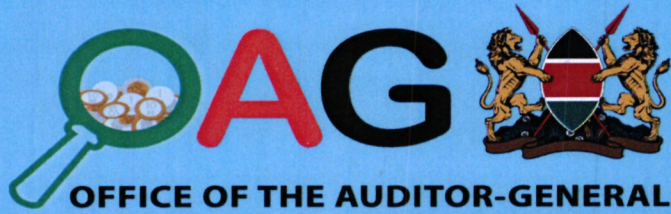


REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

THE NATIONAL ASSEMBLY

DATE: 08 AUG 2023

TUESDAY

**ON**

Hon Owen Bayo MP  
Deputy Leader, majority  
Andre Shubilo

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

**FOR THE YEAR ENDED  
30 JUNE, 2022**

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

13 JUL 2023

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

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2022**

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

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***Kipipiri Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022***

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## **I. Key Constituency Information and Management**

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

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

### **Mandate**

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

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

***Kipipiri Constituency***

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

***Annual Report and Financial Statements for The Year Ended June 30, 2022***

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- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

**Core Values**

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

**Functions of NG-CDF Committee**

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

**(b) Key Management**

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

- i. National Government Constituencies Development Fund Board (NGCDFB)

***Kipipiri Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022***

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ii. National Government Constituency Development Fund Committee (NGCDFC)

**(c) Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	Jesee N. Mbuthia
2.	Sub-County Accountant	Hellen K. Riungu
3.	Chairman NGCDFC	Francis N. Karuiru
4.	Member NGCDFC	Joseph K. Kamiri

**(d) Fiduciary Oversight Arrangements**

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

**(e) Kipipiri Constituency NGCDF Headquarters**

P.O. Box 25-20301  
NG-CDF Office  
MIHARATI  
NYANDARUA

**(f) Kipipiri Constituency NGCDF Contacts**

Telephone: (254) 711660053  
E-mail: [cdkkipipiri@ngcdf.go.ke](mailto:cdkkipipiri@ngcdf.go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(g) Kipipiri Constituency NGCDF Bankers**

***Kipipiri Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022***

---

Equity Bank Limited  
Olkalou Branch  
P.O. Box 215  
Olkalou, Kenya

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**II. NG-CDFC Chairman's Report**



**Francis N.Karuiru  
Chairman NG CDF  
Kipipiri**

We are pleased to present the Financial Statement for the National Government Constituencies Development Fund (NGCDF) Kipipiri Constituency for the year ended 30<sup>th</sup> June 2022. During the FY 2021/2022, Kipipiri Constituency was allocated kshs137,088,879. The full allocation was disbursed during the year.

The funds were utilized to fund various projects and activities that fall under National Government functions as stipulated in the constitution and in accordance with NGCDF Act of 2015. The NG CDFC prioritized the allocation towards completion of all ongoing projects, renovation of dilapidated primary schools, primary schools desks projects, secondary schools science and computer laboratories projects, administration blocks and various bursaries among others all spread evenly within the constituency.

We were able to implement various projects in the Education, Administration and Security, Sports and Environment sectors in the Constituency. Key among the projects include: Construction of 2 science laboratory and 1 computer laboratories in secondary schools. We also embarked on supply of desks to our 64 primary schools. We also successfully implemented the sports project and under environment vote , we began the construction of modern toilets in the four police stations within the constituency. Under security we successfully completed the partitioning of the DCC,s office and construction of Mwangaza police post.



**Wanjohi Police Station-Construction of a police station**



**Wanjohi Mixed Secondary School-Ongoing construction of a computer science laboratory**

We continued to assist our learners in Secondary Schools and Tertiary Institutions with school fees bursaries, the post covid economic challenges led to an increase in the number of students seeking bursary assistance during the year.

***Kipipiri Constituency***

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

***Annual Report and Financial Statements for The Year Ended June 30, 2022***

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We have experienced delays in implementation of the projects occasioned by slow pace by some contractors and the procurement processes. However, our effort to build capacity of our stakeholders including the Projects Management committee has demonstrated enhanced efficiency. We will continue to enhance the efficiency at all levels of management of the fund in order to achieve full absorption both at the constituency and at the PMC .

It is our believe that we will continue working towards improving the lives of our people by addressing their critical needs through utilization of the fund as we play our rightful role as a responsive, transparent, and affordable NGCDF Committee and in accordance with the established law.

We take this opportunity to appreciate the support we have received from NGCDF Board &the Secretariat throughout the year; we look forward to continued engagement. We also want to thank all PMCs for their hard work in implementing projects, Government Officers in the Constituency for their contribution and the people of kipipiri for their support. Finally, let me say a big thank you to all members of my Committee for their immeasurable contribution and our staff for their commitment demonstration throughout the year as we worked together on our vision of utilizing equitable socio-economic development across Kipipiri.

To all I say ASANTENI SANA!



.....  
Name: Calvin Mburu  
CHAIRMAN NGCDF COMMITTEE

**Kipipiri Constituency**

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

**Annual Report and Financial Statements for The Year Ended June 30, 2022**

**III. Statement Of Performance Against Predetermined Objectives for FY2021/22**

**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 *Kipipiri Constituency 2018-2022* plan are to:

- a) Analyse and understand the operational environment by SWOC, PESTEL and VUCA evaluations.
- b) Set strategic direction and strategic aimed at optimum attainment of the NG-CDFC mandate
- c) Identifies key strategies, outcomes, outputs and targets, and
- d) Provides a mechanism for monitoring progress towards achievement of the set objectives.

**Progress on attainment of Strategic development objectives**

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"><li>- number of usable physical infrastructure build in primary, secondary, and tertiary institutions</li><li>- number of bursary's beneficiaries at all levels</li></ul>	In FY 2021/2022 -we increased number of science laboratories ,increased computer laboratories, dining halls , classrooms and enhanced renovations of classrooms - Bursary beneficiaries at all levels were as per the attached schedules
Security	To ensure security to all the resident	Improved physical	<ul style="list-style-type: none"><li>- number of police stations,</li></ul>	In FY 2021/2022

**Kipipiri Constituency**

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

**Annual Report and Financial Statements for The Year Ended June 30, 2022**

	of Kipipiri constituency	infrastructure and service delivery	chiefs' offices, assistant chiefs' offices and other security infrastructure	we allocated funds to construct to completion four modern toilets in four police station.
Environment	To preserve the climatic and weather conditions at the Constituency	Increased forest cover and improved climate	Stable climatic and weather condition	In FY 2021/2022 we allocated funds to construct to completion four modern toilets in four police station
Sports	To empower and to develop youth and special groups	Increase participation by youths across the constituency.	The number of youths benefiting from sports program.	We allocated funds for sport and extensively advertised for youths to participate.
Emergency	To address urgent and unforeseen infrastructural occurrences with the Constituency in Education, Environment and Security sectors.	Quick emergency response	Readiness to disaster management	~

#### **IV. Environmental and Sustainability Reporting**

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

##### **1. Sustainability strategy and profile -**

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

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

- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

## **2. Environmental performance**

- Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar
- NG CDF Kipipiri allocated funds to construct four waterborne toilets in the four police stations within the constituency.
- Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.
- NG CDF Kipipiri supported or held a major Sports tournament/leagues across the entire constituency for a six months period
- NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.
- NG-CDF staff Have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.

## **3. Employee welfare**

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

employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

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

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

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

Kipipiri NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

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

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

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

**Public Awareness**

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

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



.....  
Name: Felix M. Gad

FAM

## **V. Statement of Management Responsibilities**

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

The Accounting Officer in charge of the NGCDF-Kipipiri Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. 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-Kipipiri Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency*'s financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kipipiri Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

***Kipipiri Constituency***  
***National Government Constituencies Development Fund (NGCDF)***  
***Annual Report and Financial Statements for The Year Ended June 30, 2022***

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

**Approval of the financial statements**

The NGCDF- Kipipiri Constituency financial statements were approved and signed by the Accounting Officer on \_\_\_\_\_ 2022.



