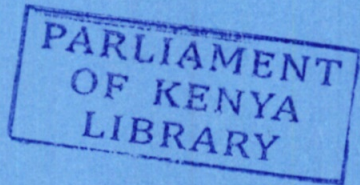


REPUBLIC OF KENYA

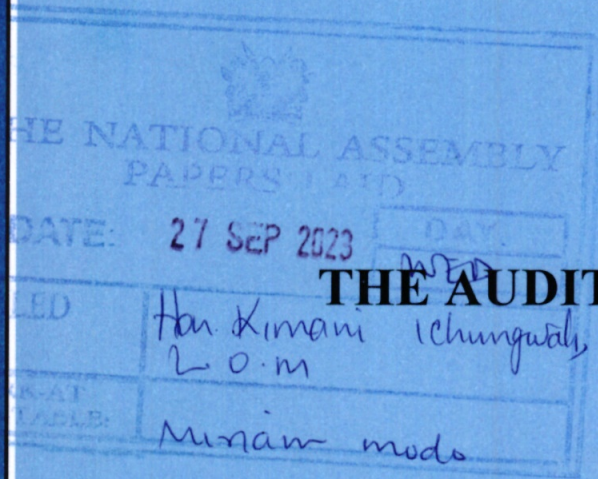


Enhancing Accountability

REPORT



OF



THE AUDITOR-GENERAL

ON

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

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

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00 00 NAIROBI
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Revised Template 30th June 2022



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KIAMBU CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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

NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND BOARD
RECEIVED
19 SEP 2022
CASH OFFICE
SIGN:.....

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

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I. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

Kiambu Constituency

National Government Constituencies Development Fund (NGCDF)

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

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

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 2022 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Gumato Sharamo Budha
2.	Sub-County Accountant	Jackline Wasilwa
3.	Chairman NGCDFC	Stephen Mwaura Ngugi
4.	Member NGCDFC	Josephine W. Mwangi

(d) Fiduciary Oversight Arrangements

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

(e) Kiambu Constituency NGCDF Headquarters

P.O. Box 1767-00900
Kiambu NG-CDF Tower Building, 1st Floor
Kiambu Road
KIAMBU, KENYA

(f) Kiambu Constituency NGCDF Contacts

Telephone: (254) 0725 753171
E-mail: kiambutowncdf@gmail.com
Website: www.kiambungcdf.go.ke

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

(g) Kiambu Constituency NGCDF Bankers

Equity Bank Kenya Limited (Kiambu National Government Constituencies Development
Fund A/C Number: 0640261707042)

Kiambu Branch

P.O Box 783 -00900

Kiambu, Kenya

(h) Independent Auditors

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

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

II. NG-CDFC Chairman's Report



Dear Stakeholders,

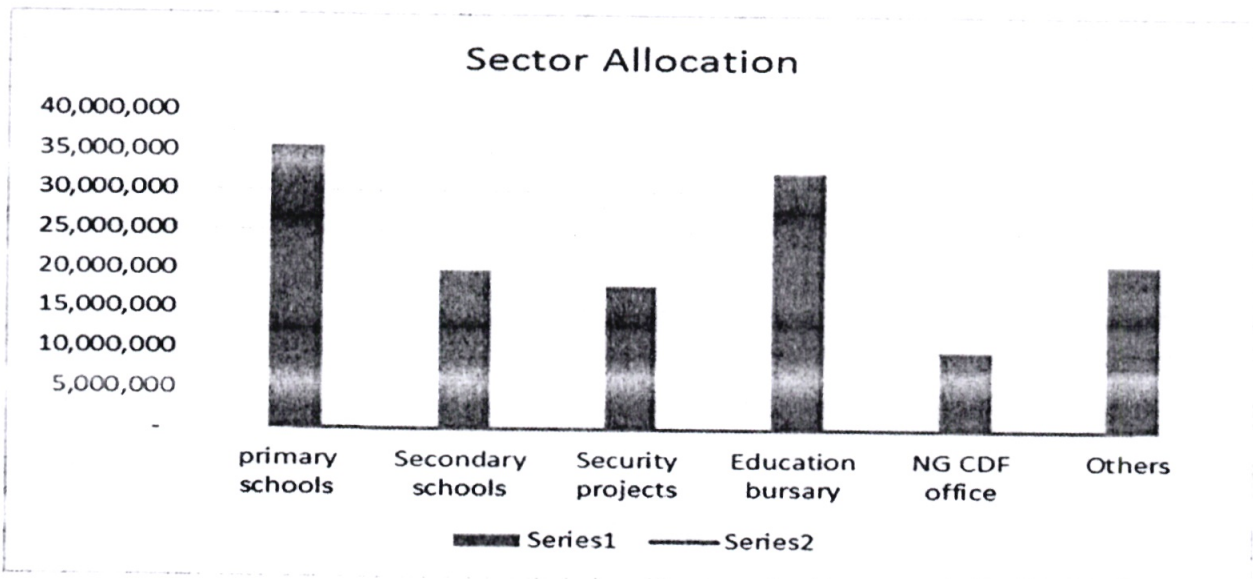
I am pleased to present the unaudited financial statements for Kiambu Constituency for the Financial Year ended 30th June 2022. During the year, the Constituency was allocated a total of **Kshs 137,088,879**.

