.6 Bishop Njenga secondary School | 50,000 | 0 | 50,000 | 50,000 | 0 |
| Sub-total | 2,100,000 | 0 | 2,100,000 | 2,100,000 | 0 |
| 7.0 Primary Schools Projects | | | | | |
| 7.1 Msheghesheni primary school project | 1,100,000 | 0 | 1,100,000 | 1,100,000 | 0 |
| 7.2 Ulawani primary school project | 1,100,000 | 0 | 1,100,000 | 1,100,000 | 0 |
| 7.3 Machungwani primary school project | 1,100,000 | 0 | 1,100,000 | 1,100,000 | 0 |
| 7.4 Chala primary school project | 2,200,000 | 0 | 2,200,000 | 2,200,000 | 0 |
| 7.5 Grigan primary school project | 800,000 | 0 | 800,000 | 800,000 | 0 |

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

| Programme/Sub-programme | Original Budget 2019/2020 | Adjustments | Final Budget 2019/2020 | Actual on comparable basis 30/06/2020 | Budget utilization difference |
|--|------------------------------|-------------|---------------------------|---|-------------------------------------|
| 7.6 Lotima Primary School Project | 3,500,000 | 0 | 3,500,000 | 3,500,000 | 0 |
| 7.7 Khadija Muna Primary School Project | 1,900,000 | 0 | 1,900,000 | 1,900,000 | 0 |
| 7.8 Salaita Primary School Project | 1,900,000 | 0 | 1,900,000 | 1,900,000 | 0 |
| 7.9 St. Norberts Tangini Primary School Project | 1,500,000 | 0 | 1,500,000 | 1,500,000 | 0 |
| 7.10 Abori Primary School Project | 2,000,000 | 0 | 2,000,000 | 2,000,000 | 0 |
| 7.11 Riata Primary School Project | 1,100,000 | 0 | 1,100,000 | 1,100,000 | 0 |
| 7.12 Chokaa Primary School Project | 1,100,000 | 0 | 1,100,000 | 1,100,000 | 0 |
| 7.13 Mahoo Primary School Project | 2,000,000 | 0 | 2,000,000 | 2,000,000 | 0 |
| 7.14 Patani hill Primary School Project | 2,100,000 | 0 | 2,100,000 | 2,100,000 | 0 |
| 7.15 Njoro Springs Primary School Project | 1,100,000 | 0 | 1,100,000 | 1,100,000 | 0 |
| 7.16 Taveta Primary School Project | 200,000 | 0 | 200,000 | 200,000 | 0 |
| Sub-total | 24,700,000 | 0 | 24,700,000 | 24,700,000 | 0 |
| 8.0 Secondary Schools Projects | | | | | |
| 8.1 Lumi Secondary school project | 300,000 | 0 | 300,000 | 300,000 | 0 |
| 8.2 Kitobo Secondary school project | 700,000 | 0 | 700,000 | 700,000 | 0 |
| 8.3 Mahandakini Secondary School Project | 3,000,000 | 0 | 3,000,000 | 3,000,000 | 0 |
| 8.4 Njoro Secondary School Project | 1,100,000 | 0 | 1,100,000 | 1,100,000 | 0 |
| 8.5 Sowene Secondary School Project | 4,400,000 | 0 | 4,400,000 | 4,400,000 | 0 |
| 8.6 Kiwalwa Secondary School Project | 4,200,000 | 0 | 4,200,000 | 4,200,000 | 0 |
| 8.7 Ngutini secondary school | 1,200,000 | 0 | 1,200,000 | 1,200,000 | 0 |