.....  
**Name: Calvin Mburu**

**Chairman – NGCDF Committee**

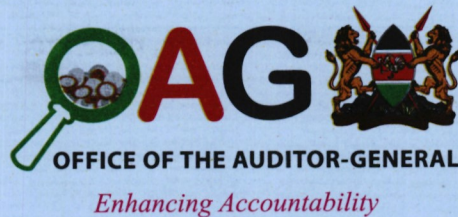


.....  
**Name: Felix M Gad**

**Finance Account Manager**

# REPUBLIC OF KENYA

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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KIIPIRI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kipipiri Constituency as set out on pages 1 to 68,

which comprise the statement of assets and liabilities as at 30 June, 2022, and statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kipipiri Constituency as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Uncleared Stale Cheques**

The statement of assets and liabilities and as disclosed in Note 10A to the financial statements reflect cash and cash equivalents balance of Kshs.50,756,865 which included stale cheques amounting to Kshs.2,290,660. As at the time of the audit in March, 2023, the stale cheques had not been reversed in the cash book. Management did not provide an explanation on why the stale cheques had not been written back to the cash book.

In the circumstances, the accuracy and completeness of the cash and bank balance of Kshs.50,756,865.00 could not be confirmed.

#### **2. Unsupported Project Management Committee Bank Balances**

The financial statements and as disclosed in Note 17.4 to, the Fund had Project Management Committee (PMC) bank account balances of Kshs.42,032,173 as at 30 June, 2022 as detailed in Annex 5 to the financial statements. However, the PMC bank accounts' cash books, bank reconciliations statements and bank confirmation certificates were not provided for audit.

In the circumstances, the accuracy and completeness of PMC bank account balances of Kshs.42,032,173 could not be confirmed.

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

## **Key Audit Matters**

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

## **Other Matter**

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

The summary statement of appropriation reflects a final expenditure budget of Kshs.218,187,702 against the actual expenditure on comparable basis of Kshs.165,197,138 resulting into an underperformance of Kshs.52,990,564 or 24.3%.

The underperformance may have affected planned activities by the Fund and could have impacted negatively on the service delivery to the public.

### **2. Unresolved Prior Year Matters**

In the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management has not resolved the issues nor given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Utilised Funds**

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects transfer to other government units of Kshs.88,497,438 which includes an amount of Kshs.3,000,000 transferred to Miharati Secondary School PMC account on 25 May, 2022 for construction of a computer laboratory to completion. However, the money had not been utilized as at the time of audit in the month of March, 2023.

In the circumstances, the students did not obtain value for money from the amount of Kshs.3,000,000 budgeted for the project.

## **2. Ethnic Diversity**

Review of the personnel records and staff establishment revealed that the Fund had a total number of 5 employees as at 30 June, 2022, all of whom were from the dominant ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which states that no public establishment shall have more than one third of its staff from the same ethnic community.

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

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

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

#### **Conclusion**

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

#### **Basis for Conclusion**

##### **Lack of an Information Technology and Disaster Recovery Plan**

Review of IT processes and preparedness in case of any unforeseen challenges established that the Fund did not have a data recovery strategy plan and therefore chances of data recovery in case of a calamity or disaster may not be possible. Further, there was no offsite back up storage facility. In addition, the Fund lacked an IT officer and IT Strategic Committee to steer the Fund forward on the IT system.

In the circumstances, the effectiveness of the IT resource service continuity and disaster recovery could not be confirmed.

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash

Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

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

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

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

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

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness

of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion.
- My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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

14 June, 2023

**Kipipiri Constituency**

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

**Annual Report and Financial Statements for The Year Ended June 30, 2022**

**VII. Statement Of Receipts and Payments for the Year Ended 30th June 2022**

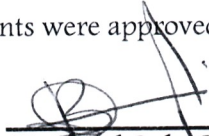
	Note	2021-2022	2020-2021
			Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	169,782,758	171,512,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	259,000
<b>TOTAL RECEIPTS</b>		<b>169,782,758</b>	<b>171,771,724</b>
<b>PAYMENTS</b>			
Compensation of employees	4	2,953,617	2,742,614
Use of goods and services	5	7,975,992	8,835,840
Transfers to Other Government Units	6	88,497,438	129,601,519
Other grants and transfers	7	65,770,091	66,863,971
Acquisition of Assets	8	-	326,800
Other Payments	9		3,965,097
<b>TOTAL PAYMENTS</b>		<b>165,197,138</b>	<b>212,335,841</b>
<b>SURPLUS/DEFICIT</b>		<b>4,585,620</b>	<b>(40,564,117)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.


The Constituency financial statements were approved on \_\_\_\_\_ 2022 and signed by:

  
Fund Account Manager

Name: Felix M Gad

  
National Sub-County  
Accountant

Name: Benson Macharia

  
Chairman NG-CDF  
Committee

Name: Calvin Mburu


**Kipipiri Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

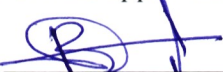
**VIII. Statement of Assets and Liabilities As At 30<sup>th</sup> June, 2022**


	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	50,756,865	45,654,944
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>50,756,865</b>	<b>45,654,944</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>50,756,865</b>	<b>45,654,944</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	11,930	-
Gratuity	12B	504,371	873,890
<b>NET FINANCIAL SSETS</b>		<b>50,240,564</b>	<b>44,781,054</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	45,654,944	85,345,171
Prior year adjustments	14		
Surplus/Defict for the year		4,585,620	(40,564,117)
<b>NET FINANCIAL POSITION</b>		<b>50,240,564</b>	<b>44,781,054</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on \_\_\_\_\_ 2022 and signed by:

  
 Fund Account Manager

  
 National Sub-County Accountant

  
 Chairman NG-CDF Committee

Name: Felix M Gad

Name: Benson Macharia

Name: Calvin Mburu

**Kipipiri Constituency**

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


**Annual Report and Financial Statements for The Year Ended June 30, 2022**

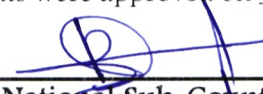
**Statement of Cash Flows for the Year Ended 30th June 2022**


		<b>2021-2022</b>	<b>2020-2021</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	169,782,758	171,512,724
Other Receipts	3	-	259,000
		<b>169,782,758</b>	<b>171,771,724</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	2,953,617	2,742,614
Use of goods and services	5	7,975,992	8,835,840
Transfers to Other Government Units	6	88,497,438	129,601,519
Other grants and transfers	7	65,770,091	66,863,971
Other Payments	9		3,965,097
		<b>165,197,138</b>	<b>212,009,041</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	516,301	431,520
Prior year Adjustments	14	-	-
<b>Net Adjustments</b>		<b>516,301</b>	<b>431,520</b>
<b>Net cash flow from operating activities</b>		<b>5,101,921</b>	<b>(39,805,797)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8		(326,800)
<b>Net cash flows from Investing Activities</b>			<b>(326,800)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>			
		<b>5,101,921</b>	<b>(40,132,597)</b>
<b>Cash and cash equivalent at START of the year</b>	<b>10</b>	<b>45,654,944</b>	<b>85,787,541</b>
<b>Cash and cash equivalents at the END of the year</b>		<b>50,756,865</b>	<b>45,654,944</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on \_\_\_\_\_ 2022 and signed by:

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

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

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

**Name: Felix M Gad**

**Name: Benson Macharia**

**Name: Calvin Mburu**

**Kipipiri Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

**IX. Summary Statement of Appropriation for the Year Ended 30<sup>th</sup> June 2022**

Receipt/Expense Item	Original Budget	Opening Balance (C/Bk) and AIA	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>			<b>Previous years Outstanding Disbursements</b>				
Transfers from NG-CDF Board	137,088,879	45,654,944	35,443,879	218,187,702	215,437,702	2,750,000	98.7%
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts				0	-	-	
<b>TOTAL RECEIPTS</b>	<b>137,088,879</b>	<b>45,654,944</b>	<b>35,443,879</b>	<b>218,187,702</b>	<b>215,437,702</b>	<b>2,750,000</b>	<b>98.7%</b>
<b>PAYMENTS</b>							
Compensation of Employees	3,200,000	2,597,365	2,100,000	7,897,365	2,953,617	4,943,748	37.4%
Use of goods and services	9,137,999	3,975,197	5,165,056	18,278,252	7,975,992	10,302,260	43.6%
Transfers to Other Government Units	69,253,532	16,804,963	3,488,943	89,547,438	88,497,438	1,050,000	98.8%
Other grants and transfers	55,497,348	21,314,257	21,939,880	98,751,485	65,770,091	32,981,394	66.6%
Acquisition of Assets				0	-	-	
AIA		259,000		259,000		259,000	
Other Payments		704,162		704,162		704,162	0.0%
Un Approved			2,750,000	2,750,000		2,750,000	
<b>TOTAL</b>	<b>137,088,879</b>	<b>45,654,944</b>	<b>35,443,879</b>	<b>218,187,702</b>	<b>165,197,138</b>	<b>52,990,564</b>	<b>75.7%</b>

**Kipipiri Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022**

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

- (a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]*
- (b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]*
- i.) Compensation of employee had an expenditure below 90% because the NG CDFC did not succeed in recruiting some staffs(Account Assistant and clerk of works) despite several attempts*
  - ii.) The underutilization of use of goods and services to below 90% was occasioned by reduced activities by NG CDFC.*
  - iii.) The utilization of other grants and transfers had an expenditure below 90% due to the delay in completion of the requisite bursary processes before award.*

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	52,990,564
Less undisbursed funds receivable from the Board as at 30th June 2022	2,750,000
	50,240,564
Add Accounts payable	516301.85
Less Accounts Receivable	0
Add/ Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	50,756,866

The Constituency financial statements were approved on \_\_\_\_\_ 2022 and signed by:

  
**Fund Account Manager**

**Name: Felix M Gad**

  
**National Sub-County Accountant**

**Name: Benson Macharia**

  
**Chairman NG-CDF Committee**

**Name: Calvin Mburu**

**Kipipiri Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022**

**X. Budget Execution by Sectors and Projects for the Year Ended 30<sup>th</sup> June 2022**

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2021/2022			2021/2022	30/06/2022		
	Kshs		Kshs	Kshs	Kshs	Kshs	
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of employees	3,200,000	2,597,365	2,100,000	7,897,365	2,953,617	4,943,748	
1.2 Employee Gratuity				-		-	
1.3 Committee allowances	2,900,000		1,516,057	4,416,057	679,570	3,736,487	
1.4 Use of goods and services	2,125,332.74	936,069.00	648,999	3,710,401	2,780,518	929,883	
<b>Total</b>	<b>8,225,333</b>	<b>3,533,434</b>	<b>4,265,056</b>	<b>16,023,823</b>	<b>6,413,705</b>	<b>9,610,118</b>	
<b>2.0 Monitoring and evaluation</b>							
2.1 Capacity building	1,400,000	375,800	1,400,000	3,175,800	1,348,210	1,827,590	
2.2 Committee allowances	1,600,000	534,630	1,600,000	3,734,630	1,652,730	2,081,900	
2.3 Use of goods and services	1,112,666.37	2,128,698		3,241,364	1,308,666	1,932,698	
<b>Total</b>	<b>4,112,666</b>	<b>3,039,128</b>	<b>3,000,000</b>	<b>10,151,794</b>	<b>4,309,606</b>	<b>5,842,188</b>	
<b>3.0 Emergency</b>							
3.1 Primary Schools							
3.2 Secondary schools							



**Kipipiri Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

Kimuru Secondary School	100,000	100,000	100,000	100,000	100,000
Kianjogu Secondary School	100,000	100,000	100,000	100,000	100,000
Mumui Secondary School	100,000	100,000	100,000	100,000	100,000
Kabati Secondary School	100,000	100,000	100,000	100,000	100,000
Geta Secondary School	100,000	100,000	100,000	100,000	100,000
Satima Secondary School	100,000	100,000	100,000	100,000	100,000
Michore Secondary School	100,000	100,000	100,000	100,000	100,000
St. Peter Mawingu Secondary School	100,000	100,000	100,000	100,000	100,000
Wanjohi Mixed Secondary School	100,000	100,000	100,000	100,000	100,000
Marimu Secondary School	100,000	100,000	100,000	100,000	100,000
Kiambogo Secondary School	100,000	100,000	100,000	100,000	100,000
Gathuthi Secondary School	100,000	100,000	100,000	100,000	100,000
Wanjohi Girls Secondary School	100,000	100,000	100,000	100,000	100,000
Gatondo Mixed Secondary School	100,000	100,000	100,000	100,000	100,000
Gathiriga Secondary School	100,000	100,000	100,000	100,000	100,000
Jura Secondary School	100,000	100,000	100,000	100,000	100,000

**Kipipiri Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

Turasha Secondary School		100,000		100,000		100,000	
Kirima Secondary School		100,000		100,000		100,000	
Mahindu Secondary School		100,000		100,000		100,000	
Huhirio Secondary School		100,000		100,000		100,000	
Ndemi Secondary School		100,000		100,000		100,000	
Mikeu Secondary School		100,000		100,000		100,000	
Miharati Boys Secondary School		100,000		100,000		100,000	
Mawingo Secondary School		100,000		100,000		100,000	
Kagongo Secondary School		100,000		100,000		100,000	
Kipipiri TIVET		44,797		44,797		44,797	
Wanjjeri Secondary School		100,000		100,000		100,000	
<b>Total</b>	<b>2,741,778</b>	<b>2,744,797</b>	<b>-</b>	<b>5,486,575</b>	<b>2,741,778</b>	<b>2,744,797</b>	
<b>Hh</b>							
Rutum Primary School	102,862	118,600		221,462	221,462	-	
Gitwe Primary School	426,770	127,000		553,770	553,770	-	
Forest one primary school	140,840	113,000		253,840	253,840	-	

**Kipipiri Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022**

Mara primary School	1,500,000	197,000		1,697,000	1697000	-
kabati Primary School	1,500,000	86,800		1,586,800	1586800	-
Malewa Primary School	1,500,000	150,800		1,650,800	1650800	-
Kahiga Primary school	2,600,000	122,800		2,722,800	2722800	-
Migaa Primary School	330,560	122,800		453,360	453360	-
Gathiriga primary school	197,640	169,000.		366,640	366640	-
Njomo Primary School	2,800,000	132,600		2,932,600	2932600	-
St Peter's Primary School	1,500,000	169,000		1,669,000	1669000	-
Jura Primary School	1,500,000	58,800		1,558,800	1558800	-
Mikcu Primary School	200,000	174,600		374,600	374600	-
Kagongo primary school	150,000	-		150,000	150000	-
Kagongo Primary school	1,500,000	169,000		1,669,000	1669000	-
Kiambogo Primary school	1,500,000	917,600		2,417,600	2417600	-
Gathuthi Primary school	1,500,000	178,800		1,678,800	1678800	-
Satima primary school	1,500,000	132,600		1,632,600	1632600	-
Wanjohi primary school	1,500,000	174,600		1,674,600	1674600	-
Murera-njau primary school	1,500,000	113,000		1,613,000	1613000	-
Ndiara primary school	800,000	146,600		946,600	946600	-
Gichigirira primary school	1,500,000	113,000		1,613,000	1613000	-
Gaturubari Special Unit	1,000,000	-		1,000,000	1000000	-
Gatondo primary school	1,900,000	96,600			1996600	-

**Kipipiri Constituency  
National Government Constituencies Development Fund (NGCCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022**

