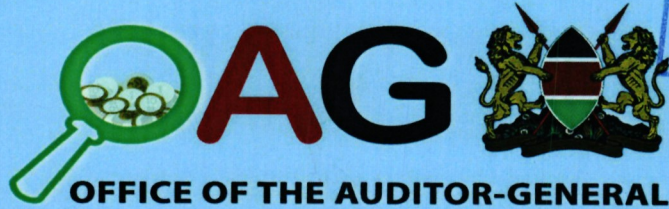


REPUBLIC OF KENYA



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THE AUDITOR-GENERAL

ON

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

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -
SOUTH MUGIRANGO 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)
SOUTH MUGIRANGO CONSTITUENCY
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For the year ended June 30, 2020

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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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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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.

(b) Key Management

The NGCDF SOUTH MUGIRANGO 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	Francis Onyango
2.	Sub-County Accountant	Lucas Atinda
3.	Chairman NGCDFC	Teresa Mose
4.	Member NGCDFC	Ezekiel Ombaso

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -SOUTH MUGIRANGO 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.

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(e) NGCDF SOUTH MUGIRANGO Constituency Headquarters

P.O. Box 991
Cdf Office Complex
Gucha South Sub County Head Quarters
Nyamarambe Township
Kisii –Kenya

(f) NGCDF SOUTH MUGIRANGO Constituency Contacts

Telephone: (254) 725912723
E-mail: cdfsouthmugirango@ngcdf.go.ke
Website: www.go.ke

(g) NGCDF SOUTH MUGIRANGO Constituency Bankers

CO-OPERATIVE BANK OF KENYA
RONGO BRANCH

(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

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II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

It is my pleasure to present to you SOUTH MUGIRANGO NG-CDF's annual report and financial statements for the financial year 2019-2020.

The actual amounts utilised by the constituency in its various expense items were less than 100% of its budget allocation, this was occasioned by under disbursement of the budgeted funds from the NGCDFBOARD, however the NGCDF Committee targets that in the forthcoming periods, utilization should be 100% if funds are availed in time during the subsequent financial years.

Key achievements;

- The increased sector funding of ksh 78,852,101 from Ksh 48,207,771 on transfer to governments entities has improved infrastructure in schools in terms of increased classrooms, science laboratories, and dormitories, this has improved the school learning atmosphere and increased students and pupil enrolments.
- The NG-CDF bursary has helped retain students from low income families in various learning institution.



●
Implementation challenges and recommended way forward

- Late disbursement of funds, lead to rise in project costs due to factors like inflation due to time value of money and also the public do not get the value of the funds in time, a good case is in late bursary awards, to remedy this, funds should be released by NGCDF Board in time.
- Frequent development forums and awareness forums should be held to intuit the public with information concerning the development initiatives, from various funding agencies and

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stakeholders an NG CDF, County Government and other development stakeholders plan together to avoid duplication of projects

- Lack of a simple but standardized practical curriculum for training PMC's in order to enhance capacity to implement the projects, hence a PMC training manual should be operationalized

Sign 

CHAIRPERSON SOUTH MUGIRANGO NG-CDF COMMITTEE

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SOUTH
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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-SOUTH MUGIRANGO Constituency's 2018-2022 plans are to:

- a) Improve the quality of education and management of public learning institutions
- b) Improving local security and administration
- c) Initiating value addition programs for agricultural produce
- d) Protection of environment and natural resources
- e) Promotion of sports and sports education
- f) Expanding social protection
- g) Creating Strategic partnership to enhance service delivery.

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
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"> - Increased allocation of funds to Improved physical infrastructure in primary, secondary, and tertiary institutions - Increased bursary allocation to beneficiaries at all levels 	In FY 19/20 We increased allocation from ksh 48,207,771 to 78,852,101 in the following <ul style="list-style-type: none"> - Bursary allocation increased from ksh.27,260,219 to ksh 34,000,000. beneficiaries at all levels were as per the attached schedules
Security	Constructing modern accommodation facilities for	Improved security and increased security	Number of Accommodation facilities and administration	In the financial year 2019-20 we completed seven residential units for police officer in

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	security officers	patrols.	offices constructed	Bonyancha three units and Moticho police station four units.
Environment	Construction and protection of local water springs	Improved and access to clean water and protected water catchment areas.	Number of constructed and protected water springs	In the financial year 2019-20 we completed the protection of twelve water springs within the constituencies
Sports	Organizing annual constituency sports event	Engaging every category in active sporting within and outside the constituency.	Number sports events organized within the constituency	In the financial year 2019-20 we held one soccer event in all six wards within the constituency and one final to determine the overall champion.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

South Mugirango Constituency just like any Government entity has the responsibility of ensuring public participation in project identification, prioritization of projects and adequate allocation of funds to the projects. In undertaking the aforementioned, the South Mugirango NG-CDF Committee always highlights Corporate Responsibility as a tool with relevance for public policy actualization with the aim of enhancing sustainable and inclusive development programmes in the constituency. The financial prudence has a lot of weight in development agenda which drives on a delicate thread of enormous community expectations. In enhancing the financial trust in various sectors, we assessed the risks factors, long term and short term performance. We further looked at performance on responsible leadership with clear undertone on the interest of the community, stakeholders and sufficient respect for environmental, social and governance issues. This is aimed at ensuring efficient and effective management of public resources at the grassroots level thus transformation of livelihoods. It remains our purpose and the driving force behind everything we do. It's what guides us to deliver our strategies, 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 –

The South Mugirango NG-CDF Committee endeavoured to work within the existing policy guidelines that helped in focusing on the service deliver and drive to better performance with the involvement of both to our vision, mission and core values as provided for in our strategic plan.

To realize effective suitability, the constituency relied on the set targets as a sign of performance ambition. The Goals as provided in our strategic plan remained the focal point for inside and outside Stakeholders with a clear set of objectives for management, and a yardstick by which external audiences can judge our progress and achievements against their expectations. The frameworks under which we operated included projects identification, allocation of funds, approval, implementation and monitoring

2. Environmental performance

Environment Policy and Action Plan

Protection of the environment in which we live and operate is part of South Mugirango NG-CDF initiatives; Care for the environment is one of our key responsibilities and an important aspect in the way in which we carry out our operations.