On receipt of the above allocations, Kiambu Constituency National Government Constituencies Development Fund Committee (NGCDFC) pursuant to the provisions of the National Government CDF Act 2015, as amended in 2016, met and allocated funds to various projects with reference to the priorities of the public participation meetings held across the Constituency.

During the year, the bulk of the funds was allocated to the education sector. A total of Kshs. 54,500,000 was allocated as transfers to other Government Units which consist of transfers to primary schools & secondary schools.

Project allocation	Amount allocated
Primary school projects	36,500,000
Secondary school projects	18,000,000
Security	19,600,000
Bursaries/mocks/cats	32,000,000
NG CDF Office	5,000,000
Others	4,700,000
Administration & recurrent	7,000,000
Monitoring and Evaluation	3,096,672
Emergency	7,192,207
Sports activity	2,000,000
Environmental	2,000,000
Total	137,088,879

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



The continued funding towards the education sector in the Constituency has contributed to increased enrolment in primary, secondary and tertiary institutions whilst increasing retention and transition rates while equally reducing the burden of education for low income families.

The bulk of the funds during the financial year went towards improving infrastructure in the primary and secondary schools. During the year the committee constructed several modern administration blocks in different schools. Some of the completed projects are as shown below;





In the spirit of creating conducive environment for learning, the committee has also constructed dining halls, a swimming pool and classroom blocks in several secondary schools