Mwireri primary school	274,390	127,000		1,996,600		-
Ndemi primary school	0	195,063	1,383,943	401,390	401,390	-
Mubao Primary School	0	367,200		367,200	367,200	-
Fondeni Primary School	0	563,000		563,000	563,000	-
Githioro Primary School	0	82,600		82,600	82,600	-
Turasha Primary School	0	169,000		169,000	169,000	-
Mumui Primary School	0	72,800		72,800	72,800	-
Ririchua Primary School	0	204,000		204,000	204,000	-
Mwangaza Primary School	0	184,400		184,400	184,400	-
Kimbo Primary School	0	49,000		49,000	49,000	-
Kariara Primary School	0	63,000		63,000	63,000	-
Karuri Primary School	0	58,800		58,800	58,800	-
Manunga Primary School	0	110,600		110,600	110,600	-
Mahindu Primary School	0	169,000		169,000	169,000	-
Kamahia Primary School	0	58,800		58,800	58,800	-
Ihiga Primary School	0	118,600		118,600	118,600	-
Mahinga Primary School	0	113,000		113,000	113,000	-
Kanyua Primary School	0	91,000		91,000	91,000	-
Machinery Primary School	0	113,000		113,000	113,000	-
Wendani Primary School	0	105,000		105,000	105,000	-

**Kipipiri Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

Munyu-ini primary School	0	77,000		77,000	77,000	-
Marimu Primary School	0	169,000		169,000	169,000	-
Rutuba Primary School	0	105,000		105,000	105,000	-
Kianjogu Primary School	0	169,000		169,000	169,000	-
Kamagoko Primary School	0	100,800		100,800	100,800	-
Kariaini Primary School	0	72,800		72,800	72,800	-
Rumwe Primary School	0	127,000		127,000	127,000	-
Mihato Primary School	0	68,600		68,600	68,600	-
Ngatho Primary Schoool	0	61,600		61,600	61,600	-
Rayetta Primary School	0	127,000		127,000	127,000	-
Kimuru Primary School	0	127,000		127,000	127,000	-
Ng'arua Rironi Primary School	0	164,800		164,800	164,800	-
Gitci Primary School	0	200,000		200,000	200,000	-
Miti-itano Primary School	0	125,600		125,600	125,600	-
Kiburuti Primary School	0	156,300		156,300	156,300	-
Magomano Primary School	0	107,800		107,800	107,800	-
Karima Primary School	0	63,000		63,000	63,000	-
Kigogo Primary School	0	127,000		127,000	127,000	-
Huhurio Primary School	0	118,600		118,600	118,600	-
Michore Primary School	0	146,600		146,600	146,600	-
Kiamboga Primary School	0	141,000		141,000	141,000	-



**Kipipiri Constituency  
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Kianjogu Secondary school	1,300,000				1,300,000	1,300,000	-
Gatondo secondary school	3,000,000				3,000,000	3,000,000	-
Wanjohi girls secondary school	3,591,000				3,591,000	3,591,000	-
Ndemi secondary School	250,000.				250,000	250,000	-
Manunga Secondary School		1,050,000			1,050,000		1,050,000
Michore secondary school		1,500,000			1,500,000	1,500,000	-
Wanjohi Mixed Secondary School		3,000,000			3,000,000	3,000,000	-
Lereshwa secondary			2,105,000.00		2,105,000	2,105,000	-
Githiuro Secondary School		1,900,000			1,900,000	1,900,000	-
<b>Total</b>	<b>40,230,470</b>	<b>7,450,000</b>	<b>2,105,000</b>		<b>49,785,470</b>	<b>48,735,470</b>	<b>1,050,000</b>
<b>9.0 SECURITY</b>							
Deputy county commissioner office kipi	450,000				450,000	450,000	-
Geta Sub -Location assistant chiefs office	1,000,000				1,000,000	1,000,000	-
Kagongo Sub -Location Assistant Chiefs Office	600,000				600,000		600,000
Rumwe Sub Location Chief Office	600,000	1,000,000			1,600,000		1,600,000

**Kipipiri Constituency  
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Gatondo Assistant Chiefs Office	300,000				300,000			
Michore Assistant Chiefs Office	300,000	300,000			600,000			
Rironi Assistant Chiefs Office		300,000			300,000			
Mumui Assistant Chief Office		300,000			300,000			
Kianjogu Sub location		500,000			500,000		500,000	
Kirima Sub Location		1,000,000			1,000,000		1,000,000	
Malewa Location Chief Office		1,350,000			1,350,000	1350000		
<b>Total</b>	<b>3,250,000</b>	<b>4,750,000</b>			<b>8,000,000</b>	<b>4,300,000</b>	<b>3,700,000</b>	
<b>11.0 Acquisition of assets</b>								
11.2	-							
	-							
	-							
	-							
	-							
<b>Total</b>	<b>-</b>				<b>-</b>			
<b>12.0 Other payments</b>								
12.1 Strategic plan		684,000			684,000		684,000	
12.2 Constituency Innovation		20,162			20,162S			



## **XI. Significant Accounting Policies**

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

### **1. Statement of Compliance and Basis of Preparation**

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

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

### **2. Reporting Entity**

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

### **3. Reporting Currency**

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

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

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

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

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

***Significant Accounting Policies continued***

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs.***

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

**External Assistance**

External assistance refers to grants and loans received from local, multilateral and bilateral development partners. In the year under review there was no external assistance received.

**b) Recognition of payments**

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

***Significant Accounting Policies continued***

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

*Significant Accounting Policies continued*

**6. Cash and Cash Equivalents.**

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

*Significant Accounting Policies continued*

**7. Accounts Receivable**

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

**8. Accounts Payable**

For the purposes of these financial statements, Deposits (gratuity and retentions) held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

***Significant Accounting Policies continued***

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30 June 2021 for the period 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

**12. Comparative Figures**

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

**13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2022.

***Significant Accounting Policies continued***

**14. Errors**

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

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

**15. Related Party Transactions**

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

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**National Government Constituencies Development Fund (NGCDF)**  
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**XII. Notes to the Financial Statements**

**1. Transfers from NGCDF Board**

<b>Description</b>		<b>2021-2022</b>	<b>2020 - 2021</b>
		<b>Kshs</b>	<b>Kshs</b>
	AIE NO. B 124749		5,000,000
Normal Allocation	AIE NO. B 124827		66,512,724
	AIE NO. B 124998		15,000,000
	AIE NO. B 128141		6,900,000
	AIE NO. B 119952		15,000,000
	AIE NO. B 128453		6,000,000
	AIE NO. B 132197		6,000,000
	AIE NO. B 138865		14,000,000
	AIE NO. B 126159		6,000,000
	AIE NO. B 124453		16,100,000
	AIE NO. B 140597		15,000,000
	AIE NO. B 140948	30,588,879.00	
	AIE NO. B 140809	2,105,000.00	
	AIE NO. B 105657	68,000,000.00	
	AIE NO. B 128558	15,000,000.00	
	AIE NO. B 128870	26,000,000.00	
	AIE NO. B 154067	28,088,879.00	
Conditional Grants			
Receipt from other Constituency			
<b>TOTAL</b>		<b>169,782,758.00</b>	<b>171,512,724</b>

**2. Proceeds From Sale of Assets**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Others (specify)	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**Kipipiri Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

**3. Other Receipts**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	0	0
Rents	0	0
Receipts from sale of tender documents	0	0
Hire of plant/equipment/facilities	0	0
Unutilized funds from PMCs	0	0
Other Receipts Not Classified Elsewhere	0	0
<b>Total</b>	<b>0</b>	<b>-</b>

**4. Compensation Of Employees**

<b>Description</b>	<b>2021-2022</b>	<b>2020 - 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries	2,335,197	2,219,694
<b>Personal allowances paid as part of salary</b>		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	504,370	431,520
Employer Contributions Compulsory national social security schemes-NSSF	38,000	19,600
Employer Contributions Compulsory national hospital insurance fund - NHIF	76,050	71,800
<b>TOTAL</b>	<b>2,953,617</b>	<b>2,742,614</b>