Our Environmental Policy

In this policy statement South Mugirango NG-CDF commits to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources.
- Managing and disposing of all wastage in a responsible manner.
- Providing training for our CDFC and staff so that we all work in accordance with this and within an environmentally aware culture.
- Regularly communicating our environmental performance to our employees and other significant stakeholders.
- Developing our management processes to ensure that environmental factors are considered during planning and implementation.
- Monitoring and continuously improving our environmental performance.
- Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance-

Our Environmental Action Plan

South Mugirango NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts.

These four areas together with our approach and targets for each are shown below:

Impact area	Approach
Capacity Building	<ul style="list-style-type: none"> • Promote environmental awareness by sensitizing the South Mugirango NG-CDFC, NG-CDFC staff and PMCs on good conservation practices • To encourage, through regular communication to South Mugirango NG-CDFC, staff , and other stakeholders changes in individual behaviour to reduce usage
Conservation of Energy and Resources	<ul style="list-style-type: none"> • To maximize use of available technologies to remove the need to use paper • To encourage our clients to engage with us using electronic means where possible. • To maximize on rain water harvesting. • To make energy efficiency a key factor in the selection of any new energy devises being purchased. • To invest in available energy saving technologies and devices within our existing premises
Environmental Protection and Conservation	<ul style="list-style-type: none"> • To promote use of volt guards to control power surges • We have constructed culverts and gabions to prevent soil erosion • To encourage tree planting in the constituency to improve the forest cover. • To promote purchase and installation of fire extinguishers to aid in

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	extinguishing and controlling fires
Pollution Control and Waste Management	<ul style="list-style-type: none">• To ensure segregation of waste• To ensure proper human waste disposal through construction of pit latrines, septic and soak pit tanks

3. Employee welfare

Terms and Conditions of Service this highlights the general rules governing employment of NG-CDFC staff in such matters as appointments, promotions and related matters.

South Mugirango NG-CDFC offers categories of employment, which are Contract employees, employed for 2 years on a renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements.

Casual employees are hired to perform specific duties on a daily or weekly basis on a piece rate payment system. Casuals are not allowed to work continuously for more than three (3) months and are not eligible for any employee benefits in line with statutory requirements.

Recruitment Procedure

The Fund Account Manager declares vacancies in the office through the NG-CDFC, and approval is then sought for advertisement within the constituency to be done. The Advertisement contains the following:

- Job title
- Main purpose of the job
- A brief description of the key responsibilities of the job
- Education, experience, skills and competencies required for the job
- Location of the job
- Clear instructions on how to apply and information to be submitted in the application.
- Closing date for receipt of applications

Appointment of a selection and Interview subcommittee

A selection and interview subcommittee is appointed to oversee the selection strategy for application review, determination of testing methodology, administration of tests and scoring, and reference check criteria.

Interviews; Interviews for staff employment are conducted in a manner that complies with the office's commitment to equal employment opportunity, to ensure that qualified candidates are not discriminated based on ethnicity, religion, gender, age, disability, status etc.

Offer of Appointment;

A person appointed to the office will be given the appropriate letter of offer of appointment, as the case may be, which may be accepted or rejected by the candidate within the stipulated time.

Letters of Appointment;

A written contract of that is signed by the Fund Account Manager and the NG-CDFC Chairperson is then issued, which states particulars of employment, the name and address

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of the employee, job description, date of commencement of the job, form and duration of the contract, place of work, hours of work, remuneration, termination, terms and conditions of employment which the employee is entitled to.

Orientation and Induction of employees

The NG-CDFC ensures orientation and induction of new employees. This is carried out in order to familiarize the employees with the mandate, vision, mission and operations of the office and how their jobs contribute to this. Induction and orientation is done within the first three months of employment.

Promotions

In selecting candidates for promotion, regard is given to merit and extra ordinary ability as reflected in work performance and results after the annual performance appraisal. Recommendations for promotion is only made by the NG-CDFC resolution.

HEALTH, SAFETY AND WELL BEING

This provides guidelines on the health, safety and well-being of the office staff. Guide lines to General Safety. The office has maintain healthy and safe working conditions for its employees to ensure there is no personal injury caused by accidents. All the staff must always consider safety to themselves and others when performing their duties. They should not compromise on quality, cause injury, ill health, loss or environmental damage.

Reporting of an Accident Immediately an accident or development of an occupational disease resulting in death or injury to an officer comes to the notice of the officer under whom he/she is directly deployed, the supervisor should make a claim for compensation in accordance with the procedure set out in the Occupational Safety and Health Act 2007 and Work Injury Benefits act 2007.

Guidance and counselling; the current challenges in the workplace and family environment affects the performance and wellbeing of an officer. To address these challenges, the office undertakes guidance and counselling of the affected staff however, consultation with family members or support system may be sought when deemed necessary.

Health Care Services

The staffs, including spouses and children, are eligible to affordable health care services and to benefit from the NHIF medical scheme as statutory deductions are done and remitted on a monthly basis.

HIV/AIDS

This is a major challenge facing officers in and out of the Institute. It poses a big threat to the individual, the family and the public Service. It is in cognizance of this that the Institute has put in place care and support programs for the infected and affected officers to enable them remain productive. HIV/AIDS shall be treated like any other challenging issue at the workplace. All officers of the Institute shall have a role to play in the wider struggle to mitigate the effects of the pandemic.

An officer shall not be discriminated or stigmatized on the basis of HIV status. It is an offence for any person to discriminate another on the ground of actual, perceived or suspected HIV status.

It is the responsibility of the Fund Account Manager in liaison with NG-CDFC to minimize the risk of HIV/AIDS transmission by adopting first aid/universal infection control precautions at the workplace. HIV/AIDS screening shall not be a requirement for job seekers, recruitment or for persons in employment. Screening shall be confidential, voluntary and shall be after counselling.

There shall be no disclosure of HIV/AIDS test results of any related assessment results to any person without the written consent of the officers.

Drug and Substance Abuse

Addiction to drugs or substance will be treated like any other disease. An officer who is determined to deal with drug and substance abuse problem by engaging in rehabilitation services will be referred by the office by a Government doctor for evaluation, within the limits and budgets endorsed by the NG-CDFC.

Persons Living with Disability

An employee with impairment in his/her body will be expected to confirm their disability status with a doctor after medical examination. Once it is confirmed that he/she is disabled, the employee will register with the National Council for Person with Disabilities. The employee will then present the registration certificate from the National Council for Persons with Disabilities to the Institute which will then recognize them as employees living with disabilities. The office shall provide facilities and effect such modification, whether physical, administrative or otherwise, in the workplace as may be reasonably required to accommodate persons with disabilities.