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA CONSTITUENCY

**Reports and Financial Statements
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| Programme/Sub-programme | Original Budget 2019/2020 | Adjustments | Final Budget 2019/2020 | Actual on comparable basis 30/06/2020 | Budget utilization difference |
|--|------------------------------|------------------|---------------------------|---|-------------------------------------|
| 8.8 Malukiloriti secondary School Project | 1,500,000 | 0 | 1,500,000 | 1,500,000 | 0 |
| 8.9 Njukini secondary School Project | 1,500,000 | 0 | 1,500,000 | 1,500,000 | 0 |
| 8.10 Timbila boys High school project | 5,000,000 | 0 | 5,000,000 | 5,000,000 | 0 |
| Sub-total | 22,900,000 | 0 | 22,900,000 | 22,900,000 | 0 |
| 9.0 Tertiary institutions Projects | | | | | |
| 9.1 Kenya Medical Training College- Taveta Project | 35,000,000 | 0 | 35,000,000 | 0 | 35,000,000 |
| Sub-total | 35,000,000 | 0 | 35,000,000 | 0 | 35,000,000 |
| 10.0 Security Projects | | | | | |
| Taveta Sub-county police headquarters | 4,606,388 | 0 | 4,606,388 | 4,606,388 | 0 |
| Mata chiefs office project | 2,000,000 | 0 | 2,000,000 | 2,000,000 | 0 |
| Nakruto chiefs office project | 2,000,000 | 0 | 2,000,000 | 2,000,000 | 0 |
| Mboghoni chiefs office project | 2,000,000 | 0 | 2,000,000 | 2,000,000 | 0 |
| Timbila chiefs office project | 2,000,000 | 0 | 2,000,000 | 2,000,000 | 0 |
| Taveta prisons | 500,000 | 0 | 500,000 | 500,000 | 0 |
| Sub-total | 13,106,388 | 0 | 13,106,388 | 13,106,388 | 0 |
| 11.0 Acquisition of assets | | | | | |
| 11.1 Motor Vehicles (including motorbikes) | | | | | |
| 11.2 Construction of CDF office | 2,500,000 | 6,000,000 | 8,500,000 | 5,968,005 | 2,531,995 |
| 11.3 Purchase of furniture and equipment | | | | | |
| 11.4 Purchase of computers | 0 | 10 | 10 | 0 | 10 |
| 11.5 Purchase of land | | | | | |
| Sub-total | 2,500,000 | 6,000,010 | 8,500,010 | 5,968,005 | 2,532,005 |
| 12.0 Others | | | | | |
| 12.1 Strategic Plan | | | | | |
| 12.2 Innovation Hub | | | | | |

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

| Programme/Sub-programme | Original Budget 2019/2020 | Adjustments | Final Budget 2019/2020 | Actual on comparable basis 30/06/2020 | Budget utilization difference |
|--------------------------------|--------------------------------------|--------------------|-----------------------------------|--|--|
| 12.2 Unallocated Amount | 0 | 180,000 | 180,000 | 0 | 180,000 |
| Sub-total | 0 | 180,000 | 180,000 | 0 | 180,000 |
| TOTAL | 137,367,724 | 8,446,170 | 145,813,894 | 89,529,814 | 56,284,080 |

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA CONSTITUENCY**
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XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

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SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2019 for the period 1st July 2019 to 30th June 2020 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA CONSTITUENCY
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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

| Description | | 2019-2020 | 2018-2019 |
|------------------|---|--------------------|--------------------|
| | | Kshs | Kshs |
| NGCDF Board | | | |
| AIE NO A 005181 | 1 | | 22,784,483 |
| AIE NO A 005393 | 2 | | 4,000,000 |
| AIE NO B 030041 | 3 | | 28,000,000 |
| AIE NO B 030122 | 4 | | 10,000,000 |
| AIE NO B 005482 | 5 | | 12,000,000 |
| AIE NO B 007484 | 6 | | 8,000,000 |
| AIE NO. B 042845 | 7 | | 13,000,000 |
| AIE NO B 042625 | 8 | | 11,000,000 |
| AIE NO B 047583 | 9 | | 55,040,876 |
| AIE NO B041218 | 1 | 4,000,000 | |
| AIE NO B047657 | 2 | 20,000,000 | |
| AIE NO B049183 | 3 | 6,000,000 | |
| AIE NO B104118 | 4 | 14,000,000 | |
| AIE NO B104489 | 5 | 24,000,000 | |
| AIE NO B096776 | 6 | 34,367,724 | |
| TOTAL | | 102,367,724 | 163,825,359 |