**Kipipiri Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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**Notes To the Financial Statements (Continued)**

**5. Use Of Goods and Services**

<b>Description</b>	<b>2021-2022</b>	<b>2020 - 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	526,860	1,853,190
Electricity	31,585	50,000
Water & sewerage charges	-	15,000
Office rent	72,000	-
Communication, supplies and services	447,412	441,891
Domestic travel and subsistence	852,060	105,100
Printing, advertising and information supplies & services		135,470
Rentals of produced assets	-	-
Training expenses	1,878,000	-
Hospitality supplies and services	323,446	576,295
Other committee expenses	396,000	1,475,041
Committee allowance	2,014,000	2,728,950
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	331,800	432,810
Fuel , oil & lubricants	550,000	575,000
Other operating expenses	-	0
Bank service commission and charges	40,000	30,000
Other Operating Expenses	-	-

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Security operations	-	-
Routine maintenance - vehicles and other transport equipment	262,494	417,093
Routine maintenance- other assets	250,335	0
<b>TOTAL</b>	<b>7,975,992</b>	<b>8,835,840</b>

**6. Transfer To Other Government Units**

<b>Description</b>	<b>2021-2022</b>	<b>2020 - 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers to Primary Schools	39,761,968	64,725,000
Transfers to Secondary Schools	48,735,470	63,876,519
Transfers to Tertiary Institutions	-	1,000,000
<b>TOTAL</b>	<b>88,497,438</b>	<b>129,601,519</b>

**Kipipiri Constituency**  
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*Notes To The Financial Statements (Continued)*

**7. Other Grants and Other transfers**

<b>Description</b>	<b>2021-2022</b>	<b>2020 - 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Bursary - Secondary ( see attached list)	39,508,384	22,073,000
Bursary -Tertiary ( see attached list)	14,548,174	9,526,300
Bursary- Special Schools	1,039,486	447,500
Mocks & CAT ( see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security Projects ( see attached list)	7,041,781	27,728,861
Sports Projects ( see attached list)	3,632,266	4,341,310
Environment Projects ( see attached list)	-	2,747,000
Emergency Projects ( see attached list)	-	-
<b>TOTAL</b>	<b>65,770,091</b>	<b>66,863,971</b>

**8. Acquisition Of Assets**

<b>Non Financial Assets</b>	<b>2021-2022</b>	<b>2020 - 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles Vehicles and Other Transport Equipment	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of office furniture and and General Equipment	-	79,800

**Kipipiri Constituency**  
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Purchase of computers ,printers and other IT equipments	-	247,000
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
<b>TOTAL</b>	<b>-</b>	<b>326,800</b>

**9. Other Payments**

Strategic Plan	684,000	2,816,000
ICT Hubs	20,162	1,149,097
		-
<b>TOTAL</b>	<b>704,162</b>	<b>3,965,097</b>

**10: Cash Book Bank Balance**

Name of Bank, Account No. & currency	Account Number	2021-2022	2020 - 2021
		Kshs (30/6/2022)	Kshs (30/6/2021)
Equity Bank, Olkalou Branch. Kipipiri NG-CDF		-	0
Equity Bank	A/C NO.0620296398093	50,756,865	45,654,944
		-	-
<b>TOTAL</b>		<b>50,756,865</b>	<b>45,654,944</b>

**11: Outstanding Imprests**

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Name of Officer	dd/mm/yy	xxx	xxx	Xxx
Name of Officer	dd/mm/yy	xxx	xxx	Xxx
Name of Officer	dd/mm/yy	xxx	xxx	Xxx
Name of Officer	dd/mm/yy	xxx	xxx	Xxx
Name of Officer	dd/mm/yy	xxx	xxx	Xxx

**Kipipiri Constituency**  
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<i>Name of Officer</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Total</i>		xxx	xxx	Xxx

**12A. Retention**

[Provide short appropriate explanations as necessary.]

		<b>2021-2022</b>	<b>2020-2021</b>
		<b>KShs</b>	<b>KShs</b>
<b>Retention as at 1st July (A)</b>		-	-
<b>Retention held during the year (B)</b>		<b>11,931</b>	-
<b>Retention paid during the Year (C)</b>		-	-
<b>Closing Retention as at 30th June D= A+B-C</b>		<b>11,931</b>	-

**12B. Gratuity**

		<b>2021-2022</b>	<b>2020-2021</b>
		<b>KShs</b>	<b>KShs</b>
Gratuity as at 1st July (A)		873,890	431,520
Gratuity held during the year (B)		504,370	442.370
Gratuity paid during the Year (C)		-	-
Closing Gratuity as at 30th June D= A+B-C		<b>1,378,260</b>	<b>873.890</b>

**13. Balances Brought Forward**

**Kipipiri Constituency**  
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*[Provide short appropriate explanations as necessary]*

	2021-2022	2020- 2021
	<b>Kshs (1/7/2021)</b>	<b>Kshs (1/7/2020)</b>
Bank accounts	45,654,944	85,787,541
Cash in hand		
Imprest		
<b>TOTAL</b>	<b>45,654,944</b>	<b>85,787,541</b>

**14. Prior Year Adjustments**

	<b>Balance b/f FY 2020/2021 as per Audited Financial statements</b>	<b>Adjusments</b>	<b>Adjusted Balance** b/f FY 2020/2021</b>
<b>Description of the error</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Bank accounts balances			-
Cash in hand	-	-	-
Accounts Payable		504,370	504,370
Receivables	-	-	-
Others (specify) retention		11,931	11,931
<b>Total</b>	<b>-</b>	<b>516,301</b>	<b>504,370</b>
Clarification note included			

**\*\* The adjusted balances are not carried down on the face of the financial statement.  
 (Entity to provide disclosure on the adjusted amounts)**

**15. Changes in Accounts Receivable – Outstanding Imprests**

	2021-2022	2020- 2021
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**Kipipiri Constituency**  
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	Kshs	Kshs
Outstanding Imprest as at 1st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Closing accounts receivable as at 30th June 2022 (D=A+B-C)	-	-
<b>Net changes in accounts receivables A-D</b>		

**16. Changes in Accounts Payable – Deposits and Retentions**

	2021- 2022	2020- 2021
	Kshs	Kshs
Deposits and Retention as a t 1st July 2021(A)	431,520	
Deposits and Retention held during the year (B)	516,301	431,520
Deposits and Retention paid during the year ©	-	-
Closing accounts payable at 30th June (D=A+B-C)	<b>947,821</b>	<b>431,520</b>
<b>Net changes in accounts payables A-D</b>	<b>(516,301)</b>	<b>(431,520)</b>

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**Notes to the Financial Statements (Continued)**

**17. Other Important Disclosures**

**17.1: Pending Accounts Payable (See Annex 1)**

	<b>2021-2022</b>	<b>2020- 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**17.2: Pending Staff Payables (See Annex 2)**

	<b>2021-2022</b>	<b>2020- 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
NGCDF Staff	-	-
Others (specify)	-	-
	-	-

**Kipipiri Constituency**  
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**Annual Report and Financial Statements for The Year Ended June 30, 2022**

**17.3: Unutilized Fund (See Annex 3)**

	<b>2021-2022</b>	<b>2020- 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	4,943,749	4,336,857
Use of goods and services	10,508,555	13,598,062
Amounts due to other Government entities (see attached list)	1,050,000	510,037
Amounts due to other grants and other transfers (see attached list)	32,775,098	45,792,407
Acquisition of assets		742
Others ( <i>specify</i> )	704,162	15,670,198
Funds pending approval	2,750,000	
AIA	259,000	<b>259,000</b>
<b>TOTAL</b>	<b>52,990,564</b>	<b>80,167,303</b>

**17.4: PMC account balances (See Annex 5)**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	42,032,173	70,520,867
<b>Total</b>	<b>42,032,173</b>	<b>70,520,867</b>

