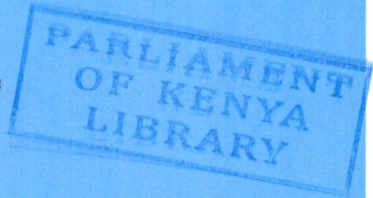


REPUBLIC OF KENYA



Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY	
DATE: 23 MAR 2022	DAY: WED. (pm)
TABLED BY: L.O.M.	
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OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – NYARIBARI MASABA
CONSTITUENCY**

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –
NYARIBARI MASABA CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI MASABA CONSTITUENCY**

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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Core Values

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

(b) Key Management

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

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

(c) Fiduciary Management

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

N	Designation	Name
o		
1.	A.I.E holder	Ronald Ingala Khaggayi
2.	Sub-County Accountant	Evans Moruri Obae
3.	Chairman NGCDFC	Mark Siko
4.	Member NGCDFC	Joseph Omare King’oina

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF NYARIBARI MASABA Constituency Headquarters

P.O. Box 976 – 40202,
Masimba NGCDF Office
Masaba South Hqs
Off Keroka – Kilgoris Road
Keroka, KENYA.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI MASABA CONSTITUENCY**

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

(f) NGCDF NYARIBARI MASABA Constituency Contacts

Telephone: (254) 751 500004
E-mail: cdfnayaribarimasaba@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF NYARIBARI MASABA Constituency Bankers

1. The Cooperative Bank of Kenya
Keroka Branch
P.O. Box 976
Keroka - 40202
Kenya.

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

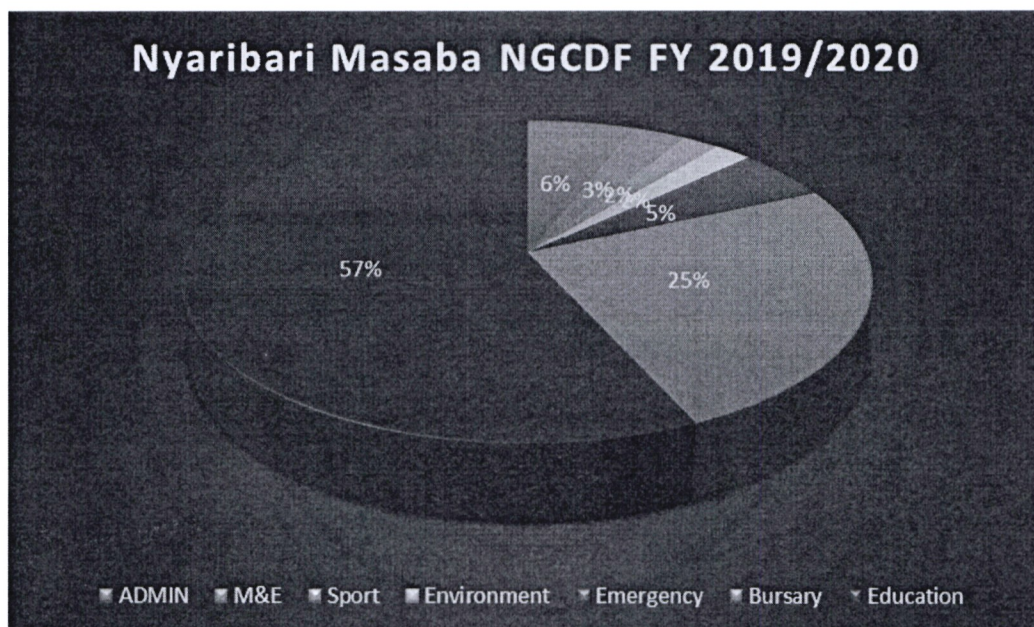
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

It is another time of the year that we are pleased to present our financial statements for Nyaribari Masaba NGCDF Committee as per the IPSAS guidelines governing expenditure from the exchequer. As much as it is a statutory requirement, it is also an opportunity for us as the Nyaribari Masaba NGCDF Committee to lay bare our expenditure vis-à-vis the budget in meeting constitutional requirements of making information available to the public to whom we owe a duty of care in handling public funds.

The allocation for the FY 2019/2020 was Kshs. 137,367,724.14 from which Kshs. 131,367,724.14 was received from the NGCDF Board. We are proud to report that all funds received were expensed within the given financial year.

The money was allocated to the following sectors;



The committee was able to issue bursary to students in secondary schools and colleges amounting to over Kshs. 38,000,000 with the funds being disbursed at the beginning of the calendar year 2020. All projects were funded fully and money disbursed to the respective PMC accounts for those institutions.

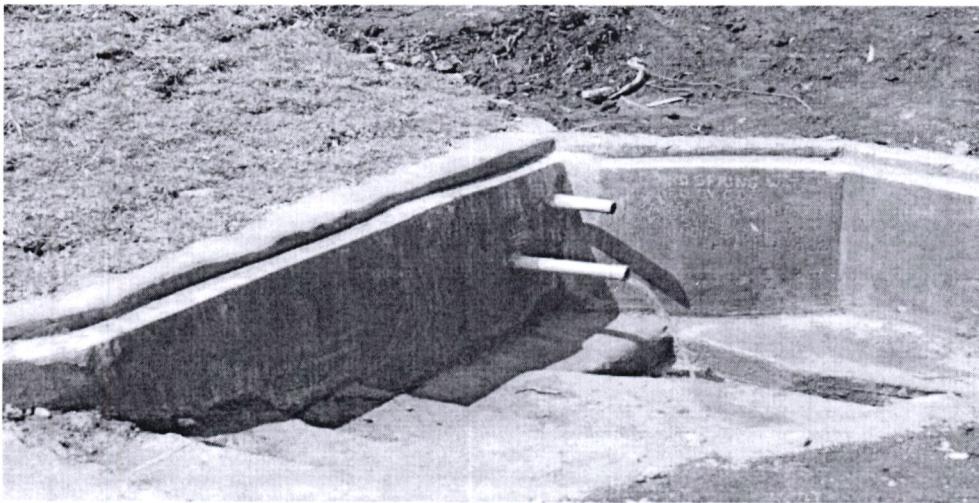
Among the completed projects include;

- **Emeroka Secondary School;** Construction of a one storey building comprising of a laboratory and two classrooms.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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- We were able to construct six water springs in line with water conservation measures under the environment vote in different parts of the constituency.