2. PROCEEDS FROM SALE OF ASSETS

| | 2019-2020 | 2018-2019 |
|--|-----------|-----------|
| | Kshs | Kshs |
| Receipts from sale of Buildings | - | - |
| Receipts from the Sale of Vehicles and Transport Equipment | - | - |
| Receipts from sale of office and general equipment | - | - |
| Receipts from the Sale Plant Machinery and Equipment | - | - |
| Total | - | - |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEPTS

| | 2019-2020 | 2018-2019 |
|---|----------------|---------------|
| | Kshs | Kshs |
| Interest Received | - | - |
| Rents | - | - |
| Receipts from Sale of tender documents (A IN A) | 150,000 | 30,000 |
| Other Receipts Not Classified Elsewhere | - | - |
| Total | 150,000 | 30,000 |

4. COMPENSATION OF EMPLOYEES

| | 2019-2020 | 2018-2019 |
|---|------------------|------------------|
| | Kshs | Kshs |
| Basic wages of contractual employees | 2,262,000 | 2,188,000 |
| Basic wages of casual labourers | 745,442 | 175,000 |
| Personal allowances paid as part of salary | - | - |
| House Allowance | 300,000 | 292,000 |
| Transport Allowance | 144,000 | 140,000 |
| Gratuity | - | 1,047,490 |
| Leave allowance | 50,000 | - |
| Other personal payments (medical allowance and NHIF Casuals) | 164,700 | 141,980 |
| Employer Contributions Compulsory national social security schemes (Contractual) | 91,854 | 89,460 |
| Employer Contributions Compulsory national social security schemes (Casual labourers) | 30,330 | - |
| Total | 3,788,326 | 4,377,130 |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

| | 2019-2020 | 2018-2019 |
|--|------------------|------------------|
| | Kshs | Kshs |
| Committee Expenses | 70,000 | 233,600 |
| Committee Allowance | 2,718,000 | 2,425,000 |
| Utilities, supplies and services | 84,141 | 99,855 |
| Communication, supplies and services | 186,894 | 98,535 |
| Domestic travel and subsistence | 1,290,560 | 1,042,900 |
| Printing, advertising and information supplies & services | 461,292 | 143,760 |
| Rentals of produced assets | - | - |
| Training expenses | - | - |
| Hospitality supplies and services | - | 314,900 |
| Insurance costs | - | - |
| Specialized materials and services | - | - |
| Office and general supplies and services | 618,421 | 445,205 |
| Other operating expenses | - | - |
| Routine maintenance – vehicles and other transport equipment | 527,787 | 210,700 |
| Routine maintenance – other assets | - | 274,860 |
| Fuel, Oil and Lubricants | 110,000 | 94,960 |
| Total | 6,067,095 | 5,384,275 |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

| Description | 2019-2020 | 2018-2019 |
|--|-------------------|--------------------|
| | Kshs | Kshs |
| Transfers to National Government entities | - | - |
| Transfers to primary schools (see attached list) | 24,700,000 | 19,030,000 |
| Transfers to secondary schools (see attached list) | 22,900,000 | 35,100,000 |
| Transfers to tertiary institutions (see attached list) | - | 56,000,000 |
| Transfers to health institutions (see attached list) | - | - |
| TOTAL | 47,600,000 | 110,130,000 |

7. OTHER GRANTS AND OTHER PAYMENTS

| | 2019-2020 | 2018-2019 |
|---|-------------------|-------------------|
| | Kshs | Kshs |
| Bursary – secondary schools (see attached list) | 807,000 | 8,786,000 |
| Bursary – tertiary institutions (see attached list) | 493,000 | 3,714,000 |
| Bursary – special schools (see attached list) | - | - |
| Mock & CAT (see attached list) | - | - |
| Security projects (see attached list) | 13,106,388 | 6,600,000 |
| Sports projects (see attached list) | 2,500,000 | 1,000,000 |
| Environment projects (see attached list) | 2,100,000 | 2,500,000 |
| Emergency projects (see attached list) | 7,100,000 | 8,876,924 |
| Strategic Plan | - | 800,000 |
| ICT Hub | - | 4,677,027 |
| Construction of CDF office | 5,968,005 | - |
| Total | 32,074,393 | 36,953,951 |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

| | 2019-2020 | 2018-2019 |
|--|-----------|----------------|
| | Kshs | Kshs |
| Purchase of Buildings | - | - |
| Construction of Buildings | - | - |
| Refurbishment of Buildings | - | - |
| Purchase of Vehicles and Other Transport Equipment | - | - |
| Overhaul of Vehicles and Other Transport Equipment | - | - |
| Purchase of Household Furniture and Institutional Equipment | - | - |
| Purchase of Office Furniture and General Equipment | - | - |
| Purchase of ICT Equipment, Software and Other ICT Assets | - | 399,990 |
| Purchase of Specialised Plant, Equipment and Machinery | - | - |
| Rehabilitation and Renovation of Plant, Machinery and Equip. | - | - |
| Acquisition of Land | - | - |
| Acquisition of Intangible Assets | - | - |
| Total | - | 399,990 |