**Kipipiri Constituency  
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**Annexes  
Annexes: 1 Analysis of Pending Accounts Payable**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
Construction of buildings	a	b	c	d=a-c	
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.					
Sub-Total					
Grand Total					

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**Annex 2 - Analysis of Pending Staff Payables**

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2022	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
Compensation of employees		3,588,428	4,336,857	
Use of goods & services		10,508,553	13,598,062	
<b>Amounts due to other Government entities</b>		1,050,000	510,037	
Manunga Secondary School	Construction of classroom			
<b>Sub-Total</b>		<b>15,146,980</b>	<b>18,083,906</b>	
<b>Amounts due to other grants and other transfers</b>				
Emergency		7,192,207	45,792,407	
Bursary Tertiary		12,554,571		
Bursary Special		636,834		
Bursary-Vocational Institution		3,200,000		
Sports Projects		2,746,689		
Environment Projects		2,744,797		
Security Projects		3,700,000		
<b>Sub-Total</b>		<b>32,775,098</b>	<b>45,792,407</b>	
Acquisition of assets			742	
<b>Others (specify)</b>				

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Purchase of land			
Deposit/AIA	1,614,321	259,000	
Strategic Plan	684,000		
Innovational Hub	20,162		
<b>Sub-Total</b>			
Funds pending approval	<b>2,750,000</b>	<b>15,670,198</b>	
<b>Grand Total</b>	<b>52,990,562</b>	<b>80,167,303</b>	

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**Annex 4 – Summary of Fixed Asset Register**

<b>Asset class</b>	<b>Historical Cost b/f (Kshs) 2020/2021</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) 2021/2022</b>
Land				
Buildings and structures				
Transport equipment	643,050			643,050
Office equipment, furniture and fittings	747,050			747,050
ICT Equipment, Software and Other ICT Assets	945,380			
Other Machinery and Equipment	4,788,717			4,788,717
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>7,124,197</b>			<b>7,124,197</b>

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**Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2022**

PMC	Bank	Account number	Bank Balance	
			2021/22	2020/21
St. Peters Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369622	65,280	90,224
Kahiga Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369631	76,889	540,525
Mikeu Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369628	114,814	563,280
Mwangaza Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369611	837,425	1,580,271
Turasha Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369602	422,093	627,953.50
Karuri Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369621	37,484	130,436
Jura Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369644	79,768	207,066.50

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PMC	Bank	Account number	Bank Balance	
			2021/22	2020/21
Gathiriga Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369577	106,238	426,797.60
Wendani Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369589	133,159	202,784.25
Ndemi Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369566	205,424	360,095
Satima Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369576	69,440	69,620
Rayetta Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369544	65,523	114,583.00
Mara Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369583	31,742	31,742
Machinery Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369616	29,296	29,296.50
Gatondo Primary School Ng-Cdf	Equity Bank, OlKalou	620277369407	74,299	164,580

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
Project 2018	Branch			
Gitei Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369558	7,217	7,217.
Forest One Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369377	65,554	280,101.50
Migaa Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369551	666,897	2,014,510
Kiburuti Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369594	160,720	160,720
Kipipiri Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369561	167,380	167,380
Mitiltano Primary School -Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369612	14,573.25	14,573.25
Magomano Primary School Ng-Cdf Project	Equity Bank, OlKalou Branch	620277369548	269,184	269,184

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
2018				
Michore Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369601	300,000	300,000
Kabati Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369423	165,400	165,400
Gichigirira Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369609	59,588	59,855
Kiamboga Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369552	947	1,340,856
Kimbo Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373058	820,415	820,415
Ririchua Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277372984	563,717	1,646,491
Kiambogo Primary School Ng-Cdf 2018	Equity Bank, OlKalou Branch	620277369405	1,239,975.80	1,650,791.80

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
Kianjogu Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369393	520,660.75	871,610
Wanjohi Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369420	516,344	956,984
Mubao Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369573	32,809	167,040.
Kanyua Primary Schooling-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369446	12,350	20,960
Ndiara Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369606	20,179.75	110,419.75
Mahinga Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369637	70,950	324,644
Malewa Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373097	63,166	85,726
Mwireri Primary School Ng-Cdf	Equity Bank, OlKalou Branch	620277385993	188,789	493,723

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PMC	Bank	Account number	Bank Balance	
			2021/22	2020/21
Project 2018				
Lereshwa Secondary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277386548	19,520	19,520
Kariara Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373125	53,555	330,115
Mumui Secondary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277385998	20,230	20,230
Geta Secondary Schooling-Cdf Project 2018	Equity Bank, OlKalou Branch	620277385908	685,521	1,157,494
Huhirio Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373241	29,130	29,130
Kagongo Secondary School Ng-Cdf 2018	Equity Bank, OlKalou Branch	620277385977	3,050,800.50	1,550,800.50
A.C.C Miharati Offices Ng-Cdf 2018 Project	Equity Bank, OlKalou Branch	620277382817	19,680	19,680

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PMC	Bank	Account number	Bank Balance	
			2021/22	2020/21
Gatondo Mixed Secondary Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277386036	31,140	83,560
Karia-Ini Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373209	169,881	169,881
Njomo Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373251	53,435	53,615
Malewa Secondary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277386006	339,103.50	1,194,463.50
Marimu Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277372880	436,494.50	1,762,587.50
Kimuru Secondary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277386017	486,790.30	1,916,567.30
Manunga Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373250	299,467	299,467
Jura Secondary School Ng-Cdf	Equity Bank, OlKalou Branch	620277385956	1,179,100	1,179,100

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
Project 2018				
Wanjohi Mixed Day Secondary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277400005	3,085,500.25	114,065.25
Bondeni Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373257	107,974	1,074,123
Mumui Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373246	66,711	272,132
Gathuthi Secondary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277385972	1,232,159.60	1,599,490.50
Kimuru Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373261	117,003.	186,945
Makumbi Location Aps Camp Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369812	118,148	183,333
Rumwe Primary School Ng-Cdf	Equity Bank, OlKalou Branch	620277386004	194,847	949,760

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
Project 2018				
NgaruaRironi Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277400140	59,863	59,863
Mihato Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Br	620277372769	288,637	596,760
Gathuthi Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373235	561,605	750,000
Rutuba Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373249	44,203	185,172
Mureranjau Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277393092	260,843	1,082,035
Rutumo Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277372723	46,402	179,805
Githioro Primary School Ng-Cdf	Equity Bank, OlKalou Branch	620277373130	403,695	403,695

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			2021/22	2020/21
Project 201				
Mahindu Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277372655	58,856.50	58,856.50
Mawingu Location Chiefs Ap Camp Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373252	4,040.	4,040
NdemiAp Camp Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373224	51,421	51,421
Mawingo Secondary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277393096	17,280	17,280
Kagongo Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373237	915,015	915,015
Kamahia Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277393114	360,902	1,208,318
Munyuini Primary School Ng-Cdf	Equity Bank, OlKalou Branch	620277369389	162,092	162,092

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PMC	Bank	Account number	Bank Balance	
			2021/22	2020/21
Project 2018				
Kigogo Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373242	80,274	532,001
Ihiga Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369444	34,160	119,200
Ngatho Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277373260	37,651	512,459
Kamagoko Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277372690	1,022,933.30	1,055,468.30
Gitwe Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369596	265,856	1,267,804
Karima Primary School Ng-Cdf Project 2018	Equity Bank, OlKalou Branch	620277369374	262,820	262,820
mikeulocational chiefs camp	Equity bank olkalou branch	620299586288	83,433.50	665,558.50

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
Bondeni Primary School Ng-Cdf Project 2018	Equity bank olkalou branch	620280866270	1,049,881	2,525,000
Forest One Primary School Ng-Cdf Project 2018	Equity bank olkalou branch	620280876167	711,904.50	2,475,000
Gathiriga Primary School Ng-Cdf Project	Equity Bank, OlKalou Branch	620280877591	378,480	250,000
Gathuthi primary school	Equity Bank, OlKalou Branch	620280940356	2,248,400	610,000
Gatondo primary school	Equity Bank, OlKalou Branch	620280891326	1,600,900	445,000
Gichigirira Primary School	Equity Bank, OlKalou Branch	620280877090	1,947,159.50	375,000
Gitei Primary School	Equity Bank, OlKalou Branch	620280879370	534,480	325,000
Githioro Primary School	Equity Bank, OlKalou Branch	620280943908	537,200	495,000