Sexual harassment and other Forms of Harassment

Any staff of the office should not harass another officer sexually through, direct or indirect request for favours, use of language whether written or spoken of a sexual nature, use visual material of a sexual nature and show physical behaviour of a sexual nature which directly or indirectly subjects the person to behaviour that is unwelcome or offensive. Disciplinary action will be taken against an officer of the Institute for harassing another person.

Harassment may be based on racial, tribal, gender, marital status, religious or ethical belief, disability, age, political opinion, employment status, family status, sexual orientation, or involvement in the activities of an employee's organization. The improper use of power based on administrative or Managerial status (i.e. the use of a position to insult, bully, dominate, manipulate, disadvantage or discriminate) may also constitute harassment.

Bullying – Which means repeated, deliberate and targeted conduct by a person towards a staff member which is offensive, intimidating or humiliating and which detrimentally affects that member's well-being. Reporting Harassment Cases Any staff who believes that they have experienced some form of harassment should report harassment cases as outlined in the office complaints procedures.

4. Market place practices

NG-CDFC fund was designed to support constituency-level, grass-root development projects. It is aimed to achieve equitable distribution of development resources across regions and to control imbalances in regional development brought about by partisan politics. It targets all constituency-level development projects, with an aim to combat poverty at the grassroots and entrench equitable distribution of development in line with the NG-CDFC Act 2015 provisions.

The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

a) **Responsible competition practice.** During projects implementation the office transfers funds to the Project Management Committees who are thereafter guided during tendering process, to ensure that the locals benefit competitively in the provision of services and materials to the projects. How the organisation ensures responsible competition practices

with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors

b) **Responsible Supply chain and supplier relations;** Payments to suppliers are done promptly upon presentation of requisite supporting documents

c) **Responsible marketing and advertisement-**outline efforts to maintain ethical marketing practices Advertisement for tenders is done publicly and no form of discrimination is applied to unfairly lock out interested bidders

d) **Product stewardship** In order to safeguard consumer rights and interests, the NG-CDF committee came up with a service charter and the complaints handling policy, principles and procedures brochure. The service charter points out our commitment in ensuring that we provide quality services to our customers with high level professionalism, dignity, integrity and courtesy, whereas complaints handling policy, principles and procedures shows our commitment to consistent, fair and confidential complaint handling and to resolve complaints as quickly as possible

5. Community Engagements-

Public Participation in Project Identification, Implementation and Monitoring

The NG-Constituency Development Act 2015 stipulates in part 5 section 27 subsection 1 and 2 that the chairperson of the NG-CDFC shall, within the first year of the commencement of a new Parliament and at least once every two years thereafter, convene open forum public meetings in every ward in the constituency to deliberate on development matters in the ward and in the constituency. The NG-CDFC shall then deliberate on project proposals from all the wards in the constituency and any other projects which the Constituency Committee considers beneficial to the constituency, including joint projects with other constituencies, consider the national development plans and policies and the constituency strategic development plan, and identify a list of priority projects, both immediate and long term, out of which the list of projects to be submitted in accordance with the Act shall be drawn from. There after the list of proposed constituency-based projects to be covered under this Act shall be submitted by NG-CDFC to the Board. Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.



Public's engagement is a vital part of many projects and the benefits of it are well documented, such as better outcomes for all stakeholders, community ownership and lower project costs. When the public is involved in a project, they feel motivated to work together, recognize the benefits of their involvement and have ownership of the projects and the decision making process, which is key to a successful project outcome and their sustainability.

Effective public engagement is about recognising that involving the public in a project is no longer about information dissemination and telling the people what is being done, but is a two-way information sharing tool. The more views gathered in the process of making a decision, the more likely the final product will meet the most needs and address the most concerns possible.

In summary stakeholders participation is important since:

- Providing information helps them understand the issues, options, and solutions available for the projects
- Consulting with the public aids in obtaining their feedback on alternatives or decisions
- Involving the public to ensures their concerns are considered throughout the decision process, particularly in the development of decision criteria, options and preferred solutions that are workable, efficient and sustainable. Public Awareness This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meetings Public Awareness and Sensitisation Exercise Provide
- A menu of options for including individuals and organizational actors in identifying development priorities and selecting NG-CDF projects.
- Ensuring implementation of NG-CDF funded projects are transparent and known to everybody within the community.

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- Increase accountability hence ensure local citizens gain skills and confidence to carryout social audits as means to enhanced accountability in management of other devolved funds apart from NG-CDF at constituency and other levels within the constituency.
- Increase public participation at all stages of project cycle funded under NG-CDF kitty
- Identify control and report any irregularities witnessed during NG-CDF project implementation cycle.
- Measure the impact of the projects funded by NG-CDF
- Enable people to exercise their rights by instilling democratic culture through enhanced social accountability and transparency among state and non-state actors
- Promote awareness creation on constitution and devolved governance system in Kenya

Covid-19 Mitigation Measures Taking into consideration the current Corona Virus epidemic, in line with the Governments directive on reducing the chances of being infected or spreading COVID-19, the office resolved in aiding by taking the following precautionary measures of printing of brochures disseminating information regarding Corona Virus protection measures

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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.

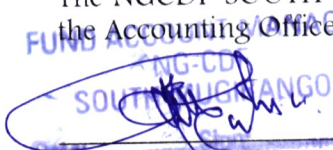
The Accounting Officer in charge of the NGCDF-SOUTH MUGIRANGO Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June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

The Accounting Officer in charge of the NGCDF-SOUTH MUGIRANGO Constituency confirms that the SOUTH MUGIRANGO-NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the SOUTH MUGIRANGO-NGCDF'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 SOUTH MUGIRANGO-NGCDF'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-SOUTH MUGIRANGO Constituency financial statements were approved and signed by the Accounting Officer on 20/6 2020.


Fund Account Manager
Name:


Sub-County Accountant
Name: LUCKY ATINDA
ICPAK Member Number: 15302

REPUBLIC OF KENYA

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

Enhancing Accountability

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - South Mugirango Constituency set out on pages 19 to 38, which comprise the statement of 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 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 - South Mugirango Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Cash and Cash Equivalents

Note 10(A) to the statement of financial statement reflects Kshs.12,744,665 in respect to bank balances which differs with the balance of Kshs.11,971,608 reflected in the cash book and bank reconciliation statements leading to unexplained or reconciled variance of Kshs.803,057.