9. OTHER PAYMENTS

| | 2019-2020 | 2018-2019 |
|----------------|-----------|-----------|
| | Kshs | Kshs |
| Strategic plan | - | - |
| ICT Hub | - | - |
| | | |
| | | |
| | | |
| | | |
| | - | - |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

| Name of Bank, Account No. & currency | 2019-2020 | 2018-2019 |
|---|-------------------|------------------|
| | Kshs | Kshs |
| <i>Equity Bank Limited, Account No. 1420262668499</i> | 21,284,080 | 8,296,170 |
| Total | 21,284,080 | 8,296,170 |
| 10B: CASH IN HAND | | |
| Location 1 | - | - |
| Location 2 | - | - |
| Location 3 | - | - |
| Other Locations (<i>specify</i>) | - | - |
| Total | - | - |
| <i>[Provide cash count certificates for each]</i> | | |

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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>Francis Kimotho</i> | 2009/2005/ 2007 | 88,600 | - | 88,600 |
| <i>Total</i> | | | | <u>88,600</u> |

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

12A. RETENTION

| | 2019 - 2020 | 2018-2019 |
|--------------|-------------|-------------|
| | <i>Kshs</i> | <i>Kshs</i> |
| | - | - |
| Total | - | - |

[Provide short appropriate explanations as necessary]

12B. GRATUITY DEPOSITS

| | 2019 - 2020 | 2018-2019 |
|--------------|-------------|-------------|
| | <i>Kshs</i> | <i>Kshs</i> |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| TOTAL | - | - |

[Provide short appropriate explanations as necessary]

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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13. BALANCES BROUGHT FORWARD

| | 2019-2020 | 2018-2019 |
|---------------|------------------|------------------|
| | Kshs | Kshs |
| Bank accounts | 8,296,170 | 1,686,157 |
| Cash in hand | - | - |
| Imprest | - | - |
| Total | 8,296,170 | 1,686,157 |

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

| | Balance b/f FY 2018/2019 as per Financial statements | Adjustments | Adjusted Balance b/f FY 2018/2019 |
|---------------------------|---|-------------|---|
| Description of the error | Kshs | Kshs | Kshs |
| Bank account Balances | | | |
| Cash in hand | | | |
| Accounts Payables | | | |
| Receivables | | | |
| Others (<i>specify</i>) | | | |
| TOTAL | - | - | - |

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST'

| Description of the error | 2019 - 2020 | 2018 - 2019 |
|---|---------------|---------------|
| | KShs | KShs |
| Outstanding Imprest as at 1 st July 2019 (A) | 88,600 | 88,600 |
| Imprest issued during the year (B) | 374,400 | - |
| Imprest surrendered during the Year (C) | 374,400 | - |
| Net changes in account receivables D= A+B-C | 88,600 | 88,600 |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA CONSTITUENCY**
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16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA CONSTITUENCY**

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

| | 2019-2020 | 2018-2019 |
|-----------------------------|-----------|-----------|
| | Kshs | Kshs |
| Construction of buildings | - | - |
| Construction of civil works | - | - |
| Supply of goods | - | - |
| Supply of services | - | - |
| | - | - |

17.2: PENDING STAFF PAYABLES (See Annex 2)

| | 2019-2020 | 2018-2019 |
|---------------------------|------------------|----------------|
| | Kshs | Kshs |
| NGCDFC Staff Gratuity | 1,193,190 | 392,770 |
| Others (<i>specify</i>) | - | - |
| TOTAL | 1,193,190 | 392,770 |