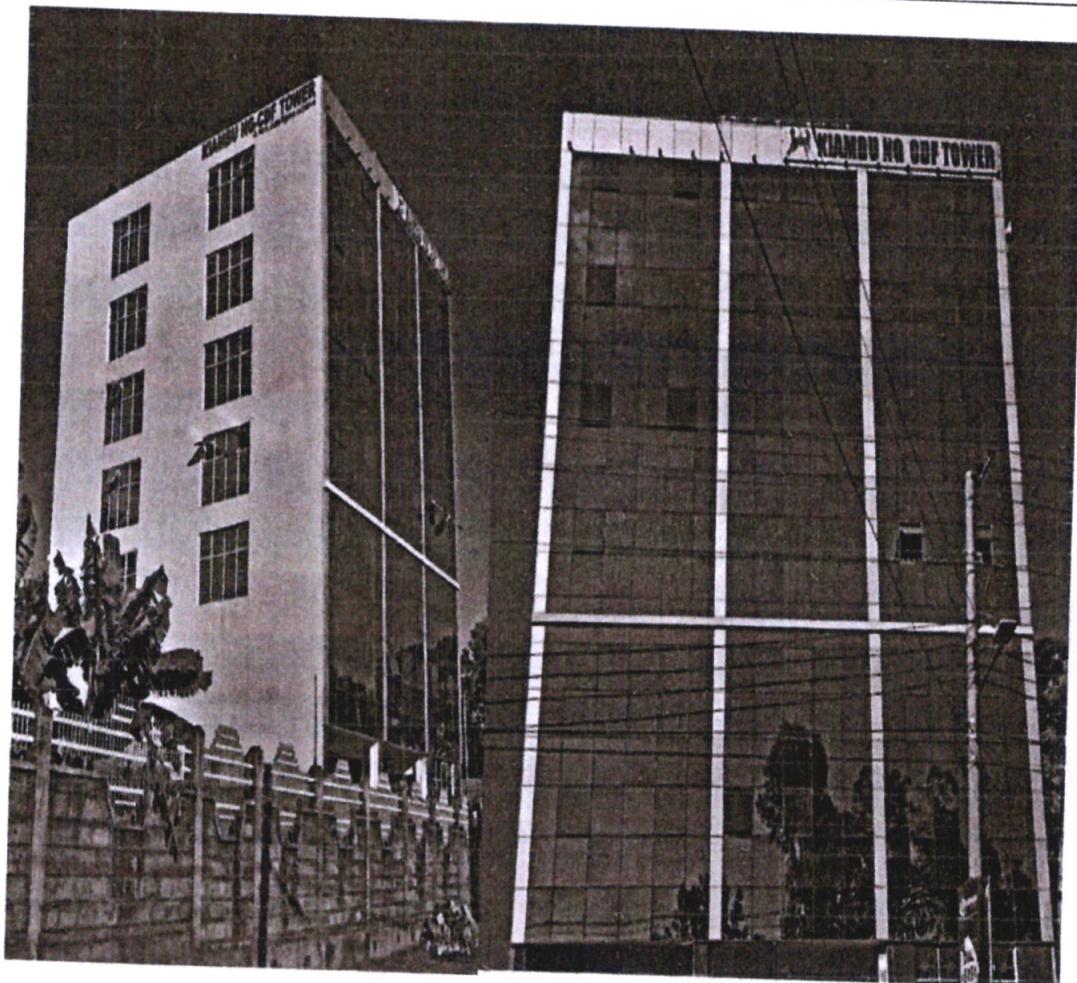


***-Kiambu Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022***



The committee is excited about the NG CDF tower which has since been occupied by Kiambu NG-CDF Office on 1st floor and Constituency Office on the 2nd floor.

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



Stephen Mwaura Ngugi
.....

**Name: Stephen Mwaura Ngugi
CHAIRMAN NGCDF COMMITTEE**

III. Statement of Performance against Predetermined Objectives for FY2021/22

Introduction

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

The key development objectives of *Kiambu Constituency 2018-2022* plan are to:

Education

- Improving access to primary and secondary education through increasing capacity schools in terms of infrastructure such as classrooms, dormitories and laboratories.
- Facelift all public primary schools and gradually equip with lockers to improve learners moral.
- Build modern septic ablution blocks in all primary schools
- Buy school bus for our secondary schools

Security

- Build new police post, chiefs offices and ACC offices
- Renovation of administrative offices, police stations and police posts.
- Upgrading police post to police stations
- Purchase of security patrol motorbikes

Youth empowerment

- Equip and furnish our fully constructed youth empowerment centers within the constituency
- Set up ICT hubs where youths can access internet-based economic opportunities
- Effecting the 30% tender opportunities for youth and women (AGPO) in every financial year.
- Impacting youths livelihoods through sports and talents

People/staff

- Create conducive working environment for the CDF staff
- Capacity building for the CDF staff and committee members
- Benchmark and harmonize salaries/wages of the CDF employees
- Effect performance management to ensure remuneration is aligned to performance geared towards improving service delivery.

Others

- Complete construction of 6 storey Kiambu NG-CDF offices
- Facelift all special needs classes within the primary schools

Kiambu Constituency**National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2022****Progress on attainment of Strategic development objectives**

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In FY 21/22 we increased number of classrooms, dormitories, laboratories etc from ... to... in the following schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules
Security	to equip the security agents with necessary infrastructure to handle insecurity cases within the constituency	Improved security within the constituency	Number of physical infrastructure built in chiefs offices and police stations	In FY 2021/2022 we constructed chiefs and assistant chiefs offices
Environment	Supports students carry out Environment Conservation Activities once in an academic calendar.	Improved environmental activity within the constituency	Environment conservation through activities such as tree planting, water conservation have reduced soil erosion.	In FY 2021/2022 we funded Kongo Primary School to a tune of Ksh. 2,000,000 towards Water harvesting for the whole school
Sports	Support sporting activities / tournament once	Improved social and economic welfare of the	Reduced crime rates within the constituency.	In FY 2021/2022 we supported a football

Kiambu Constituency

National Government Constituencies Development Fund (NGCDF)

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

	in every financial year	youths.		tournament in the constituency
Emergency	We supported several projects which were Emergency in nature.	There is conducive learning environment in our schools and insecurity has been reduced totally	We constructed toilets and purchased motorbikes for the police station	During the financial year, we managed to cater for any unforeseen occurrences in the constituency

IV. Environmental and Sustainability Reporting

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

1. Sustainability strategy and profile -

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

a. **Education and Training:** Kiambu NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.

b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.

- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

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

2. Environmental performance

- Kiambu NG-CDF supports students carry out Environment Conservation Activities once in an academic calendar. In FY 2021/2022 we funded Kongo Primary School to a tune of Ksh. 2,000,000 towards Water harvesting for the whole school, Installation of gutters on 18 No. classrooms, Construction of platforms to hold five 10,000 litres tanks and Purchase of five 10,000litres tanks.
- Kiambu NG-CDF have continually Sensitized the youths / community on the impact of drugs by construction of police stations supported by Kiambu NG-CDF.
- Kiambu NG-CDF have sponsored sporting activities / tournament during which communities are sensitized on environmental conservation matters.
- Kiambu NG-CDF supports the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry once in every financial year.