Further, the bank balance of Kshs.12,715,187 reflected under Note 10A to the financial statements differs with the Kshs.12,744,665 reflected in the statement of assets and liabilities in respect of bank balances resulting to unreconciled variance of Kshs.29,478.

Consequently, the accuracy, validity and completeness of the bank balance of Kshs.12,744,665 as at 30 June, 2020 could not be ascertained.

2. Other Grants and Other Payments

Note 5.0 to the financial statement reflects Kshs.29,609,434 in respect to other grants and transfers which differs with Kshs.22,743,267 reflected in the statement of appropriation resulting to unreconciled variance of Kshs.6,865,167.

Consequently, the accuracy, validity and completeness of the other grant and transfers balance of Kshs.29,608,434 as at 30 June, 2020 could not be ascertained.

3. Use of Goods and Services

Note 5 to the financial statements reflects Kshs.7,681,652 in respect to use of goods and services for which no supporting schedules, payment sub-schedules and sub-ledgers were not provided for audit review.

Consequently, the accuracy, validity and completeness balance of Kshs.7,681,652 in respect of use of goods and services for the year ended 30 June, 2020 could not be ascertained.

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

Key Audit Matters

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

Other Matter

1. Budget Performance and Control

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.201,681,492 and Kshs.123,040,878 respectively resulting to an under-funding of Kshs.78,592,614 or 39% of the budget. Similarly, the Fund expended Kshs.119,569,105 against an approved budget of Kshs.201,681,492 resulting to an under-expenditure of Kshs.82,112,387 or 41% of the approved budget.

The under-funding and under-performance affected the planned activities and may have impacted negatively on service delivery to the residents of South Mugirango Constituency.

2. Unimplemented Projects

Review of projects implementation status report provided for audit review revealed that twenty-eight (28) projects valued at Kshs.44,645,872 were budgeted but had not started as at 30 June, 2020.

Consequently, the constituents did not obtain value for money on the projects not implemented leading to delay in service delivery to the stakeholders.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain 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 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 is 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 entity 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 with limited assurance as to 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 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 review of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that

misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability 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 Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

04 February, 2022

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SOUTH
MUGIRANGO CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	123,040,878	108,784,483
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	168,882	79,000
TOTAL RECEIPTS		123,209,760	108,863,483
PAYMENTS			
Compensation of employees	4	2,685,918	1,632,486
Use of goods and services	5	7,681,652	10,273,633
Transfers to Other Government Units	6	78,852,101	48,207,771
Other grants and transfers	7	29,608,434	45,685,994
Acquisition of Assets	8	741,000	-
Other Payments	9	-	2,996,950
TOTAL PAYMENTS		119,569,105	108,796,834
SURPLUS/ (DEFICIT)		3,640,655	66,649

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SOUTH MUGIRANGO Constituency financial statements were approved on 29/6/20 2020 and signed by:

[Signature]
 Fund Account Manager
 Name:

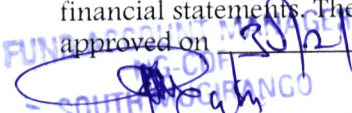
[Signature]
 National Sub-County Accountant
 Name: LUCKY O. ATINDA
 ICPAK Member Number: 15302

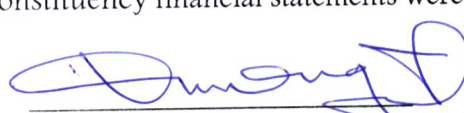
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SOUTH
MUGIRANGO CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	12,744,665	9,104,010
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		12,744,665	9,104,010
Current Receivables-Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		12,744,665	9,104,010
FINANCIAL LIABILITIES			
Accounts Payable-Retention	12A		
Gratuity	12B		-
NET FINANCIAL ASSETS		12,744,665	9,104,010
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	9,104,010	9,037,362
Surplus/Deficit for the year		3,640,655	66,649
Prior year adjustments	14		-
NET FINANCIAL POSITION		12,744,665	9,104,011

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SOUTH MUGIRANGO Constituency financial statements were approved on 30/6/20 2020 and signed by:


FUND ACCOUNT MANAGER
 Name: _____


National Sub-County Accountant
 Name: LUCKY O. ATINDA
 ICPAK Member Number: 15302

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SOUTH
MUGIRANGO CONSTITUENCY**

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

IX. STATEMENT OF CASHFLOW

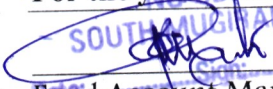
		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	123,040,878	108,784,483
Other Receipts	3	168,882	79,000
		123,209,760	108,863,483
Payments for operating expenses			
Compensation of Employees	4	2,685,918	1,632,486
Use of goods and services	5	7,681,652	10,273,633
Transfers to Other Government Units	6	78,852,101	48,207,771
Other grants and transfers	7	29,608,434	45,685,994
Other Payments	9	-	2,996,950
		118,828,105	108,796,834
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15		
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		4,381,655	66,649
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2		-
Acquisition of Assets	8	(741,000)	-
Net cash flows from Investing Activities		(741,000)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		3,640,655	66,649
Cash and cash equivalent at BEGINNING of the year	13	9,104,010	9,037,362
Cash and cash equivalent at END of the year		12,744,665	9,104,011

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SOUTH MUGIRANGO Constituency financial statements were approved on 30/6/20 2020 and signed by:

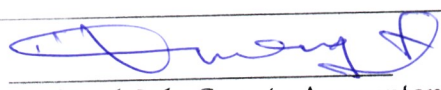
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SOUTH
MUGIRANGO CONSTITUENCY**

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

FUND ACCOUNT MANAGER
SOUTH MUGIRANGO



Fund Account Manager
Name:



National Sub-County Accountant
Name: **LUCAS O. ATINDA**
ICPAK Member Number: **14302**



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SOUTH MUGIRANGO CONSTITUENCY