- We have been able to cover over 75% of public schools in the constituency in three financial years to have received funding for a NGCDF project.
- We successfully held a football tournament under the sports vote as well as holding an athletics day in the month of December 2019.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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The major challenge to have faced this financial year is the global pandemic of the Covid-19 infectious disease which affected many programs including training of PMCs where we had to conduct several small group trainings per PMC. Normal office operations were disrupted with the office operating with minimal staff and limiting the number of visitors to the offices.

Among the emerging issues is to have a Business Continuity Management Plan in case of any major disruptions of our operations.

The promising part is that the committee has been fully constituted and gazetted hence able to carry out its mandate in the coming two years. We hope for a prosperous period ahead as we embark on serving the constituents.

Signed;

.....
MARK SIKO
CHAIRMAN NGCDF COMMITTEE

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
 NYARIBARI MASABA CONSTITUENCY**

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

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of NGCDF-NYARIBARI MASABA Constituency's 2018-2022 plan are to:

- i. Improved quality of life (through poverty eradication) and sustainable social-economic development.
- ii. Efficient Communication and Logistics
- iii. Development of our youth's potential in education and extra-curriculum activities
- iv. Improved Security

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 Program	Objective	Outcome	Indicator	Performance
<i>Education</i>	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- Number of usable physical infrastructure build in primary, secondary, and tertiary institutions - Number of bursary beneficiaries at all levels	In FY 19/20; - We have constructed new classrooms, laboratories and dormitories in over 71 schools as per the schedules. - Bursary beneficiaries at all levels were as per the attached schedules
<i>Security</i>	To improve the security situation for all households	Increased security infrastructure installations	- Number of police posts and stations	- Proposed a construction of one additional police post at Ichuni.
<i>Environment</i>	Improved quality of life through environmental	Establishment of tree nurseries and plantations,	- Number of trees planted - Number of	- Established 5 tree nurseries - Protected six

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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	management	water tanks and water springs rehabilitated.	water springs protected - Number of tanks bought.	water springs as per the project proposal for the FY 2019/2020.
<i>Sports</i>	Development of our youth's potential in extra-curriculum activities	Increased number of youth participating in sports and other extra-curriculum activities	- Active participation in sports activities organised by the NG-CDF.	In the FY 2019/2020; - We successfully organised a football tournament and an athletics sports day for the constituency.
<i>Disaster Management</i>	Develop an efficient communication and logistics system	Reduce the impact of a disaster on the community.	- Efficient response to emergency situations occurring in the community.	In this FY, in response to emergency situations; - We managed to build toilets in more than 12 schools to improve the sanitary situation. - We bought hand washing points to all market places, bus stages in mitigation of the covid-19 pandemic.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile -

Vision

The vision for Nyaribari Masaba is to shine in all areas of human endeavours; to achieve a high Human Development Index (HDI), characterized by peaceful coexistence, improved quality of life, food sufficiency, employment opportunities, investment opportunities, a well-connected infrastructure and excellent academic performance.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI MASABA CONSTITUENCY**

**Reports and Financial Statements
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Mission

To Involve all the constituency stakeholders (political leaders, church leaders, constituents, County Government, National Government, development partners, professionals, donors and well-wishers) in transforming Nyaribari Masaba through concerted and collaborative effort to drive the constituency's social economic development agenda.

Goals

- Improved quality of life (through poverty eradication) and sustainable social-economic development.
- Efficient Communication and Logistics
- Development of our youth's potential in education and extra-curriculum activities
- Improved Security

To this end, the Nyaribari Masaba NGCDF embodies the spirit of the Kenyan constitution where the citizen is at the fore front in making key decisions for the development needs of the constituency. Therefore, it aims at a concerted and collaborative effort to drive the constituency's social economic development agenda. This are the best practices to bring to the people the development they need and putting them at the focal point of development.

The NGCDF in collaboration with the political leadership of the constituency has been able to hold successful forums with the professionals from various sectors of the economy to review the strategic plan and come up with actionable plans to chart the sustainability strategy and constituency profile as per its strategic plan.

There is need to do a follow up on the actionable points achieved in the various stakeholder forums held to assess the level achieved from the goals set.

2. Environmental performance

The Strategic Plan proposes several strategic interventions to address the issues of water shortage, water access and water management in the constituency. The interventions require a concerted collaborative approach by all stakeholders.

- i. Supply schools with high capacity plastic and/or concrete water tanks for water harvesting
- ii. Protect water springs and water points and build water reservoirs to hold the water as the overflows is left to go downstream.
- iii. Sensitize the community on the importance of water harvesting, management and effective use.
- iv. Support and encourage community members to form CBOs to expedite pooling of resources for each household to purchase water harvesting tanks.
- v. Encourage tree planting by households and the community to support river bank protection.
- vi. Use students from schools, especially from Environmental Clubs to be active in riverbank conservation.

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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- vii. Build adequate and good toilets in schools, churches, markets and encourage households to do so at home to improve hygiene.

The constituency in partnership with other stakeholders to construct proper drainage systems in towns, trading and market centres.

Closely related to water and sanitation is environmental conservation. Without conserving our environment, the springs will run dry, the rivers will cease to flow and the rains will be unpredictable. Indeed the phenomenon of climate change is attributed to plunder and misuse of our natural resources. In this strategy, the constituency will work hand in hand with stakeholders to conserve the environment by promoting good agricultural practices, proper management of waste and waste water, and afforestation efforts. To this end the following interventions are proposed:

- Promote tree planting every year along roads, community land, and water catchment areas.
- Sponsor tree nursery Programmes in 25 primary schools (5 schools per ward).
- Provide good variety and quality tree seedling at cost to constituents.
- Declare one day a tree planting day in Nyaribari Masaba to mobilize the community for plant trees.
- Set one afternoon off once a month for cleaning public and community places - declare the afternoon Nyaribari Masaba Environment Cleaning Day.
- Promote environmental conservation and cleanliness through public barazas and community gathering events.

The constituency has managed to plant trees in 100 schools. The schools are distributed across all wards. Twenty schools have received water tanks with 12 schools benefitting from toilets in the FY 2019/2020.

There is need to scale up the after-care of the environmental projects to be given priority just as other NGCDF projects. Unlike other projects which have been given proper maintenance by respective PMCs, the environmental projects are left to the mercy of nature hence failure for some of the trees planted to mature well.

The involvement of all stakeholders in the environmental sustainability program will lead to improved results in terms of outcome and impact of the efforts made.