3. Employee welfare

We invest in providing the best working environment for our employees. Xxx constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to

time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

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

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

4. Market place practices-

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

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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

.....
GUMATO SHARANO

Name

FAM



V. Statement of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Kiambu Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

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


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

Approval of the financial statements

The NGCDF- Kiambu Constituency financial statements were approved and signed by the Accounting Officer on 16/09 2022.

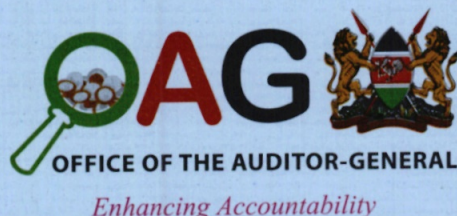

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Stephen Mwaura Ngugi
Chairman – NGCDF Committee


.....
Gumato Sharamo Budha
Finance Account Manager
FUND

REPUBLIC OF KENYA

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Anniversary Towers
Monrovia Street
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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kiambu Constituency set out on pages 1 to 41, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and the summary statement of

Report of the Auditor-General on National Government Constituencies Development Fund - Kiambu Constituency for the year ended 30 June, 2022

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

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

Basis for Qualified Opinion

1. Unsupported Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.3,484,678 as disclosed in Note 10A to the financial statements. However, Management did not provide the board of survey report and a certificate of bank balance.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.3,484,678 could not be confirmed.

2. Inaccuracies in Use of Goods and Services

The statement of receipts and payments and Note 5 to the financial statements reflects use of goods and services totalling Kshs.12,717,483 which does not include payment for supply of laptops at a value of Kshs.300,000 leading to understatement of payments in the statement of receipts and payments

In the circumstances, the accuracy of the use of goods and services amount of Kshs.12,717,483 could not be confirmed.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregular Procurement of Goods

Review of payment records revealed that a payment of Kshs.1,350,000 was made to a local firm for the procurement of several items. However, several anomalies were noted in the procurement as indicated below:

- i. Request for quotation was issued to three companies including the firm awarded the tender even though the winner was not in the prequalified list of suppliers.
- ii. Request for quotations attached did not indicate the date when the quotations were issued and the expected date of return/closure when they were to be submitted contrary to Section 106 subsection (1c) of the Public Procurement and Asset Disposal Act, 2015.
- iii. There was no evidence that a professional opinion or recommendation was issued to the Accounting Officer for approval in accordance with Section 84 of Public Procurement and Asset Disposal Act, 2015.
- iv. Tender opening minutes was not signed by each committee member and not all members initialized each page of the minutes as required under law.
- v. The successful bidder was notified on 14 December, 2021 and the contract was entered into on 23 December, 2021 which was before fourteen (14) days had elapsed after the notification of award.
- vi. No evidence was provided for audit verification to show that the unsuccessful bidders were notified about the outcome of their bids.
- vii. The members present in the tender opening committee were the same members that executed the tender evaluation functions thus contravening the law on segregation of duties.

In the circumstances, Management was in breach of the law

2. Irregular Payment of Training Expenses

During the year, Management made payments amounting to Kshs.1,501,000 relating to training expenses. However, the expenditure was not supported by an approved training

plan for the year, needs assessment reports and invitation letters to the trainings attended. Further, a hotel at the coast and facilitators were paid Kshs.1,056,000 for training sessions for NGCDF Committee members for Kiambu constituency held in Mombasa. However, the payment was not supported by any evidence of documents supporting the procurement procedure followed to identify and contract the service providers contrary to Section 149(1) of the Public Finance Management Act, 2012 which states that an Accounting Officer is accountable to the county assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is lawful and authorized; and effective, efficient, economical and transparent.

In the circumstances, Management was in breach of the law

3. Non-Compliance with Board Committee Meetings Limit

Review of records including board minutes provided for audit revealed that Kiambu Constituency Development Committee held thirty (30) meetings in the financial year 2021/22 including sub-committee meetings contrary to Section 43(11) of the National Government Constituencies Development Fund Act, 2015 states that the Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

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

4. Irregular Payment of Committee Allowances

Review of documents revealed that Management paid committee allowances amounting to Kshs.8,049,000. However, payments totalling Kshs.3,086,040 related to payments for items other than payment to committee allowances including sound entertainment, caterers and events management, cabs, tents, chairs and decorations. In addition, payments totalling to Kshs.1,282,000 were made to non-committee members including payments made to fully sponsored students for attending meetings, representatives from the works and NGCDF Kiambu Constituency office contrary to requirements of Regulation 92(2) of the Public Finance Management (National Government) Regulations, 2015 that requires that an imprest shall be issued for a specific purpose, and any payments made from it, shall be for the purposes specified in the imprest warrant.