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

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from NG-CDF Board	137,367,724	64,144,886	201,512,610	123,040,878	78,471,733	61.1%
Proceeds from Sale of Assets		-	-	-	-	
Other Receipts		168,882	168,882		168,882	0.0%
TOTAL RECEIPTS	137,367,724	64,313,768	201,681,492	123,040,878	78,640,615	61.0%
PAYMENTS						
Compensation of Employees	3,410,000	2,356,593	5,766,593	2,685,918	3,080,675	46.6%
Use of goods and services	8,212,095	233,551	8,445,647	7,681,652	763,995	91.0%
Transfers to Other Government Units	78,345,874	48,541,290	126,887,164	78,852,101	48,035,063	62.1%
Other grants and transfers	39,460,514	5,677,779	45,138,293	22,743,267	22,395,026	50.4%
Acquisition of Assets	741,000	-	741,000	741,000	-	100.0%
Other Payments(emergencies & ict)	7,198,241	7,504,554	14,702,795	6,865,167	7,837,628	46.7%
TOTAL	137,367,724	64,313,768	201,681,492	119,569,105	82,112,387	59.3%

- i. The underutilization on line item compensation to employees is due to anticipated additional employment of staff and other compensation within the year under review, however out of the expected additional five staff only two were employed.
- ii. The other line items 3,4 and 6 experienced underutilization of funds below the acceptable limits due to non-remittances of the full budgeted amounts from the board by the close of the financial year under review.
The changes between the original and final budgets is as a result of adjusted balances from the previous financial year.

FUND ACCOUNT MANAGER
The NGCDF-SOUTH MUGIRANGO Constituency financial statements were approved on 30/6/20 2020 and signed by:

Fund Account Manager
Name: LORENS ATINDA
ICPAK Member Number: 15302

Sub-County Accountant
Name: LORENS ATINDA
ICPAK Member Number: 15302

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

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on	Budget utilization
	2019/2020	Kshs	2019/2020	comparable basis	
	Kshs	Kshs	Kshs	30/06/2020	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	3,410,000	2,356,593	5,766,593	2,685,918	3,080,675
1.2 Committee allowances	2,044,000	852,359	2,892,359	2,892,359	0
1.3 Use of goods and services	2,788,063.45	0	2,788,063.45	2,788,063.45	441,948.00
2.0 Monitoring and evaluation					
2.1 Capacity building	2,321,031.72	216,400	2,537,431.72		322,181.72
2.2 Committee allowances	800,000.00	0	800,000	800,000	0
2.3 Use of goods and services	1,000,000.00	14,004	1,014,004	1,014,004	0
3.0 Emergency	7,198,241.38	7,491,652	14,689,893.38	6,865,167	7,808,151
3.1 Primary Schools					
3.2 Secondary schools					
3.3 Tertiary institutions					
3.4 Security projects					
4.0 Bursary and Social Security					
4.1 Special Schools	100,000.00			16,000	84,000
4.2 Secondary Schools	4,000,000.00	470,916.13	4,470,916.13	2,048,000	2,422,916.13
4.3 Tertiary Institutions & Universities	29,900,000.00	0	29,900,000	14,029,000	15,871,000
4.4 Social Security					
5.0 Sports	2,060,514.00	2,180,817	4,241,331	3,436,100	805,231.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SOUTH MUGIRANGO CONSTITUENCY

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
5.1					
5.2					
5.3		2,180,817	4,580,817	2,214,167	2,366,650
6.0 Environment	2,400,000.00				
7.0 Primary Schools Projects (List all the Projects)					
Riosiri primary school	2,500,000.00		2,500,000.00		
Nyakorere primary school	2,000,000.00		2,000,000.00		2,000,000.00
St.mark ritaro primary school	500,000.00		500,000.00		500,000.00
Nyakembene primary school	1,000,000.00		1,000,000.00		1,000,000.00
St.johns gosere primary	1,000,000.00		1,000,000.00		1,000,000.00
Kimai enkora primary	1,200,000.00		1,200,000.00		1,200,000.00
Mosache primary school	1,500,000.00		1,500,000.00		1,500,000.00
Tabaka girls boarding	500,000.00		500,000.00		500,000.00
Mesocho primary school	700,000.00		700,000.00		700,000.00
Ebinyinyi primary school	1,000,000.00		1,000,000.00		1,000,000.00
Mesaria primary school	600,000.00		600,000.00		600,000.00
Manywanda a primary school	1,000,000.00		1,000,000.00		1,000,000.00
Bogisero getembe primary school	1,300,000.00		1,300,000.00	1,300,000.00	
Monianku primary school	1,000,000.00		1,000,000.00		1,000,000.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SOUTH MUGIRANGO CONSTITUENCY

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Ensoko primary school	1,000,000.00		1,000,000.00		1,000,000.00
Nyachenge primary school	700,000.00		700,000.00		700,000.00
Sae primary school	1,000,000.00		1,000,000.00		1,000,000.00
Kabonyo primary school	1,000,000.00		1,000,000.00		1,000,000.00
Manywanda b primary school	345,871.76		345,871.76		345,871.76
Mosache Primary School		700,000.00	700,000.00	700,000.00	
Kenyoro Primary School		1,000,000.00	1,000,000.00	1,000,000.00	
Nyamonia Primary School		700,000.00	700,000.00	700,000.00	
Kiorina Primary School		700,000.00	700,000.00	700,000.00	
Egetonto Primary School		300,000.00	300,000.00	300,000.00	
Entanda Primary School		700,000.00	700,000.00	700,000.00	
St. Johns Gosere Primary School		700,000.00	700,000.00	700,000.00	
Kimai Enkora Primary School		700,000.00	700,000.00	700,000.00	
Kenuchi Primary School		700,000.00	700,000.00	700,000.00	
Muma Primary School		1,000,000.00	1,000,000.00	1,000,000.00	
Ekerongo Primary School		1,000,000.00	1,000,000.00	1,000,000.00	
Gekongo Primary School		1,000,000.00	1,000,000.00	1,000,000.00	
Engeti Primary School		1,000,000.00	1,000,000.00	1,000,000.00	
Giasobera Primary School		700,000.00	700,000.00	700,000.00	
Gesonso primary School		700,000.00	700,000.00	700,000.00	
Ichuni Primary School		700,000.00	700,000.00	700,000.00	
NyabiosiMaranatha Primary School		700,000.00	700,000.00	700,000.00	
Emesa Primary School		1,000,000.00	1,000,000.00	1,000,000.00	
Kabonyo Primary School		700,000.00	700,000.00	700,000.00	
Nyabisase Primary School		700,000.00	700,000.00	700,000.00	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SOUTH MUGIRANGO CONSTITUENCY