3. Employee welfare

The NGCDF staff establishment is made up of 13 staff on a contract basis of two years which is renewable. The staff engagement are governed under the Employment Act of 2007, the various labour laws and the NGCDF circular on staff at the constituency level.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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The working hours are from 8:00am to 5:00pm with a one hour lunch break per day, Monday to Friday. Workers engaged on weekends and over official working hours are paid overtime for their duties.

Recruitment

The office advertises for vacant positions if it arises and invites the public to participate in the interview process. The NGCDF will aim at selecting the best candidate giving consideration to equal opportunities to all, gender balance and regional balance in terms of ward distribution among the staff.

Skills, Appraisals and Reward Systems

The NGCDF has given the staff an opportunity to select the desired training they want to attend on an annual basis to which the office will meet the cost. We have had staff attend training to improve their knowledge and skills in various institutions like JKUAT and KIBHT.

The staff are appraised on an annual basis with an annual increment on their salaries on an annual basis.

Occupational Safety and Health Measures

The staff are trained to observe the standards set in the Occupational Safety and Health Act of 2007 by first maintaining a safe working place through ensuring cleanliness and easy access of offices to staff and visitors at all times.

We have trained staff on alcohol abuse, HIV/AIDS and selected the fire marshal who is trained in first aid and emergency response.

In response to the Covid-19 pandemic, the Nyaribari Masaba NGCDF Committee resolved that;

- All NGCDF Committee meetings and any other auxiliary meeting be suspended for the next indefinitely unless in an emergency situation to which all the necessary precautions will be undertaken; this includes project visits by the NGCDF Committee
- All staff meetings to be suspended for the next indefinitely
- All staff on leave to remain on leave unless communicated to otherwise
- The office will remain open with minimal staff of two persons per day on a rotation basis
- The Fund Account Manager and NGCDF Chairperson will be designated as providers of critical services
- The FAM will receive daily updates on the well-being of the staff and committee members even those not working in the office and coordinate any response if need be

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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- The NGCDF team to coordinate with the Constituency office to provide Hand washing equipment in critical areas like markets and Bus parks as an emergency response to the pandemic
- The NGCDF vehicle will remain on standby to handle any emergency situation out of the Coronavirus pandemic
- The committee will offer any support possible to the staff if need arises.

The committee resolved to ensure that the members and staff strictly adhere to the guidelines issued by the government in trying to contain the virus.

4. Market place practices-

Nyaribari Masaba NGCDF resonates in its market place practices in line with Brand Kenya goals of;

- A good place to live and work;
- A good place to invest;
- A good place to attract others to visit and emulate.

To this end;

a) Responsible competition practice

The NGCDF encourages the promotion of the local economy by using local products and services. There is open tendering for our goods and services and at the PMC level. We discourage political patronage with all persons and merchants given an equal opportunity in dealing with the NGCDF.

There is a channel for reporting corruption practices and complaints through a complaints handling committee at the NGCDF level.

b) Responsible Supply chain and supplier relations

Payments to suppliers are done promptly upon presentation of requisite supporting documents within the agreed timelines.

c) Responsible marketing and advertisement

The NGCDF encourages open participation of all persons to its tenders and any form of advertising for goods and services. Conversing is discouraged with no form of discrimination.

However, we give priority to some quota in terms of Youth, Women and People Living with Disability as per government policy guidelines.

We encourage the participation of the locals especially in areas where there is provision of unskilled labour.

d) Product stewardship

We aim at ensuring that our goods and services meet the required threshold for standardization. To this end, we engage qualified merchants who will supply reputable brands of goods.

The service providers engaged should have the requisite certification like KRA Tax compliance and registration with NCA for contractors.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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5. Community Engagements-

In order to shine in all areas of human endeavours; to achieve a high Human Development Index requires involvement and participation by all people living in the constituency coupled with visionary and transformative leadership may it be political, religious or community.

The NGCDF has collaborated with the constituency leadership in engaging the community. We have partnered with the Ministry of Interior and Coordination of National Government to conduct barazas for the people to understand the need to grow their schools and improve education standards in the constituency.

We have funded the Ministry of Education conduct a survey of the best practices in schools in addition to holding education days in the various education zones.

The committee distributed washing points and sanitizers to all market places (85) in the constituency to mitigate the effects of the global covid-19 pandemic.

Our mantra is *“Development of the constituency will require collective, collaborative and a deliberate effort by all parties including those living in the constituency, sons and daughters of the soil living in the diaspora, development partners, political and community leaders among other.”*

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

V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 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-NYARIBARI MASABA Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

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

Approval of the financial statements

The NGCDF-NYARIBARI MASABA Constituency financial statements were approved and signed by the Accounting Officer on 21ST August 2020.



Fund Account Manager

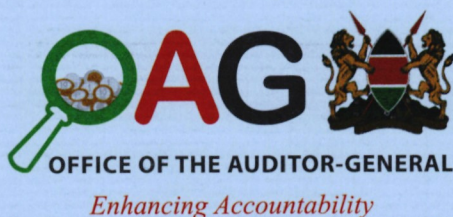
Name: RONALD INGALA KHAGGAYI



Sub-County Accountant

Name: EVANS MORURI OBAE
ICPAK Member Number: 17318

REPUBLIC OF KENYA



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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the financial statements of National Government Constituencies Development Fund - Nyaribari Masaba Constituency set out on pages 17 to 43, which comprise the statement of financial assets and liabilities as at 30 June, 2020 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development combined and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Nyaribari Masaba Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

Unsupported Expenditure

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects use of goods and services balance of Kshs.12,667,614 which was not supported with relevant documents. Further, the statement of receipts and payments and as disclosed in Note 8 to the financial statements reflects acquisition of assets balance of Kshs.275,000 in respect of ICT equipment, software and other ICT assets which was not supported with relevant documents.

Consequently, the accuracy, validity and completeness of the expenditure of Kshs.12,942,614 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 – Nyaribari Masaba 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

Report of the Auditor-General on National Government Constituencies Development Fund – Nyaribari Masaba Constituency for the year ended 30 June, 2020

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

Budgetary Control and Performance

The statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.155,048,542 and Kshs.148,848,542 respectively resulting to an under-funding of Kshs.6,200,000 or 4% of the budget. Similarly, the Fund expended Kshs.148,839,588 against an approved budget of Kshs.155,048,542 resulting to an under-expenditure of Kshs.6,208,954 or 4% of the budget.