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

5. Irregular Procurement of Motorbikes

Review of documents revealed that Management awarded a tender for supply and delivery of three (3) motorbikes to a local firm at a contract sum of Kshs.1,200,000 on 20 December, 2021. However, the quotations issued did not give the specifications of motorbikes required thus casting doubt as to whether the quoted prices related to the same product by the various bidders hence competitive as required. Further, no professional opinion, tender opening, tender evaluation and certificate on inspection and acceptance have been attached or provided separately for audit verification.

In addition, the pre-delivery and post-delivery inspection reports, copies of logbooks on the motor bikes, and justification for use of emergency funds were not provided for audit.

In the circumstances, value for money on the expenditure of Kshs.1,200,000 incurred in the procurement of the motor bikes could not be confirmed.

6. Irregular Implementation of Emergency Projects

Review of documents revealed that emergency expenditure amounting to Kshs.12,272,207 was incurred during the year. However, no documentary evidence was provided to confirm that Management had reported any of the emergency expenditure to the Board using the prescribed format and within the stipulated period of 30 days. Further, no minutes were provided as evidence on whether the emergency projects related to 'urgent, unforeseen needs for expenditure that could not be delayed as per Section 8(3) of the National Government Constituencies Development Fund Act, 2015.

In the circumstances, Management was in breach of the law

7. Irregular Disbursement of Bursaries

Review of documents revealed that Management disbursed a total of Kshs.36,966,155 as bursaries to secondary schools. However, there was no evidence of vetting by education bursary, mock examinations and continuous assessment tests committee contrary to Regulation 21(2) of the National Government Constituencies Development Fund Regulations, 2016 which states that a Constituency Committee shall vet all applicants for bursary consideration in accordance with guidelines issued by the Board.

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

8. Poorly Constructed Administration Block at Kongo Primary School

Review of contract documents revealed that Management awarded a contract for construction of administration block at Kongo primary school at a contract sum of Kshs.3,998,898 on 17 June, 2021. Physical verification revealed that the base of the pillars on the building were wearing out, the windows were not properly aligned and could not close while the roof seems was leaking. Further, the iron roofing sheets appear old, repainted and of poor quality and the gutters discharged water in front of the administration block affecting the floor at the entrance.

In the circumstances, value for money on the expenditure of Kshs.3,998,898 incurred in the construction project could not be confirmed.

9. Non-Compliance to Branding of Projects

Inspection of projects implemented by Kiambu Constituency carried out in the month of March, 2023 revealed that various projects were not properly branded. The projects were branded with the name of the area member of parliament contrary to the provisions of Section 25(3) of the National Government Constituency Development Fund Act, 2015 which requires that funds provided under this Act shall not be used for the purpose of supporting political bodies or political activities or for supporting religious bodies or religious activities.

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

10. Poorly Implemented Construction of Kiambu Constituency Office

Review of contract documents revealed that Management awarded a contract for construction of NGCDF Office Tower at Kiambu (Phase I) to a local firm at a contract sum of Kshs.39,732,100 on 21 January, 2019. On 21 August, 2021, Management awarded another contract to the same contractor for Phase 2 at a contract sum of Kshs.12,427,948. However, the bill of quantities for phase one (1) included items such as walling and internal partitioning, windows, doors, finishes, electricals and mechanical works valued Kshs.17,071,480. However, review of bills of quantities for phase two reflects similar items which include internal partitions, windows, doors, ceiling finishes, floor finishes, internal and external wall finishes, electrical and mechanical works all valued at Kshs.12,127,948 which appear to be similar hence possibility of double costing which may result to loss of public funds.

Physical verification of the project revealed that significant works remain unfinished even though payment certificates and actual payments stand at approximately 99%. The items still outstanding included internal partitions, doors, ceiling, floor finishes and electrical works costing Kshs.11,380,342 whose payment have been done.

In the circumstances, value for money on the expenditure of Kshs.11,380,342 incurred in the construction project could not be confirmed.

11. Failure to Submit Monthly Bank Reconciliation Statements for Audit

During the financial year 2021/2022, It was noted that the Management failed to submit a copy of monthly bank reconciliation statements to the Office of the Auditor-General contrary to Regulation 90(1) of the Public Finance Management (National Government) Regulations, 2015 which states that Accounting Officers shall ensure bank accounts reconciliations are completed for each bank account held by that Accounting Officer, every month and submit a bank reconciliation statement not later than the 10th of the subsequent month to the National Treasury with a copy to the Auditor-General.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Failure to Maintain a Fixed Assets Register

Review of documents and physical verification revealed that some of the existing assets held were not tagged exposing them to possible loss, the serial numbers column and the bar code number in the assets register for assets was not correctly captured making the identification process difficult and the fixed register was not updated regularly.