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PMC	Bank	Account number	Bank Balance	
			2021/22	2020/21
Gitwe Primary School	Equity Bank, OlKalou Branch	620280884483	938,250	425,000
Huhirio primary School	Equity Bank, OlKalou Branch	620280892412	373,080	295,000
Ihiga Primary School	Equity Bank, OlKalou Branch	620280998815	373,020	-
Jura primary School	Equity Bank, OlKalou Branch	620280876324	1,828,280	310,000
Kabati primary School	Equity Bank, OlKalou Branch	620280881786	2,056,280	510,000
Kagongo primary School	Equity Bank, OlKalou Branch	620280881836	2,069,480	410,000
Kahiga Primary School	Equity Bank, OlKalou Branch	620280873520	2,992,280	310,000
Kamagoko Primary School	Equity Bank, OlKalou Branch	620280940073	434,480	475,000
Kamahia Primary School	Equity Bank, OlKalou Branch	620280922641	327,830	310,000
Kanyua Primary Schooling	Equity Bank, OlKalou Branch	620281018538	475,480	-

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
Kariaini Primary school	Equity Bank, OlKalou Branch	620281043505	392,280	-
Kariara Primary School	Equity Bank, OlKalou Branch	620280943364	378,160.50	1,375,000
Karuri Primary School	Equity Bank, OlKalou Branch	620280883900	328,280	310,000
Kiamboga primary school	Equity Bank, OlKalou Branch	620280881901	575,600	425,000
Kiambogo primary school	Equity Bank, OlKalou Branch	620280944501	2,997,080	-
Kianjogu Primary School	Equity Bank, OlKalou Branch	620280983580	469,240	235,000
Kiburuti Primary School	Equity Bank, OlKalou Branch	620280881635	645,430	530,000
Kimbo Primary School	Equity Bank, OlKalou Branch	620280983596	283,420	50,000
Kigogo Primary School	Equity Bank, OlKalou Branch	620280893061	1,023,673	1,375,000
Kimuru Primary School	Equity Bank, OlKalou Branch	620281044242	411,480	-

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PMC	Bank	Account number	Bank Balance	
			2021/22	2020/21
Kipipiri Primary School	Equity Bank, OlKalou Branch	620280880058	369,480	410,000
Magomano Primary School	Equity Bank, OlKalou Branch	620281026663	554,480	-
Mahindu Primary School	Equity Bank, OlKalou Branch	620280881833	705,932	2,575,000
Mahinga Primary School	Equity Bank, OlKalou Branch	620280875924	520,980	2,375,000
Malewa Primary School	Equity Bank, OlKalou Branch	620281044073	2,020,280	-
manunga primary school	Equity Bank, OlKalou Branch	620280879150	665,080	595,000
Mara Primary School	Equity Bank, OlKalou Branch	620281019296	2,231,480	-
Marimu Primary School	Equity Bank, OlKalou Branch	620280947955	478,030	350,000
Michore primary school	Equity Bank, OlKalou Branch	620280957108	501,080	395,000
Migaa Primary School	Equity Bank, OlKalou Branch	620280881716	822,840	410,000

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PMC	Bank	Account number	Bank Balance	
			2021/22	2020/21
Mikeu primary school	Equity Bank, OlKalou Branch	620280910075	2,929,080	2,595,000
MitiltanoPimary School	Equity Bank, OlKalou Branch	6202809508333	505,200	420,000
Mumbao primary school	Equity Bank, OlKalou Branch	620280880230	666,680	340,000
Mumui Primary School	Equity Bank, OlKalou Branch	620281029167	492,280	-
Munyuini Primary School	Equity Bank, OlKalou Branch	620280938976	511,480	475,000
Mureranjau Primary School	Equity Bank, OlKalou Branch	620280946049	1,947,480	-
Mwangaza Primary School	Equity Bank,naivasha Branch	200280880135		530,000
Mwireri Primary School	Equity Bank, OlKalou Branch	620280880135	1,735,870	1,375,000
Ndemi primary school	Equity Bank, OlKalou Branch	620280997844	1,898,426	-
Ndiara primary school	Equity Bank, OlKalou Branch	620280986934	1,300,570	-

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
Ngaruarironi Primary	Equity Bank, OlKalou Branch	620280889816	684,400	560,000
Ngatho Primary School	Equity Bank, OlKalou Branch	620280876765	340,630	320,000
Njomo Primary School	Equity Bank, OlKalou Branch	620280865898	3,237,080	345,000
Ririchua Primary School	Equity Bank, OlKalou Branch	620280880442	863,480	700,000
Rutuba Primary School	Equity Bank, OlKalou Branch	620280925811	539,600	-
Satima Primary School	Equity Bank, OlKalou Branch	620280879470	1,937,080	345,000
St peters primary school	Equity Bank, OlKalou Branch	620280881364	2,103,480	475,000
Turasha Primary School	Equity Bank, OlKalou Branch	620280880947	894,772	1,525,000
Wanjohi Primary School	Equity Bank, OlKalou Branch	620280893432	2,229,080	595,000
Wendani Primary School	Equity Bank, OlKalou Branch	620280880844	539,480	475,000

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PMC	Bank	Account number	Bank Balance	
			2021/22	2020/21
Rutumo Primary School	Equity Bank, OlKalou Branch	620280883275	575,942	395,000
Kagongo Secondary School	Equity Bank, OlKalou Branch	620280881892	159,480	100,000
kiambogo secondary school	Equity Bank, OlKalou Branch	620280983297	59,420	-
kianjogu secondary school	Equity Bank, OlKalou Branch	620280879268	2,409,480	-
Kimuru Secondary School	Equity Bank, OlKalou Branch	620280882509	14,639	-
Kipipiri school	Equity Bank, OlKalou Branch	620281002941	159,420	-
kirima secondary school	Equity Bank, OlKalou Branch	620280879677	14,480	-
Lereshwa Secondary School	Equity Bank, OlKalou Branch	620280881775	592,746	100,000
mahindu secondary school	Equity Bank, OlKalou Branch	620280923307	2,238,53	-
Malewa Secondary School	Equity Bank, OlKalou Branch	620280883723	3,479,480.	-

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
Manunga secondary school	Equity Bank, OlKalou Branch	620280879896	2,029,930	1,500,000
Marimu secondary school	Equity Bank, OlKalou Branch	620281064070	4,659,480	-
Mawingo Secondary School	Equity Bank, OlKalou Branch	620280881198	4,681,728	-
michore secondary school	Equity Bank, OlKalou Branch	620280877391	851,899	1,150,000
Miharati boys secondary school	Equity Bank, OlKalou Branch	620281158114	3,060,169	-
Jura Secondary School	Equity Bank, OlKalou Branch	620280881871	1,290,283.30	-
mikeu secondary school	Equity Bank, OlKalou Branch	620280884722	859,600	-
Mumui Secondary School	Equity Bank, OlKalou Branch	1900280947809	59,480	-
Ndemi secondary school	Equity Bank, OlKalou Branch	620281069625	309,600	-
Satima secondary school	Equity Bank, OlKalou Branch	620280877245	59,480	-