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

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 matter 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

Poor Workmanship of Projects

The statement of receipts and payments and as disclosed in Note 6 to the financial statement reflects a balance of Kshs.75,276,276 related to transfers to other government entities. Included in this amount is Kshs.51,476,276 which was transferred to primary schools. Physical verification carried out on four (4) primary schools with a total funding of Kshs.2,200,000 revealed poor workmanship and use of substandard materials.

In the circumstances, value for money for the expenditure of Kshs.2,200,000 could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high

level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

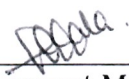
11 February, 2022


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

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

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	148,848,542	106,439,368
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		148,848,542	106,439,368
PAYMENTS			
Compensation of employees	4	4,180,394	3,278,274
Use of goods and services	5	12,667,614	8,726,050
Transfers to Other Government Units	6	75,276,276	52,349,611
Other grants and transfers	7	55,986,953	48,320,380
Acquisition of Assets	8	275,000	-
Other Payments	9	453,351	1,169,256
TOTAL PAYMENTS		148,839,588	113,843,571
SURPLUS/(DEFICIT)		<u>8,954</u>	<u>(7,404,203)</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NYARIBARI MASABA Constituency financial statements were approved on 21ST August 2020 and signed by:


 Fund Account Manager
 Name: RONALD INGALA KHAGGAYI



 Sub-County Accountant
 Name: EVANS MORURI OBAE
 ICPAK Member Number: 17318


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
 NYARIBARI MASABA CONSTITUENCY
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 For the year ended June 30, 2020**

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

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	181,204	172,250
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		181,204	172,250
Accounts Receivable		-	-
Outstanding Imprests	11		
TOTAL FINANCIAL ASSETS		181,204	172,250
FINANCIAL LIABILITIES			
Accounts Payable		-	-
Retention	12A	-	-
Deposits (Gratuity)	12B	-	-
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		<u>181,204</u>	<u>172,250</u>
REPRESENTED BY			
Fund balance b/fwd	13	172,250	7,576,453
Prior year adjustments	14	-	-
Surplus/Deficit for the year		8,954	(7,404,203)
NET FINANCIAL POSITION		<u>181,204</u>	<u>172,250</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NYARIBARI MASABA Constituency financial statements were approved on 21ST August 2020 and signed by:


 Fund Account Manager
 Name: RONALD INGALA KHAGGAYI


 Sub-County Accountant
 Name: EVANS MORURI OBAE
 ICPAK Member Number: 17318

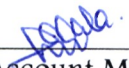
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
 NYARIBARI MASABA CONSTITUENCY**


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

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

	Notes	2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	148,848,542	106,439,368
Other Receipts	3	-	-
Total receipts		<u>148,848,542</u>	<u>106,439,368</u>
Payments for operating expenses			
Compensation of Employees	4	4,180,394	3,278,274
Use of goods and services	5	12,667,614	8,726,050
Transfers to Other Government Units	6	75,276,276	52,349,611
Other grants and transfers	7	55,986,953	48,320,380
Other Payments	9	453,351	1,169,256
Total payments		<u>148,564,588</u>	<u>113,843,571</u>
Total Receipts Less Total Payments			
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
		<u>283,954</u>	<u>(7,404,203)</u>
Net cash flow from operating activities			
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(275,000)	-
Net cash flows from Investing Activities		<u>(275,000)</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENT		8,954	(7,404,203)
Cash and cash equivalent at BEGINNING of the year	13	172,250	7,576,453
Cash and cash equivalent at END of the year		<u>181,204</u>	<u>172,250</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NYARIBARI MASABA Constituency financial statements were approved on 21ST August 2020 and signed by:


 Fund Account Manager
 Name: RONALD INQALA KHAGGAYI


 National Sub-County Accountant
 Name: EVANS MORURI OBAE
 ICPAK Member Number: 17318

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

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

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
RECEIPTS						
Transfers from NGCDF Board	137,367,724.00	17,680,818.00	155,048,542.00	148,848,541.60	6,200,000.40	96%
Proceeds from Sale of Assets	-	-	-	-	-	0%
Other Receipts	-	-	-	-	-	0%
	<u>137,367,724.00</u>	<u>17,680,818.00</u>	<u>155,048,542.00</u>	<u>148,848,541.60</u>	<u>6,200,000.40</u>	<u>96%</u>
PAYMENTS						
Compensation of Employees	4,692,693.11	618,622	5,311,315.11	4,180,394.00	1,130,921.11	79%
Use of goods and services	7,670,401.93	4,201,819	11,872,220.93	12,667,614.00	(795,393.07)	107%
Transfers to Other Government Units	77,300,000.00	3,740,606	81,040,606.00	75,276,276.00	5,764,330.00	93%
Other grants and transfers	47,704,628.96	6,800,000	54,504,628.96	55,986,953.00	(1,482,324.04)	103%
Acquisition of Assets	-	-	-	275,000.00	(275,000.00)	0%
Other Payments	-	2,319,771	2,319,771.00	453,351.00	1,866,420.00	20%
	<u>137,367,724.00</u>	<u>17,680,818.00</u>	<u>155,048,542.00</u>	<u>148,839,588.00</u>	<u>6,208,954.00</u>	<u>96%</u>
TOTALS				<u>0</u>		

(a) The reasons for under-utilization/over-utilization is as below;

- i. Under the compensation of employees, the money is towards the payment of staff gratuity to be paid in the FY 2020/2021.
- ii. Over-utilisation on goods and services is as a result of commitments carried over from the previous financial year settled in the FY 2019/2020
- iii. The balance on Transfer to government units is a result of funds at the Board for project held for authorization in the FY 2019/2020.
- iv. The acquisition of assets was as a result of trying to improve of ICT infrastructure in the office which was necessary for communication purposes.
- v. Other payments are awaiting reallocation authorization from the NGCDF Board.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBARI MASABA CONSTITUENCY
Reports and Financial Statements
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The difference in the original and final budget is as result of funds that were not yet received from the NGCDF Board as at the beginning of the FY 2019/2020. Thus the budget items were expensed in the current FY yet they were originally to be executed in the FY 2018/2019.