In the circumstances, the effectiveness of the fixed assets register in tracking and control of the assets could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

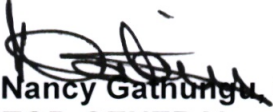
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 which is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions which may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner which achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


 CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 July, 2023


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

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

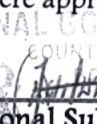
	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	170,088,879	161,367,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
Total Receipts		170,088,879	161,367,724
Payments			
Compensation Of Employees	4	1,000,128	1,231,658
Use Of Goods and Services	5	12,717,483	9,267,720
Transfers To Other Government Units	6	76,000,000	82,800,000
Other Grants and Transfers	7	96,038,362	51,398,441
Acquisition Of Assets	8	-	350,000
Other Payments	9	-	-
Total Payments		185,755,973	145,047,819
Surplus/(Deficit)		(15,667,094)	16,319,905

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

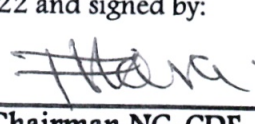
The Constituency financial statements were approved on 16/09/ 2022 and signed by:


 Fund Account Manager

Name: GUMATO
 SHARAMO


 National Sub-County
 Accountant

Name: Jacqueline Khasilas
 ICPAK M/No: 10895


 Chairman NG-CDF
 Committee

Name: Stephen Mwangi

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

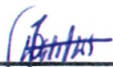
VIII. Statement of Assets and Liabilities as At 30th June, 2022

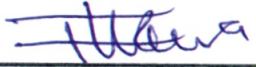
	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	3,484,678	19,151,772
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		3,484,678	19,151,772
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		3,484,678	19,151,772
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
Net Financial Assets		3,484,678	19,151,772
Represented By			
Fund Balance B/Fwd	13	19,151,772	2,831,867
Prior Year Adjustments	14	-	-
Surplus/Deficit for The Year		(15,667,094)	16,319,905
Net Financial Position		3,484,678	19,151,772

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

The Constituency financial statements were approved on 16/09 2022 and signed by:


 Fund Account Manager


 National Sub-County Accountant


 Chairman NG-CDF Committee

Name: GUMATO
 SHARAMO

Name: Jackline Kiprotich
 ICPAKM/No: 10895

Name: Stephen Mwangi

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

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

	Notes	2021 - 2021	2021 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	170,088,879	161,367,724
Other Receipts	3	-	-
Total Receipts		170,088,879	161,367,724
Payments			
Compensation Of Employees	4	1,000,128	1,231,658
Use Of Goods and Services	5	12,717,483	9,267,720
Transfers To Other Government Units	6	76,000,000	82,800,000
Other Grants and Transfers	7	96,038,362	51,398,441
Other Payments	9	-	-
Total Payments		185,755,973	144,697,819
Total Receipts Less Total Payments			
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	-	-
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		(15,667,094)	16,669,905
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	-	(350,000)
Net Cash Flows from Investing Activities		-	(350,000)
Net Increase In Cash And Cash Equivalent		(15,667,094)	16,319,905
Cash & Cash Equivalent At Start Of The Year	10	19,151,772	2,831,867
Cash & Cash Equivalent At End Of The Year	10	3,484,678	19,151,772

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

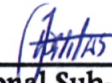
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 16/09 2022 and signed by:



Fund Account Manager

Name: GUMATO
SHARAMO



National Sub-County
Accountant

Name: Jackline Kigulus
ICPAK M/No: 10875



Chairman NG-CDF
Committee

Name: Stephen Mwangi



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

X. Summary Statement of Appropriation for the Year Ended 30th June 2022

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2021/2022	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2021/2022	30/06/2022		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts							
Transfers From NGCDF Board	137,088,879	19,151,772	45,088,879	201,329,530	189,240,651	12,088,879	94.0%
Proceeds From Sale of Assets				0	-	-	0.0%
Other Receipts				0	-	-	
Totals	137,088,879	19,151,772	45,088,879	201,329,530	189,240,651	12,088,879	94.0%
Payments							
Compensation Of Employees	1,205,999	-	-	1,205,999	1,000,128	205,871	82.9%
Use Of Goods and Services	8,890,673	6,279,324	-	15,169,997	12,717,483	2,452,514	83.8%
Transfers To Other Government Units	54,500,000	6,000,000	15,500,000	76,000,000	76,000,000	-	100.0%
Other Grants and Transfers	72,492,207	6,872,448	29,588,879	108,953,534	96,038,362	12,915,172	88.1%
Acquisition Of Assets				-	-	-	
Other Payments	0			0	-	-	
Funds Pending Approval**							
Totals	137,088,879	19,151,772	45,088,879	201,329,530	185,755,973	15,573,557	92.3%


*In FY 2021/2022 Kiambu Constituency did not realize AIA thus there were no revenue items forming part of it.