17.3: UNUTILIZED FUND (See Annex 3)

| | 2019-2020 | 2018-2019 |
|---|-------------------|------------------|
| | Kshs | Kshs |
| Compensation of employees | 2,237,688 | 431,951 |
| Use of goods and services | 1,346,145 | 644,209 |
| Amounts due to other Government entities (see attached list) | 35,000,000 | 0 |
| Amounts due to other grants and other transfers (see attached list) | 17,520,236 | 7,190,000 |
| Acquisition of assets | 10 | 10 |
| Others (<i>specify</i>) | - | - |
| Unallocated amount | 180,000 | 30,000 |
| TOTALS | 56,284,080 | 8,296,170 |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA CONSTITUENCY**
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17.4. SUMMARY OF FIXED ASSET REGISTER (See Annex 4)

| | 2019-2020 | 2018-2019 |
|--|-------------------|-------------------|
| | Kshs | Kshs |
| Land | - | - |
| Buildings and structures | - | - |
| Transport equipment | - | - |
| Office equipment, furniture and fittings | - | - |
| ICT Equipment, Software and Other ICT Assets | - | - |
| Other Machinery and Equipment | - | - |
| Heritage and cultural assets | - | - |
| Intangible assets | - | - |
| TOTAL | 28,223,021 | 22,255,016 |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TAVETA CONSTITUENCY**

Reports and Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.5: PMC account balances (See Annex 5)

| | 2019-2020 | 2018-2019 |
|--|----------------------|-------------------|
| | Kshs | Kshs |
| PMC account Balances (see attached list) | 29,751,633.60 | 13,663,110 |
| | | |
| TOTALS | 29,751,633.60 | 13,663,110 |

NATIONAL GOVERNMENT ENTITY - (NG-CDF TAVETA)
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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 | Job Group | Original Amount | Date Payable Contracted | Amount Paid To-Date | Outstanding Balance 2020 | Comments |
|------------------------------|--------------------|------------------|-------------------------|---------------------|--------------------------|----------|
| | | a | b | c | d=a-c | |
| Senior Management | | | | | | |
| 1. Peter Nyamai | GOK (H) | 238,080 | | | | |
| 2. Ashura Kabwange | GOK(G) | 186,000 | | | | |
| 3. Raphael Kihara | GOK(K) | 267,840 | | | | |
| 4. Stanley Maghanga | GOK(H) | 200,880 | | | | |
| 5. John Oloo | GOK(H) | 163,680 | | | | |
| 6. Margaret Irine Chao | GOK(G) | 69,750 | | | | |
| 7. Ernest Juma Mnene | GOK(G) | 66,960 | | | | |
| | Sub-Total | 1,193,190 | | | | |
| Middle Management | | | | | | |
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| | Sub-Total | | | | | |
| Unionisable Employees | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |
| 6. | | | | | | |
| | Sub-Total | | | | | |
| Others (specify) | | | | | | |
| 7. | | | | | | |
| 8. | | | | | | |
| 9. | | | | | | |
| | Sub-Total | | | | | |
| | Grand Total | | | | | |

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

| Asset class | Historical Cost b/f (Kshs) 2018/19 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost (Kshs) 2019/20 |
|--|---|---|---|---|
| Land | | | | |
| Buildings and structures | 6,000,000 | 5,968,005 | | 11,968,005 |
| Transport equipment | 3,300,000 | | | 3,300,000 |
| Office equipment, furniture and fittings | 473,336 | | | 473,336 |
| ICT Equipment, Software and Other ICT Assets | 461,080 | | | 461,080 |
| Other Machinery and Equipment | 12,020,600 | | | 12,020,600 |
| Heritage and cultural assets | | | | |
| Intangible assets | | | | |
| Total | 22,255,016 | 5,968,005 | | 28,223,021 |