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NYARIBARI MASABA Constituency financial statements were approved on 21st August 2020 and signed by:



Fund Account Manager
Name: RONALD INGALA KHAGGAYI



Sub-County Accountant
Name: EVANS MORURI OBAE
ICPAK Member Number: 17318

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBAKI MASABA CONSTITUENCY

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

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020 Kshs	Adjustments Kshs	Final Budget 2019/2020 Kshs	Actual on comparable basis 30/06/2020 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	4,595,378.00	618,622.00	5,214,000.00	4,180,394.00	1,033,606.00
1.2 Committee allowances	1,872,000.00	618,722.76	2,490,722.76	3,179,600.00	(688,877.24)
1.3 Use of goods and services	1,774,685.45	1,482,237.12	3,256,922.57	2,435,612.76	821,309.81
2.0 Monitoring and evaluation					
2.1 Capacity building	1,373,677.24	1,482,237.12	2,855,914.36	2,990,000.00	(134,085.64)
2.2 Committee allowances	1,373,677.24	-	1,373,677.24	2,790,000.00	(1,416,322.76)
2.3 Use of goods and services	1,373,677.24	-	1,373,677.24	1,373,677.24	-
3.0 Emergency					
3.1 Primary Schools	4,879,741.00	-	4,879,741.00	4,700,000.00	179,741.00
3.2 Secondary schools	650,000.00	-	650,000.00	650,000.00	-
3.3 Tertiary institutions	-	-	-	-	-
3.4 Security projects	500,000.00	-	500,000.00	500,000.00	-
3.5 Other	1,168,500.00	-	1,168,500.00	1,168,500.00	-
4.0 Bursary and Social Security					
4.1 Primary Schools	-	-	-	-	-
4.2 Secondary Schools	10,000,000.00	-	10,000,000.00	12,550,000.00	(2,550,000.00)
4.3 Tertiary Institutions	24,011,679.00	-	24,011,679.00	27,242,345.00	(3,230,666.00)
4.4 Universities	-	-	-	-	-
4.5 Social Security	-	-	-	-	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBARI MASABA CONSTITUENCY

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

Programme/Sub-programme	Original Budget 2019/2020 Kshs	Adjustments Kshs	Final Budget 2019/2020 Kshs	Actual on comparable basis 30/06/2020 Kshs	Budget utilization difference Kshs
5.0 Sports					
5.1 Getacho Primary School	700,000.00	-	700,000.00	350,000.00	350,000.00
5.2 Constituency Sports Tournament	2,047,354.48	1,340,606.00	3,387,960.48	2,116,108.00	1,271,852.48
6.0 Environment					
6.1 Water Springs	900,000.00	-	900,000.00	900,000.00	-
6.2 Tree Planting	907,354.48	618,622.00	1,525,976.48	1,060,000.00	465,976.48
6.3 Water Tanks	840,000.00	1,400,000.00	2,240,000.00	-	2,240,000.00
7.0 Primary Schools Projects (List all the Projects)					
7.1 Nyamagesa Boarding Primary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
7.2 Kiomiti Primary School	3,500,000.00	-	3,500,000.00	3,500,000.00	-
7.3 Mokoboko Primary School	1,400,000.00	-	1,400,000.00	1,400,000.00	-
7.4 Omogogo Primary School	1,200,000.00	-	1,200,000.00	1,200,000.00	-
7.5 Nyagachi Primary School	1,200,000.00	-	1,200,000.00	1,200,000.00	-
7.6 Emborogo Primary School	600,000.00	-	600,000.00	600,000.00	-
7.7 Ibancho Primary School	1,200,000.00	-	1,200,000.00	1,200,000.00	-
7.9 Rianyoka Primary School	1,200,000.00	-	1,200,000.00	1,200,000.00	-
7.10 Riamakanda Primary School	1,200,000.00	-	1,200,000.00	1,200,000.00	-
7.11 Gekonge Primary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
7.12 Kegogi Primary School	1,500,000.00	-	1,500,000.00	1,500,000.00	-
7.13 Getacho Primary School	1,600,000.00	-	1,600,000.00	1,600,000.00	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBAKI MASABA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020 Kshs		2019/2020 Kshs	30/06/2020 Kshs	
7.14 Obwari Primary School	400,000.00	-	400,000.00	400,000.00	-
7.15 Ikenye Primary School	-	1,400,000.00	1,400,000.00	1,400,000.00	-
7.16 Kiamokama FAM Primary School	-	500,000.00	500,000.00	500,000.00	-
8.0 Secondary Schools Projects (List all the Projects)					
8.1 Amabuko Secondary School	3,200,000.00	1,000,000.00	4,200,000.00	4,200,000.00	-
8.2 Sasati Secondary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
8.3 Ekwere Secondary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
8.4 Moreremi Secondary School	1,800,000.00	-	1,800,000.00	1,800,000.00	-
8.5 Sosera Secondary School	1,400,000.00	-	1,400,000.00	1,400,000.00	-
8.6 Riuri Secondary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
8.7 Ibacho High School	3,000,000.00	-	3,000,000.00	3,000,000.00	-
8.8 Chironge Secondary School	2,500,000.00	-	2,500,000.00	2,500,000.00	-
8.9 Emeroka Secondary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
8.10 Geteri Secondary School	1,400,000.00	-	1,400,000.00	1,400,000.00	-
8.11 Mosisa Secondary School	1,500,000.00	-	1,500,000.00	1,500,000.00	-
8.12 Musa Nyandusi Gesicho Secondary School	2,800,000.00	-	2,800,000.00	2,800,000.00	-
8.13 Ramasha Secondary School	500,000.00	-	500,000.00	500,000.00	-
8.14 Masimba Secondary School	2,500,000.00	-	2,500,000.00	2,500,000.00	-
8.15 Nyamesocho Secondary School	500,000.00	-	500,000.00	500,000.00	-
8.16 Kiamokama Friends Secondary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
8.17 Getare Girls Secondary School	2,000,000.00	1,400,000.00	3,400,000.00	3,400,000.00	-
8.18 Ichuni Girls High School	4,000,000.00	-	4,000,000.00	4,000,000.00	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBARI MASABA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020 Kshs	Adjustments Kshs	Final Budget 2019/2020 Kshs	Actual on comparable basis 30/06/2020 Kshs	Budget utilization difference Kshs
8.19 Mesabisabi Secondary School	4,000,000.00	-	4,000,000.00	4,000,000.00	-
8.20 Mesabisabi Secondary School	700,000.00	-	700,000.00	700,000.00	-
8.21 Suguta Secondary School	700,000.00	-	700,000.00	700,000.00	-
8.22 Hema High School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
8.23 Nyankononi Secondary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
8.24 Chibwobi Secondary School	4,000,000.00	-	4,000,000.00	-	4,000,000.00
8.25 Matibo Girls Secondary School	3,200,000.00	-	3,200,000.00	3,200,000.00	-
8.26 Masabo Secondary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
8.27 Amasege Secondary School	-	1,000,000.00	1,000,000.00	1,000,000.00	-
8.28 Mogweko Secondary School	-	1,500,000.00	1,500,000.00	1,500,000.00	-
8.29 Mobamba High School	-	1,000,000.00	1,000,000.00	1,000,000.00	-
9.0 Tertiary institutions Projects (List all the Projects)					
9.1 Riatrimba Technical Training Institute	6,000,000.00	-	6,000,000.00	-	6,000,000.00
10.0 Security Projects					
10.1 Ikenye Chief's Office	350,000.00	-	350,000.00	350,000.00	-
10.2 Nyamagesa Chief's Office	350,000.00	-	350,000.00	350,000.00	-
10.3 Ichuni Police Post	-	-	-	4,000,000.00	(4,000,000.00)
11.0 Acquisition of assets					
11.1 Motor Vehicles (including motorbikes)	-	-	-	-	-
11.2 Construction of CDF office	-	-	-	-	-