Reports and Financial Statements
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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Manywanda A Primary School		700,000.00	700,000.00	700,000.00	
Rionsata Primary School		700,000.00	700,000.00	700,000.00	
Rangeti S.D.A Boarding Primary School		700,000.00	700,000.00	700,000.00	
Riasuta Primary School		700,000.00	700,000.00	700,000.00	
Nyabikondo Primary School		700,000.00	700,000.00	700,000.00	
Keburanchogu Primary School		700,000.00	700,000.00	700,000.00	
Makongeni Primary School		700,000.00	700,000.00	700,000.00	
Mesocho Primary School		700,000.00	700,000.00	700,000.00	
Kebabe Primary School		700,000.00	700,000.00	700,000.00	
St.Michael Omogumo Primary School		700,000.00	700,000.00	700,000.00	
Ebininyi Primary School		700,000.00	700,000.00	700,000.00	
Kiagware Primary School		700,000.00	700,000.00	700,000.00	
Nyasasa Primary School		700,000.00	700,000.00	700,000.00	
Nyansembe Primary School		700,000.00	700,000.00	700,000.00	
Moticho Primary School		700,000.00	700,000.00	700,000.00	
Ruma DOK primary School		700,000.00	700,000.00	700,000.00	
Mariwa Primary School		700,000.00	700,000.00	700,000.00	
Roura Primary School		700,000.00	700,000.00	700,000.00	
Ndonyo Primary School		1,000,000.00	1,000,000.00	1,000,000.00	
Eburi Primary School		400,000.00	400,000.00	400,000.00	
Mogumo Primary School		700,000.00	700,000.00	700,000.00	
Riagumo Primary School		700,000.00	700,000.00	700,000.00	
Nyakeyo Primary School		700,000.00	700,000.00	700,000.00	
8.0 Secondary Schools Projects (List all the Projects)					
Mariwa secondary school	700,000.00		700,000.00		700,000.00
Riosiri secondary school	1,000,000.00			1,000,000.00	

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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Riagumo secondary school	2,500,000.00		2,500,000.00		2,500,000.00
Nyamonia secondary school	2,000,000.00		2,000,000.00		2,000,000.00
Ayora secondary school	2,500,000.00			2,500,000.00	
Manywanda girls sec school	3,000,000.00		3,000,000.00		3,000,000.00
Muma secondary school	1,000,000.00		1,000,000.00		1,000,000.00
Nyasasa secondary school	1,000,000.00		1,000,000.00		1,000,000.00
Nyatwoni secondary school	2,000,000.00		2,000,000.00		2,000,000.00
Kiendege secondary school	1,000,000.00		1,000,000.00		1,000,000.00
Nyakorere secondary school	3,000,000.00			3,000,000.00	
Nyakembene secondary school	7,200,000.00			7,200,000.00	
Nyagichenche secondary school	7,200,000.00			7,200,000.00	
Bogichoncho secondary school	7,200,000.00		7,200,000.00		7,200,000.00
Kiabigoria secondary school	7,200,000.00		7,200,000.00		7,200,000.00
Gotichaki Secondary School		1,200,000.00	1,200,000.00	1,200,000.00	
Amaiko S.D.A Secondary School		1,200,000.00	1,200,000.00	1,200,000.00	
Nyachenge Sec		1,000,000.00	1,000,000.00	1,000,000.00	
KiororiSec.School		1,200,000.00	1,200,000.00	1,200,000.00	
Nyango DOK Sec.School		1,200,000.00	1,200,000.00	1,200,000.00	
Manywanda Girls Sec. School		1,200,000.00	1,200,000.00	1,200,000.00	
Nyabine DEB Sec School		1,000,000.00	1,000,000.00	1,000,000.00	
Mesocho Sec. School		1,000,000.00	1,000,000.00	1,000,000.00	
Nyangweta SDA Sec.School		1,000,000.00	1,000,000.00	1,000,000.00	

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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
KarunguSec.School		700,000.00	700,000.00	700,000.00	
Moticho Girls Sec.School		1,100,000.00	1,100,000.00	1,100,000.00	
Nyakeyo Sec. School		1,200,000.00	1,200,000.00	1,200,000.00	
South Mugirango technical training institute	10,000,000.00		10,000,000.00	10,000,000.00	
10.0 Security Projects					
Nyansore Ass.chief's Office	1,000,000.00		1,000,000.00		1,000,000.00
Moticho Administration Police post		500,000.00	500,000.00	500,000.00	
Bonyancha Administration Police post		500,000.00	500,000.00	500,000.00	
11.0 Acquisition of assets					
11.1 Motor Vehicles (including motorbikes)					
11.2 Construction of CDF office					
11.3 Purchase of furniture and equipment					
11.4 Purchase of computers					
11.5 Purchase of land					
12.0 Others					
12.1 Strategic Plan					
12.2 Innovation Hub					
Total	137,367,724	64,313,768	201,681,492	119,569,105	82,112,387
				1,172,306.90	1,172,306.90

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the SOUTH MUGIRANGO-NGCDF'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) –
SOUTH MUGIRANGO CONSTITUENCY**

**Reports and Financial Statements
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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 SOUTH MUGIRANGO-NGCDF

The financial statements are for the NGCDF-SOUTH MUGIRANGO Constituency. The financial statements encompass the reporting SOUTH MUGIRANGO-NGCDF 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 SOUTH MUGIRANGO-NGCDF for all the years presented.

a) Recognition of Receipts

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

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 SOUTH MUGIRANGO-NGCDF)

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 South Mugirango-NGCDF.

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 South Mugirango-NGCDF 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 South Mugirango-NGCDF recognises all payments when the event occurs and the related cash has actually been paid out by the South Mugirango-NGCDF.