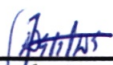
Kiambu Town Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

a) Kiambu Constituency did not have any underutilization or overutilization of funds since we managed to receive the funds in time and have since implemented 80% of the proposed funded projects.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	15,573,557
Less undisbursed funds receivable from the Board as at 30 th June 2022	12,088,879
	3,484,678
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	3,484,678

The Constituency financial statements were approved on 16/09 2022 and signed by:


 Fund Account Manager
 Name: GUMATO SHARANO


 National Sub-County Accountant
 Name: Jackline Kibitas
 ICPAK M/No: 10875


 Chairman NG-CDF Committee
 Name: Stephen Mwangi



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

X. Budget Execution by Sectors and Projects for the Year Ended 30th June 2022

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	1,205,999			1,205,999	1,000,128	205,871
1.2 Committee allowances	3,200,000	2,780,502		5,980,502	5,000,000	980,502
1.3 Use of goods and services	2,594,001	2,000,000		4,594,001	4,000,000	594,001
Total	7,000,000	4,780,502		11,780,502	10,000,128	1,780,374
2.0 Monitoring and evaluation						
2.1 Capacity building	400,000			400,000		400,000
2.2 Committee allowances	1,700,000	1,498,822		3,198,822	3,049,000	149,822
2.3 Use of goods and services	996,672			996,672	668,483	328,189
Total	3,096,672	1,498,822		4,595,494	3,717,483	878,011
3.0 Emergency						
3.1 Primary Schools	3,900,000	3,942,163	1,500,000	9,342,163	9,092,707	249,456
3.2 Secondary schools	980,000		88,879	1,068,879	980,000	88,879
3.3 Tertiary institutions						
3.4 Security projects	1,200,000		2,000,000	3,200,000	2,199,500	1,000,500
3.5 Unutilised	1,112,207			1,112,207		1,112,207
Total	7,192,207	3,942,163	3,588,879	14,723,249	12,272,207	2,451,042

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools	22,000,000	2,930,285	4,500,000	29,430,285	27,466,155	1,964,130
4.3 Tertiary Institutions	10,000,000			10,000,000	9,500,000	500,000
4.4 Universities						
4.5 Social Security						
Total	32,000,000	2,930,285	4,500,000	39,430,285	36,966,155	2,464,130
5.0 Sports						
5.1	2,000,000		2,000,000	4,000,000	4,000,000	-
5.2						
5.3						
Total	2,000,000	-	2,000,000	4,000,000	4,000,000	-
6.0 Environment						
6.1 kongo primary school – water harvesting	2,000,000			2,000,000	2,000,000	-
6.2						
6.3						
Total	2,000,000	-	-	2,000,000	2,000,000	-
7.0 Primary Schools Projects (List all the Projects)						
7.1 Benson njau primary school	2,000,000			2,000,000	2,000,000	-
7.2 Gichocho primary school	3,000,000			3,000,000	3,000,000	-