REPORTS AND FINANCIAL STATEMENTS
 For the year ended June 30, 2020

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020		2019/2020	30/06/2020	
	Kshs	Kshs	Kshs	Kshs	Kshs
11.3 Purchase of furniture and equipment	-	-	-	-	-
11.4 Purchase of computers	-	-	-	-	-
11.5 Purchase of land	-	-	-	-	-
12.0 Others					
12.1 Strategic Plan	-	453,351.00	453,351.00	453,351.00	-
12.2 Innovation Hub	-	1,866,420.00	1,866,420.00	-	1,866,420.00
TOTAL	137,367,724.13	17,680,818.00	155,048,542.13	148,839,588.00	6,208,954.13

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
NYARIBARI MASABA CONSTITUENCY**

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XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 30th June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2020.

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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**XIII. NOTES TO THE FINANCIAL STATEMENTS
 1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2019 - 2020	2018 - 2019
		Kshs	Kshs
Normal Allocation	A.I.E. NO. B005018		11,379,310.35
	A.I.E. NO. B030039		2,000,000.00
	A.I.E. NO. B030293		10,000,000.00
	A.I.E. NO. B006497		8,000,000.00
	A.I.E. NO. B005450		12,000,000.00
	A.I.E. NO. B042825		12,000,000.00
	A.I.E. NO. B042962		12,000,000.00
	A.I.E. NO. B047579		39,060,058.00
	A.I.E. NO. B047123	1,000,000.00	
	A.I.E. NO. B047203	13,800,000.00	
	A.I.E. NO. B047341	2,180,817.50	
	A.I.E. NO. B047280	500,000.00	
	A.I.E. NO. B041181	4,000,000.00	
	A.I.E. NO. B041184	20,000,000.00	
	A.I.E. NO. B049156	6,000,000.00	
	A.I.E. NO. B049211	15,000,000.00	
	A.I.E. NO. B104451	23,000,000.00	
	A.I.E. NO. B096772	63,367,724.10	
Conditional Grants		-	-
Receipt from other Constituency		-	-
TOTAL		148,848,541.60	106,439,368.35

2. PROCEEDS FROM SALE OF ASSETS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Basic wages of temporary employees	3,446,227.00	3,003,226.00
Basic wages of casual labour	75,900.00	-
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	24,000.00	-
Other personnel payments	-	-
Employer contribution to NSSF	557,656.00	275,048.00
Gratuity-contractual employees	76,611.00	-
TOTAL	4,180,394.00	3,278,274.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Utilities, supplies and services	1,153,514.00	747,550.00
Electricity	20,000.00	20,000.00
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	400,000.00	-
Domestic travel and subsistence	475,000.00	40,000.00
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	200,000.00	-
Training expenses	2,990,000.00	1,080,000.00
Hospitality supplies and services	-	-
Other committee expenses	2,790,000.00	3,249,700.00
Committee allowance	3,179,600.00	2,000,000.00
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	548,000.00	-
Fuel , oil & lubricants	400,000.00	400,000.00
Other operating expenses	300,000.00	-
Bank service commission and charges	-	-
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	211,500.00	-
Routine maintenance- other assets	-	-
TOTAL	12,667,614.00	7,537,250.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities	23,800,000.00	19,000,000.00
Transfers to primary schools (see attached list)	51,476,276.00	33,349,611.00
Transfers to secondary schools (see attached list)	-	-
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	-	-
TOTAL	75,276,276.00	52,349,611.00

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Bursary - Secondary	12,550,000.00	10,559,679.00
Bursary -Tertiary	27,242,345.00	27,741,887.00
Bursary- Special Schools	-	15,000.00
Mocks & CAT	-	-
Water	-	-
Food Security	-	-
Electricity	-	-
Security	4,700,000.00	1,000,000.00
Roads and Bridges	-	-
Sports	2,466,108.00	2,441,814.00
Environment	1,960,000.00	1,832,000.00
Cultural Projects	-	-
Agriculture	-	-
Emergency Projects	7,068,500.00	4,730,000.00
TOTAL	55,986,953.00	48,320,380.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	275,000	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	275,000.00	-

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	453,351	1,188,800
ICT Hub	-	1,169,256
Total	453,351	2,358,056

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2019 - 2020	2018 - 2019
	Kshs	Kshs
<i>The Cooperative Bank of Kenya, 01120018104700</i>	181,204.00	172,250.00
Total	181,204.00	172,250.00
10B: CASH IN HAND		
	-	-
	-	-
	-	-
	-	-
	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<i>Total</i>				-

12A. RETENTION

	2019 - 2020	2018-2019
	Kshs	Kshs
-	-	-
-	-	-
-	-	-
Total	-	-

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	Kshs	Kshs
-	-	-
-	-	-
-	-	-
Total	-	-

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13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs (30/06/2019)	Kshs (30/06/2018)
Bank accounts	172,250.00	7,576,453.00
Cash in hand	-	-
Imprest	-	-
Total	172,250.00	7,576,453.00

14. PRIOR YEAR ADJUSTMENTS

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

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Outstanding Imprest as at 1 st July 2019 (A)	-	-
Imprest issued during the year (B)	8,088,500.00	4,160,000.00
Imprest surrendered during the Year (C)	8,088,500.00	4,160,000.00
Net changes in account receivables D= A+B-C	-	-