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
St peters mawingo secondary school	Equity Bank, OlKalou Branch	620281059458	194,503	-
Turasha secondary school	Equity Bank, OlKalou Branch	620280884234	3,381,850	-
wanjohi girls secondary school	Equity Bank, OlKalou Branch	0620281168046	2,256,461.30	-
Wanjohi mixed secondary school	Equity Bank, OlKalou Branch	6202800873884	316,189	
Wanjeri secondary school	Equity Bank, OlKalou Branch	620280900124	18,599	-
Gathiriga secondary school	Equity Bank, OlKalou Branch	0620281151827	324,672	-
Gathuthi Secondary School	Equity Bank, OlKalou Branch	620280950406	251,711.50	1,500,000
Gatondo secondary school	Equity Bank, OlKalou Branch	620280867023	3,059,600	
Geta Secondary School	Equity Bank, OlKalou Branch	620280882789	2,859,480	-
Githiro secondary school	Equity Bank, OlKalou Branch	620280928252	6,459,600	

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
Huhirio secondary school	Equity Bank, OlKalou Branch	620280893670	99,550	-
Kabati secondary school	Equity Bank, OlKalou Branch	620280884088	2,179,064.70	-
Turasha police station	Equity Bank, OlKalou Branch	620280862617	3,073,288	-
Geta police station	Equity Bank, OlKalou Branch	620280870682	4,484,995	1,300,000
wanjohi police station	Equity Bank, OlKalou Branch	620281042985	1,438,144.25	-
Rironisublocation office	Equity Bank, OlKalou Branch	620280994794	999,550	-
Assistant county commissioner office wanjohi	Equity Bank, OlKalou Branch	620280576427	27,925	250,000
wanjohi location chiefs office	Equity Bank, OlKalou Branch	620281049161	30,000	
kianjogu assistant chiefs office	Equity Bank, OlKalou Branch	620280596508	729,550	700,000
Mumui assistant chiefs office	Equity Bank, OlKalou Branch	620278992301	729,550	

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/22	2020/21
Rumwe sublocation	Equity Bank, OlKalou Branch	620281064610	0	0
	TOTALS		42,032,173	81,348,578.50

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**Annex 6: Progress On Follow Up of Auditor Recommendations**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor and subsequent progress made on the resolution of the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p><b>OUR REF: KIP/NG CDF/OAG-DAR/001/2022</b></p>	<p><b>Presentation of the Financial Statements.</b> The financial statements submitted for audit had the following issues,</p> <ul style="list-style-type: none"> <li>i. The financial statement submitted for audit did not include the statement of cashflow, the progress on follow up on auditor recommendation and the annex.</li> <li>ii. The Chairman’s report on page 5 did not include the comparison between the budgeted amount for the period and the total actual amount</li> </ul>	<p><i>We have attached copies of the revised Financial statements whose presentation comply with the public sector Accounting Standard Board reporting template. We have also attached a copy of the Note 5 of the revised FY 2019/2020 to support our Note 5 figures in the current Financial statement. We have further attached our final support schedules for the use of good for your further reference regarding the issues raised.</i></p>	<p>Resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>received, as required by the treasury template. The report ought to include the actual disbursement for the financial period, the outstanding balances and the total opening balances for the FY 2020/2021.</p>			
	<p><b>Use of Goods and Services.</b> The statement of receipts and payments reflects Kshs.8,835,840 for use of goods and services as disclosed under Note 5 to the financial statements. It was however noted that the supporting ledger made available for audit revealed a total of Kshs.9,037,799 thus leading to an unexplained variance of</p>	<p><i>We have attached copies of the revised Financial statement whose presentation comply with the public sector Accounting Standard Board reporting template. We have also attached a copy of the Note 5 of the revised FY 2019/2020 to support our Note 5 figures in the current Financial statement. We</i></p>	<p><b>Resolved</b></p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Kshs.201,959.	<i>have further attached our final support schedules for the use of good for your further reference regarding the issues raised.</i>		
	<p><b>Cash and Cash Equivalents - Kshs 45,654,944</b> Statement of assets and liabilities reflect cash balance of Kshs.45,654,944 as at 30 June, 2021 while the certificate of bank balance reflect Kshs 105,673,551 resulting to reconciling balance of Kshs 60,218,607. Management did not provide bank reconciliation statement to reconcile the two sets of records.</p>	<i>We have attached copies of the requested Bank Reconciliation statement. Further the stale cheques have been reversed and paid appropriately as attached</i>	Resolved	
	<p><b>Compensation of Employees</b> The statement of receipts and payments reflect compensation of employee balance of Kshs.2,742,614 against the final</p>	<i>We respond that the NG CDFC had intended to employ more staffs like the Account Assistant, Clerk of Works and</i>	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>approved budget of Kshs.7,079,471 leading to a budget underutilization of 61% (Kshs. 4,336,857). No explanation was provided for the 61% over budgeting. The management has no approved human resource policy or staff establishment and therefore no evidence of gaps for the newly engaged staff.</p>	<p>additional interns to facilitate faster implementation of projects and service delivery. However, several attempts to recruit the said staffs were unsuccessful hence the underutilization. We concur that the NG CDFC does not have an approved Human Resources Policy but has been consulting the NG CDF Board Human resources policy attached over Human resources matters. The NG CDFC recently assigned the staffs job groups and approved for staff's salary increment and communication on the progression done to all the affected staffs as attached. The Human resource sub-committee</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p><i>further approved Leave allowances for all the staffs and we shall expedite the same as soon as possible. We have also attached the requested gratuity schedules for your perusal</i></p>		
	<p><b>Bursary to Tertiary Institutions</b> The statement of receipt and payment reflect other grants and other payment of kshs.66,863,971 out of which kshs.9,526,300 was bursary to tertiary Institution. The expenditure approval minutes were not signed hence the approval for the expenditure could not be verified. In the circumstance, the propriety of the bursary expenditure of Kshs.9,526,300 could not be ascertained</p>	<p><i>The tertiary applicants were vetted by NG CDFC's staffs who also captured the data for forwarding to the NG CDFC who further scrutinized the applicants before approval and recommending awards. We have since established the Education Bursary sub-committee whose task is to vet the applicants and with the aim to recommend the applicants and set the criteria for award to enhance equity. We</i></p>	<p><b>Resolved</b></p>	

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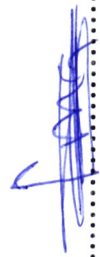
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>have attached a copy of the signed bursary authorizing minutes for your perusal.</p>		
	<p><b>Unsupported Expenditure on Monitoring and Evaluation of Projects.</b> Included in the figure of other committee expenses of Kshs. 1,475,041 a total of Kshs.77,000 was paid for monitoring and evaluation exercise as per the attendance register dated 19/12/2020</p>	<p>Find attached a copy of the M&amp;E report for your perusal to support the exercise regarding the attendance register of 19<sup>th</sup> December, 2020.</p>	Resolved	
	<p><b>Bursary to Secondary Schools.</b> The budget execution by sectors and projects showed an approved final budget of Kshs.38,360,800 while the actual expenditure was Kshs. 22,073,000 leading to an under absorption of 42% (kshs.16,287,800) it was not</p>	<p>We have attached a copy of the signed secondary bursary authorizing minutes for your perusal. The applicants were vetted by NG CDFC's staffs who also captured the data for forwarding the same to the NG CDFC who further scrutinized</p>	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>clear why the committee limited allocation to Secondary Schools despite the approval of deserving students.</p>	<p><i>the applicants before approval and recommending awards. We have since the established Education Bursary sub-committee whose task is to vet the applicants and with the aim to recommend the applicants and set the criteria for award to enhance equity. We have also attached the support schedule on the disbursement with the cheque numbers. (</i></p>		
	<p><b>Excess Meetings Held Beyond the Approved Limit.</b> Audit scrutiny of the committee meetings attendance registers revealed that the committee and respective adhoc sub-</p>	<p><i>The NG CDFC held 12 meetings and 9-sub committee meetings</i></p>	<p><b>Resolved</b></p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>committees held a total of seventy-one (71) meetings within the year, contrary to Section 43 (11) of the NGCDF Act that prescribes that the committee shall not hold more than twenty-four (24) meetings in the same financial year.</p>			

.....  
  
 Name: Felix M Gad  
 Fund Account Manager.