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 south mugirango-NGCDF and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
SOUTH MUGIRANGO CONSTITUENCY**

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SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

In-kind contributions are donations that are made to the South Mugirango-NGCDF 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 South Mugirango-NGCDF 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 South Mugirango-NGCDF 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) –
SOUTH MUGIRANGO CONSTITUENCY**

**Reports and Financial Statements
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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019-2020	2018-2019
		Kshs	Kshs
AIE			28,000,000.00
AIE NO. 2018/2019/537	1		15,000,000.00
AIE NO. 2018/2019/816	2		10,000,000.00
AIE NO. 2018/2019/979	3		11,000,000.00
AIE NO. 2018/2019/1263	1		18,000,000.00
AIE NO. B 047224	2	55,040,878	
AIE NO. B 041210		4,000,000	
AIE NO. B 047653	3	20,000,000	
AIE NO. B 049177		6,000,000	
AIE NO. B 104097		14,000,000	
AIE NO. B 104408		24,000,000	
TOTAL		123,040,878	108,784,483

2. PROCEEDS FROM SALE OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Receipts from sale of Buildings	00	00
Receipts from the Sale of Vehicles and Transport Equipment	00	00
Receipts from sale of office and general equipment	00	00
Receipts from the Sale Plant Machinery and Equipment	00	00
	00	00
Total	00	00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
SOUTH MUGIRANGO CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEPTS

	2019-2020	2018-2019
	Kshs	Kshs
Receipts from Sale of tender documents	130,000	79,000.00
Other Receipts Not Classified Elsewhere	38,882	0
Total	168,882	79,000

4. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	1,579,605	1,632,486
Personal allowances paid as part of salary	0	0
Pension and other social security contributions (Gratuity)	892,293	0
Employer Contributions Compulsory national social security schemes	214,020	0
Total	2,685,918	1,632,486

5. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Utilities, supplies and services		
Electricity	6,927	
Water & sewerage charges		
Office rent		
Communication, supplies and services		102,010
Domestic travel and subsistence	450,900	840,900
Printing, advertising and information supplies & services	279,261	441,005
Training expenses	862,810	2,014,580
Hospitality supplies and services		47,138
Other committee expenses	1,423,200	643,225
Committee allowance	2,348,000	2,977,400
Office and general supplies and services	123,034	113,992
Fuel , oil & lubricants	115,000	101,400
Other operating expenses	2,046,573	1,190,143
Bank service commission and charges	25,947	0
Routine maintenance - vehicles and other transport equipment		18,840
Routine maintenance- other assets		
Strategic Plan		1,783,000
Total	7,681,652	10,273,633

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

4.0 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to primary schools (see attached list)	34,300,000	19,807,771
Transfers to secondary schools (see attached list)	33,900,000	28,400,000
Transfers to tertiary institutions (see attached list)	10,652,101	0
Transfers to health institutions (see attached list)	0	0
TOTAL	78,852,101	48,207,771

5.0 OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	2,048,000	6,480,790
Bursary – tertiary institutions (see attached list)	14,029,000	26,511,470
Bursary – special schools (see attached list)	16,000	-
Mock & CAT (see attached list)	0	0
Security projects (see attached list)	1,000,000	4,476,422
Sports projects (see attached list)	3,436,100	1,986,098
Environment projects (see attached list)	2,214,167	1,726,000
Emergency projects (see attached list)	6,865,167	4,505,214
Total	29,608,434	45,685,994

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

6.0 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	741,000	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
		-
Total	741,000	-

7.0 OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	-	2,996,950
ICT Hub	-	-
	-	2,996,950

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name Alc No. Currency	Account No.	2019 - 2020	2018-2019
		Kshs	Kshs
NG-CDF South Mugirango, Cooperative Bank Rongo	01120018205600	12,715,187	9,104,010
Total		12,715,187	9,104,010

10B: CASH IN HAND

	2019 - 2020	2018-2019
	Kshs	Kshs
Location 1		
Location 2		
Location 3		
Total		

11: OUTSTANDING IMPRESTS

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

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

12A. RETENTION

	2019 - 2020	2018-2019
	Kshs	Kshs
Supplier 1	-	-
Supplier 2	-	-
Supplier 3	-	-
Total	-	-

[Provide short appropriate explanations as necessary]

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

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	Kshs	Kshs
Name 1	-	-
Name 2	-	-
Name 3	-	-
Add as appropriate		
Total	-	-

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2019 - 2020	2018-2019
Description of the error	Kshs	Kshs
Bank account Balances	9,104,010	9,037,362
Cash in hand	-	-
Accounts Payables	-	-
Receivables	-	-
	9,104,010	9,037,362

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

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

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

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

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2019 - 2020	2018 - 2019
	KShs	KShs
Deposits and Retention as a t 1st July 2019 (A)	-	-
Deposits and Retention held during the year (B)	-	-
Deposits and Retention paid during the year (C)	-	-
Net changes in accounts payable (D=A+B-C)	-	-

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	3,080,675	2,356,593
Use of goods and Services	763,995	94,147
Amounts Due To other Governments Entities	48,035,063	48,541,290
Amounts Due to other grants and transfers	22,395,026	5,677,779
Others (emergencies and ICT)	7,837,628	7,475,077
	82,112,387	64,144,886

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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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)	19,683,798.37	13,582,839.92
	19,683,798.37	13,582,839.92

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SOUTH MUGIRANGO CONSTITUENCY
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

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

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees		3,080,675	2,356,593	
Use of goods & services		763,995	94,147	
Amounts due to other Government entities				
Transfer to primary schools		17,935,063.00	31,500,000.00	
Transfer to Secondary Schools		30,100,000.00	17,041,290.00	
Sub-Total		48,035,063	48,541,290	
Amounts due to other grants and other transfers				
Bursary –Secondary		2,422,916.13	216,145.00	
Tertiary & Universities		15,871,000	00.00	
Special institutions		84,000	100,000	
Sports		805,231	2,180,817.00	
Environments		2,366,650	2,180,817.00	
Security		1,000,000	1,000,000.00	
Sub-Total		22,395,026	5,677,779	
Sub-Total				
Acquisition of assets				
Others				
Emergency		6,665,321.10	6,302,770.10	
Ict		1,172,306.90	1,172,306.90	
Sub-Total		7,837,628.00	7,475,077.00	
Grand Total		82,112,387	64,144,887	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land	0	0	0	0
Buildings and structures	7,281,179	0	0	7,281,179
Transport equipment	4,378,363	0	0	4,378,363
Office equipment, furniture and fittings	81,180	741,000	0	822,180
ICT Equipment, Software and Other ICT Assets	280,067	0	0	280,067
Other Machinery and Equipment	0	0	0	0
Heritage and cultural assets	0	0	0	0
Intangible assets	10,274	0	5,274	5,000
Total	12,031,063	741,000	5,274	12,766,789