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
Staff salaries	-	-
Staff Gratuity	1,838,664.00	1,005,104.00
Others	-	-
TOTAL	1,838,664.00	1,005,104.00

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	-	618,622.00
Use of goods and services	208,954.00	801,578.00
Amounts due to other Government entities (see attached list)	6,000,000.00	8,940,606.00
Amounts due to other grants and other transfers (see attached list)	-	1,600,000.00
Acquisition of assets	-	-
Others (<i>specify</i>)	-	2,319,771.00
	6,208,954.00	14,280,577.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	52,580,490.25	12,481,198.15
	52,580,490.25	12,481,198.15

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2020 d=a-c	Comments
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
		a	b	c	d=a-c	
Senior Management						
1.						
2.						
3.						
	Sub-Total					
Middle Management						
4.						
5.						
6.						
	Sub-Total					
Unionisable Employees						
7.						
8.						
9.						
	Sub-Total					
Others (specify)						
10.						
11.						
12.						
	Sub-Total					
	Grand Total					

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/2019	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/2020
Land	18,924,723	-	-	18,924,723
Buildings and structures	4,000,000	-	-	4,000,000
Transport equipment	1,357,635	-	-	1,357,635
Office equipment, furniture and fittings	420,000	-	-	420,000
ICT Equipment, Software and Other ICT Assets	191,000	275,000	-	466,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	<u>24,893,358</u>	<u>275,000</u>	<u>0</u>	<u>25,168,358</u>

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

PMC	Bank	Account number	Bank Balance 2019/2020	Bank Balance 2018/2019
GESABAKWA SEC	CO-OP BANK, KEROKA	01139361984900	1,605.00	0.00
MOSISA SEC	KCB- KEROKA	1258206668	1,000,000.00	1,500,493.00
MATIBO GIRLS SEC	EQUITY BANK	1240278937928	2,188,540.00	1,500,000.00
MOCHENGO SDA PRIMARY	KCB, KEROKA	1256832499	0.00	192.00
EMBOROGO SDA PRIMARY	CO-OP BANK, KEROKA	01141017310800	540,615.00	1,000,000.00
MOTONYONI DOK PRIMARY	CO-OP BANK, KEROKA	01141017521900	9,425.00	1,000,000.00
MESOCHO SDA PRIMARY	KCB, KEROKA	1258689014	1,000,000.00	429.00
RIAMICHOKI D.O.K	KCB, KEROKA	1166548066	1,000,829.00	33,058.00
ST. CECILIA RAMASHA SEC	KCB, KEROKA	110567434	1,077,893.65	473,146.65
GETACHO DEB PRIMARY	KCB, KEROKA	1257092413	1,400,000.00	2,085.00
MUSA NYANDUSI – GESICHO SEC	KCB, KEROKA	1257032445	1,400,000.00	2,806,601.00
MASABO SEC	CO-OP BANK, KEROKA	01141017571700	498,231.00	171,550.00
MATIBO GIRLS SEC	EQUITY - KEROKA	1240278937928	2,188,540.00	1,500,000.00
KIAMOKAMA FRIENDS SEC	EQUITY BANK KEROKA	1240278884187	1,818,220.00	0.00
KENYORO DEB PRIMARY	KCB, KEROKA	1259907848	0.00	849.00
KIOMITI DOK PRIMARY	KCB, KEROKA	1234192446	4,048.50	149,344.50
SOSERA SEC	KCB, KEROKA	1176083988	1,000,311.60	1,400,239.60
ST. PETERS CHIRONGE	KCB, KEROKA	1234868865	1,401,179.00	156,751.00
MASIMBA SECONDARY	EQUITY - KEROKA	1240279034187	224,310.00	0.00
NYAMAGESA SDA BOARDING	CO-OP BANK, KEROKA	01141361360200	2,000,000.00	0.00
EMEROKA MIXED SECONARY	CO-OP BANK, KEROKA	01141363401800	1,000,272.00	1,400,830.00
OBWARI SDA PR	CO-OP BANK, KEROKA	01139361706900	203,827.00	3,827.50
MESABISABI SEC SCHOOL	CO-OP BANK, KEROKA	01141362021900	4,005,229.00	403,179.50
KIAMOKAMA FRIENDS SEC SCOOOL	EQUITY BANK KEROKA	1240278884187	1,818,220.00	0.00

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PMC	Bank	Account number	Bank Balance 2019/2020	Bank Balance 2018/2019
IBANCHORE PRIMARY	CO-OP BANK, KEROKA	01139361929700	1,201,012.75	1,012.75
EMBOROGO SDA PRIMARY SCHOOL	CO-OP BANK, KEROKA	01141017310800	540,615.00	1,000,000.00
NYAMAGESA SDA PRIMARY	CO-OP BANK, KEROKA	01141361360200	2,000,000.00	0.00
RIURI MIXED DEB SECONDARY	CO-OP BANK, KEROKA	01141364178700	2,000,960.00	193,860.00
ST. LUKE EKWARE SEC SCHOO	CO-OP BANK, KEROKA	01141360910300	1,700,450.00	577,820.00
MASABO SEC SCHOOL	CO-OP BANK, KEROKA	01141017571700	498,231.00	171,550.00
EMEROKA MIXED SEC	CO-OP BANK, KEROKA	01141363401800	1,000,272.00	1,400,830.00
RIURI MIXED SEC SCHOOL	CO-OP BANK, KEROKA	01141364178700	2,000,960.00	193,860.00
OMOGOGO DOK PRIMARY	CO-OP BANK, KEROKA	0141364457900	987,949.00	0.00
IBANCHORE DEB PRIMARY SCHOOL	CO-OP BANK, KEROKA	01139361929700	1,201,012.75	1,012.75
NYAMAGESA SDA BOARDING PR	CO-OP BANK, KEROKA	01141361360200	2,000,000.00	0.00
KIAMOKAMA DEB PR	CO-OP BANK, KEROKA	01139361911700	1,200,112.00	112.50
BOKIBARORI PR SCHOOL	CO-OP BANK, KEROKA	01139363360900	642,262.00	962.50
RIOIRA DEB PRIMARY SCHOOL	CO-OP BANK, KEROKA	0141016874100	85.00	0.00
RIANYOKA PRIMARY	CO-OP BANK, KEROKA	01139391917100	661,262.00	1062.50
IBACHO HIGH SCHOOL	CO-OP BANK, KEROKA	01141017571700	43,925.00	1,015,092.00
RIAMAKANDA DEB PRIMARY SCHOOL	CO-OP BANK, KEROKA	01139361911700	1,200,112.50	112.50
GETARE GIRLS SECONDARY	CO-OP BANK, KEROKA	01141363190400	162.50	162.50
CHIRONGE DEB PRIMARY	CO-OP BANK, KEROKA	01139361910000	122,562.50	1,262.50
GETARE GIRLS SEC	CO-OP BANK, KEROKA	01141363190400	162.50	162.50
GEKONGE DEB PRIMARY SCHOOL	EQUITY BANK, KEROKA	1240279865951	2,000,000.00	0.00
NYANKONONI DEB SEC SCHOOL	EQUITY BANK, KEROKA	1240261489997	2,000,771.00	771.00
GETERI SEC	EQUITY BANK, KEROKA	1240266715083	887,578.00	1,800,290.00
RIURI DEB PRIMARY	KCB, KEROKA	1272697711	0.00	350.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
 NYARIBARI MASABA CONSTITUENCY**