Opening balances were restated after correction of errors

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2020

| PMC | Bank | Account number | Bank Balance 2019/20 | Bank Balance 2018/19 |
|--|------|----------------|----------------------|----------------------|
| Grigan primary school project | | 1420277747318 | 157,540 | 1,101,029 |
| Kitobo secondary school project | | 1420277269247 | 67,113.70 | 1,640 |
| Kiwalwa secondary school project | | 1420277579900 | 127,968.10 | - |
| KMTC-Taveta project | | 1420263406530 | 1,111.23 | 9,476,112.70 |
| Lotima primary school project | | 1420266636831 | 3,608,900.80 | 992,120 |
| Machungwani primary school project | | 1420266785509 | 126,573.80 | 51,622 |
| Mahandakini secondary school | | 1420271104238 | 11,152.60 | 1,110,561.20 |
| Mahoo Girls secondary school project | | 1420277750176 | 3,870.50 | 2,190 |
| Njoro secondary school project | | 1420264568698 | 106,519.30 | 236,214 |
| Sowene secondary school project | | 1420277597975 | 295,725.80 | 81,599 |
| Taveta primary school project | | 1420277621406 | 202,870 | 2,870 |
| Bishop Njenga secondary school project | | 1420268218298 | 51,084 | 1,084 |
| Timbila high school | | 1420178878677 | 2,622,665 | 270 |
| Timbila Primary school | | 1420178861151 | 120 | 120 |
| Taveta Sport Project | | 1420172063458 | 116,560 | 1,020 |
| Eldoro chiefs office project | | 1420277603487 | 1520 | 161,516 |
| Mahoo chiefs office project | | 1420277637072 | 172 | 171,375 |
| Jipe Divisional headquarters | | 1420272268008 | 31,134.05 | 31,134.50 |
| Jipe primary school project | | 1420266493700 | 1815 | 1,815 |
| kiwalwa primary school project | | 1420277579904 | 465 | 465 |
| Mahandakini primary school project | | 1420277269247 | 921.03 | 921.03 |
| Njoro Springs primary school project | | 1420178675965 | 1,100,000 | - |
| Orkungú primary school project | | 1420277628403 | 1,367.50 | 1,367.50 |
| Riata primary school project | | 1420178770328 | 135,291.80 | 101,135 |

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| | | | | |
|---|--|---------------|-------------------|-------------------|
| Salaita primary school project | | 1420272874761 | 187,989 | 103,215 |
| Mahoo primary school project | | 1420265068081 | 2,001,645 | - |
| Lumi Secondary School Project | | 1420263829981 | 41,729 | - |
| Taveta Deputy County Commissioner Project | | 1420179831662 | 550,000 | - |
| Taveta Sub-County Police Headquarters Project | | 1420179884929 | 4,606,387.59 | - |
| Nakruto chiefs office project | | 1420179792562 | 2,000,000 | - |
| Timbila chiefs office project | | 1420179788497 | 2,000,000 | - |
| Mboghoni chiefs office project | | 1420179783250 | 560,908.50 | - |
| Mata chiefs office project | | 1420179822660 | 2,000,000 | - |
| Taveta Prisons project | | 1420179817552 | 1,520 | - |
| Njoro Mata pre-school project | | 1420178675965 | 580 | 580 |
| Chala Seconadry School peoject | | 1420179725382 | 183,995 | - |
| Patani Hill primary school project | | 1420179902744 | 2,100,000 | - |
| Abori primary school project | | 1420179883531 | 2,000,000 | - |
| Msheghesheni primary school project | | 1420271322534 | 219,361.60 | - |
| Njukini secondary school project | | 1420178587442 | 242,676.40 | - |
| Malukiloriti primary school project | | 1420178581390 | 279,427.60 | - |
| St. Norbert Tangini primary school project | | 1420268539350 | 176,715 | - |
| Ngutini secondary school project | | 1420276831006 | 241,560 | - |
| Ulawani primary school project | | 1420263454943 | 132,445 | - |
| Khadija muna primary school project | | 1420178869450 | 152,888.40 | - |
| Chala primary school project | | 1420277308530 | 1,152,002.30 | - |
| Chokaa primary school project | | 1420179793854 | 105,613 | - |
| Total | | | 29,572,178 | 13,631,976 |

The Opening balances for PMC accounts was restated after correction of errors

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XIV. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|-----------------------------------|--|--|-----------------------------------|--|
| ADL/5/17/17/18 (4) | Outstanding imprest | Overdue outstanding imprest issued in 2007 | Daniel Mwaluko-FAM | Not resolved | 31/12/20 |
| | Log Book for GKB 4668 | Follow up on going | Daniel Mwaluko-FAM | Not resolved | 31/12/20 |
| | | | | | |