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

PMC	Bank	Account number	Bank Balance 2019/20
Riosiri primary school	Coop bank-Rongo	01141017180700	238,088.00
Nyakorere Pag primary	Coop bank-Rongo	01141618728700	163.00
Nyakembene primary	Coop bank-Rongo	01141617757200	852.50
Kenyoro Primary	Coop bank-Rongo	01141017535000	164,212.00
Kiorina Primary	Coop bank-Rongo	01141017533800	63,368.00
Ekerongo D.E.B Primary	Coop bank-Rongo	01141017530300	1,000,122.50
Nyasasa secondary	Coop bank-Rongo	01139477493401	27,937.50
Tabaka primary school	Coop bank-Rongo	01141618232000	915.00
Mesocho Sda primary	Coop bank-Rongo	01141618260000	51,631.00
Proposed Manywanda girls	Coop bank-Rongo	01141618701200	106,780.55
Bonyancha AP Post	Coop bank-Rongo	01141618633200	96,053.00
Nyakembene secondary	Coop bank-Rongo	01141618744500	3,635,568.00
Bomonyama deb primary	Coop bank-Rongo	01141017089800	2,100.00
Etago Social Hall	Coop bank-Rongo	01141618300100	530.00
Moticho AP Camp	Coop bank-Rongo	01141618839600	7,471.00
Marongo primary school	Coop bank-Rongo	01141017090400	1,002.50
Nyatwoni sda secondary	Coop bank-Rongo	01141477936500	2,000,230.50
Kiendege secondary school	Coop bank-Rongo	01141618664400	51,855.00
St Fabian Makara D.O.K secondary	Coop bank-Rongo	01141618361400	3,102.00
Muma secondary school	Coop bank-Rongo	01141618840300	119,442.00
Nchoro sda primary school		01141017460700	600.42
Engeti Primary		01141017538200	88,638.10
Kiagware S.D.A Primary		01139017535202	107,269.90
Ibencho deb primary	Coop bank-Rongo	01141617911700	29.50
Nyagichenche sda primary	Coop bank-Rongo	01141017529100	103,900.0

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PMC	Bank	Account number	Bank Balance 2019/20
Tabaka Township mixed secondary	Coop bank-Rongo	01141018972400	25,065.00
Nyachenge elck primary	Coop bank-Rongo	01141017525100	0.00
Ikoba mixed secondary	Coop bank-Rongo	01141618756300	2,995.00
Keburanchogu D.O.K primary	Coop bank-Rongo	01141618149500	140,874.60
Gesonso D.O.K primary	Coop bank-Rongo	01141017566400	78,956.00
Ass. chief's office Nyansore	Coop bank-Rongo	01141618832000	2,941.00
Nyango D.O.K Secondary School	Coop bank-Rongo	01139019665602	172,135.50
Nduru Deb primary sch	KCB -Rongo	1257738380	59,303
Sare deb primary	KCB -Rongo	1259895653	110,087.90
Nyamonia primary	KCB -Rongo	1257527185	66,771
Gekongo pri	KCB -Rongo	1267147709	97,524
Kenuchi AIC Primary	KCB -Rongo	1268785865	102,161.10
Muma S.D.A Primary	KCB -Rongo	1265221812	48,693.50
Nyansembe D.O.K Primary	KCB -Rongo	1149246197	130,758.40
Moticho Primary	KCB -Rongo	1265065276	92,477.70
Ruora D.E.B Primary	KCB -Rongo	1258891069	106,007
Mariwa pefa primary	KCB -Rongo	1259388514	64,576
Kimai Enkora Primary	KCB -Rongo	1265994331	101,045.50
Mosache primary school	KCB -Rongo	1109953771	700,507.50
Manywanda A primary	KCB -Rongo	1204271275	92,886.50
Riosiri secondary	KCB -Rongo	1272982335	30,855
Moticho girls	KCB -Rongo	1149246863	1,104,864.50
Nyakeyo Mixed Sec.	KCB -Rongo	1109580908	166,600.90
Mesocho S.D.A Sec.	KCB -Rongo	1266224807	127,719.80
Etago dok primary	KCB -Rongo	1257692933	122,077
Manywanda B dok primary	KCB -Rongo	1204271275	92,886.50

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PMC	Bank	Account number	Bank Balance 2019/20
Ensoko deb primay	KCB -Rongo	1149334991	247,930
Nyabitunwa Bine deb primary	KCB -Rongo	1257443836	92,007
Egetonto deb primary	KCB -Rongo	1257108786	184,053
Giasobera sda high school	KCB -Rongo	1149260440	107,249.30
Bogichoncho pag secondary	KCB -Rongo	1257122576	741,348
Nyamondo secondary	KCB -Rongo	1257798316	61,313
Nyagichenche secondary	KCB -Rongo	1149210826	3,737,054.30
Nyangweta dok secondary	KCB -Rongo	1257781286	49,737
Keburunga primary school	KCB -Rongo	1257603566	211,673.50
Nyachenge Elck Sec.	KCB -Rongo	1172086133	146,812
Nyabisase D.E.B Primary	KCB -Rongo	1257838709	311,269
Emesa Primary	KCB -Rongo	1172081956	117,501.50
Nyabiosi Maranatha pri	KCB -Rongo	1264858906	60,397.90
Riosanta Primary	KCB -Rongo	1266527362	25,019
Riasuta primary	KCB -Rongo	1266527362	25,019
Nyabikondo S.D.A Primary	KCB -Rongo	1261205561	729,591
Etago D.O.K Primary	KCB -Rongo	1257692933	112,077
Kebabe D.E.B Primary	KCB -Rongo	1149296224	380,720
St. Michael Omogumo D.O.K	KCB -Rongo	1266584188	104,050
Ruma D.O.K Primary	KCB -Rongo	1257767704	63,859.50
Ndonyo D.E.B Primary	KCB -Rongo	1257603388	47,161.50
Mogumo Primary	KCB -Rongo	1264889879	74,921.50
Riagumo D.E.B Primary	KCB -Rongo	1258166658	119,800
Bomware sda primary	KCB -Rongo	1150030704	7,421
Kiabigoria elck secondary school	KCB -Rongo	1149106034	19,644.50
Nyangweta sda primary	KCB -Rongo	1252245939	2,560

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PMC	Bank	Account number	Bank Balance 2019/20
Bogisero Getembe deb primary	KCB -Rongo	1148963855	190,977
Total			19,683,798.37

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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/SOUTH MUG CDF/2018/2019(10)	Accuracy and regularity of bursary disbursement due lack of acknowledgment from the receiving institutions	The committee has engaged the services of Kenya Posta to deliver and accept acknowledgement letters and remit to the committee, the committee is following up on the same.	FAM	Not yet resolved	By 30 th September 2020