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PMC	Bank	Account number	Bank Balance 2019/2020	Bank Balance 2018/2019
SASATI MIXED SEC	KCB, KEROKA	1236246586	1,101,469.00	3,129.00
SUGUTA COG SEC	KCB, KEROKA	1234202697	435.00	235,335.00
PR SCHOOL	KCB, KEROKA	1273536363	0.00	49,395.00
ST. JAMES ICHUNI MIXED	KCB, KEROKA	1272684059	0.00	1,336.00
SIRIROKWE DEB PR	KCB, KEROKA	1272654561	0.00	1,040.00
CHIRONGE SEC	KCB, KEROKA	1234868865	1,401,179.00	156,751.00
MOREREMI SEC SCHOOL	KCB, KEROKA	1175863017	1,808.50	1,801,482.50
NYAMAGESA CHIEFS OFFICE	KCB, KEROKA	1236700988	3,955.00	153,589.00
MOKOBOKOBO DEB PRIMARY	KCB, KEROKA	1112958207	399,333.00	1,048,807.00
NYAMESOCHO SDA SEC	KCB, KEROKA	1226641318	557.50	500,431.50
KEGOGI DEB PMARY SCHOOL	KCB, KEROKA	1257683233	0.00	987,231.90
NYAMASIBI DOK PR	KCB, KEROKA	1273536363	0.00	49,395.00
TOTAL			52,580,490.25	12,481,198.15

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBARI MASABA CONSTITUENCY
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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
KSI/HUB/NYARIBARI MASABA/2018/2019/(10)	Net Financial Position The statement of assets and liabilities as at 30 June 2019 reflects total financial assets balance of Kshs. 172,250 and nil liabilities. However, contrary to the guidelines issued by the Public Sector Accounting Standards Boards, the statement of assets and liabilities shows net liabilities instead of the net financial position of Kshs. 172,250.	The financial statements have been correctly rectified to reflect the correct headline item.	Ronald Ingala Khaggayi Fund Account Manager	Resolved	Immediate
1.					
2.	Project Implementation <i>1.1 Construction of Classrooms at Nyankoba Community Primary School</i> Physical verification revealed that ceiling board and lighting points not fitted. Further peeling plaster, cracking walls and ventilation not fitted and contractor was not on	The contractor has been asked to rectify the defects before payment of the retention money.	Ronald Ingala Khaggayi Fund Account Manager	Resolved	Sept, 2020

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBARI MASABA CONSTITUENCY
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>site. Consequently, the value of money and regularity of the expenditure could not be confirmed.</p>				
	<p><i>1.2 Construction of Administration Block at Nyamagesa DEB Secondary School</i> Physical verification revealed that electrical fitting and wiring together with ceiling board were not done. Further, walls cracking were noted in the building an indication of poor workmanship. In addition, contractor was not on site. Consequently, the value of money and regularity of the expenditure could not be confirmed.</p>	<p>The contractor has been asked to rectify the defects before payment of the retention money.</p>	<p>Ronald Ingala Khaggayi Fund Account Manager</p>	<p>Resolved</p>	<p>Sept, 2020</p>
	<p><i>1.3 Construction of Dormitory at Amabuko Secondary School</i> Physical verification reveal that outer painting and first floor had not been done. Further, the contractor was not on site. Consequently, the value of money</p>	<p>The contractor has been asked to rectify the defects before payment of the retention money.</p>	<p>Ronald Ingala Khaggayi Fund Account Manager</p>	<p>Resolved</p>	<p>Sept, 2020</p>

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBARI MASABA CONSTITUENCY
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	and regularity of the expenditure could not be confirmed.				
2.	<p>Budget Performance Analysis A review of the budget performance for the year 2018/2019 reveal a general under absorption of voted funds on four expenditure components. The under-utilization of the funds budgeted adversely affect efficiency and effectiveness in service delivery to the constituents.</p>	<p>This was as a result of delay in receiving funds from the NGCDF Board.</p>	<p>Ronald Ingala Khaggayi Fund Account Manager</p>	<p>Resolved</p>	<p>Immediate</p>
3.	<p>Unimplemented Projects Included also in the transfers to other government units of Kshs. 52,341,611 is an amount of Kshs. 8,700,000 for seven projects which were not implemented by Nyaribari Masaba NGCDF as planned despite the CDF Board approval and funding contrary to the provisions of Section 40(1) of the National Government Constituencies Development Fund Act, 2015. In the circumstances, the regularity and value for money of</p>	<p>The projects were implemented with funds taken to the PMC account for the respective projects.</p>	<p>Ronald Ingala Khaggayi Fund Account Manager</p>	<p>Resolved</p>	<p>Immediate</p>

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBARI MASABA CONSTITUENCY
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	the expenditure of Kshs. 8,700,000 could not be confirmed.				
4.	<p>Projects Verification Physical verification done during the audit revealed the following unfinished works and defects;</p> <ul style="list-style-type: none"> • Nyanturago High School – Cracking walls, substandard doors, substandard timber, peeling paints, cracking floor. • Ramasha Primary School – Cracking walls, peeling paint, cracking floor, very low-quality doors, substandard timber. <p>Consequently, the validity and regularity of the expenditure could not be ascertained.</p>	<p>The contractor has been asked to rectify the defects before payment of the retention money.</p>	<p>Ronald Ingala Khaggayi Fund Account Manager</p>	<p>Resolved</p>	<p>Sept, 2020</p>