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

Programme/Sub-programme	Original Budget	Adjustments	Previous Years' Outstanding Disbursements	Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
	2021/2022	Opening Balance (C/Bl) and AIA				
7.3HGM Tinganga primary school	5,000,000			5,000,000	5,000,000	-
7.4Kasarini primary school	2,000,000			2,000,000	2,000,000	-
Machiri primary school	4,000,000			4,000,000	4,000,000	-
Mungai chengecha primary school	3,000,000			3,000,000	3,000,000	-
Ndumburi primary school	6,000,000		1,500,000	7,500,000	7,500,000	-
Ngegu primary school	2,500,000			2,500,000	2,500,000	-
Riabai primary school	5,000,000		1,500,000	6,500,000	6,500,000	-
Tinganga model primary school	4,000,000		2,500,000	6,500,000	6,500,000	-
Kiambu primary school			1,500,000	1,500,000	1,500,000	-
Chief wandie primary school			2,000,000	2,000,000	2,000,000	-
Riara primary school			1,000,000	1,000,000	1,000,000	-
Total	36,500,000	-	10,000,000	46,500,000	46,500,000	-
8.0 Secondary Schools Projects (List all the Projects)						
8.1Kanunga high school	3,000,000		2,000,000	5,000,000	5,000,000	-
8.2Kasarini secondary school	3,500,000		2,500,000	6,000,000	6,000,000	-
8.3Kiambu township secondary school	3,000,000		1,000,000	4,000,000	4,000,000	-
8.4Kiu river secondary school	6,500,000			6,500,000	6,500,000	-
Swimming pool at St. peters ndumburi high school	2,000,000			2,000,000	2,000,000	-
St. joseph riabai secondary school		6,000,000		6,000,000	6,000,000	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/BF) and AIA	Previous Years' Outstanding Disbursements			
Total	18,000,000	6,000,000	5,500,000	29,500,000	29,500,000	-
9.0 Tertiary institutions Projects (List all the Projects)						
9.1						
9.2						
9.3						
9.4						
10.0 Security Projects						
10.1 Gichocho chiefs office youth center	1,700,000			1,700,000	1,700,000	-
10.2 Kiambu county commissioners office	1,000,000			1,000,000	1,000,000	-
10.3 Kiambu deputy county commissioners office	700,000			700,000	700,000	-
Kiambu prisons	2,500,000			2,500,000	2,500,000	-
Kiamumbi chiefs office	4,000,000			4,000,000	4,000,000	-
Kihingo chiefs office youth center	1,700,000			1,700,000	1,700,000	-
Mbureria chiefs office	3,000,000			3,000,000	3,000,000	-
Ngegu assistant chiefs office	700,000			700,000	700,000	-
Njunu police post	500,000			500,000	500,000	-
Riabai chiefs office	1,000,000			1,000,000	1,000,000	-
Tinganga chiefs office youth empowerment center	1,800,000			1,800,000	1,800,000	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Tinganga police post	1,000,000			1,000,000	1,000,000	-
Kamiti anmer chiefs office			2,500,000	2,500,000	2,500,000	-
Kiamumbi police post			5,000,000	5,000,000		5,000,000
Ngegu police post			2,000,000	2,000,000		2,000,000
Thindigua police post					4,000,000	(4,000,000)
Total	19,600,000		9,500,000	29,100,000	26,100,000	3,000,000
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						
Ndumberi youth empowerment center	4,700,000			4,700,000	4,700,000	-
NG-CDF Office	5,000,000		10,000,000	15,000,000	10,000,000	5,000,000
Total	9,700,000		10,000,000	19,700,000	14,700,000	5,000,000
12.2						

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Funds pending approval**						
Total	137,088,879	19,151,772	45,088,879	201,329,530	185,755,973	15,573,557

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

XI. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on xx June 20xx for the period 1st July 2021 to 30th June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

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

Significant Accounting Policies continued

6. Cash and Cash Equivalents.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

14. Errors

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

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

15. Related Party Transactions

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

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

XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO B096961		15,000,000
AIE NO A823536		35,000,000
AIE NO B104548		19,367,724
AIE NO B124549		9,000,000
AIE NO B124982		8,500,000
AIE NO B119836		13,000,000
AIE NO B128125		6,900,000
AIE NO B128437		6,000,000
AIE NO B132181		6,000,000
AIE NO B138849		12,000,000
AIE NO B126143		7,000,000
AIE NO B126436		11,600,000
AIE NO B140580		12,000,000
AIE NO B140930	33,000,000	
AIE NO B105654	44,000,000	
AIE NO B105802	22,000,000	
AIE NO B128542	5,000,000	
AIE NO B128854	12,000,000	
AIE NO B154050	12,000,000	
AIE NO B164493	18,000,000	
AIE NO B155848	24,088,879	
TOTAL	170,088,879	161,367,724

Kiambu Town Constituency
National Government Constituencies Development Fund (NGCDF)
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2. Proceeds From Sale of Assets

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

3. Other Receipts

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

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

Notes To the Financial Statements (Continued)

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	955,104	891,408
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	277,826
Employer Contributions Compulsory national social security schemes	45,024	62,424
Total	1,000,128	1,231,658

5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	-	-
Utilities, supplies and services	180,853	49,110
Office rent	210,000	420,000
Communication, supplies and services	147,850	113,850
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	1,379,000	148,200
Rentals of produced assets	-	-
Training expenses	1,501,000	-
Hospitality supplies and services	-	-
Committee allowance	8,049,000	7,566,500
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	650,000	600,000
Other operating expenses	-	-
Bank service commission and charges	207,940	106,060
Security operations	391,840	264,000
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	-
Total	12,717,483	9,267,720

Kiambu Town Constituency
National Government Constituencies Development Fund (NGCDF)
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Notes To The Financial Statements (Continued)

6. Transfer To Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	46,500,000	54,800,000
Transfers To Secondary Schools (See Attached List)	29,500,000	28,000,000
Transfers To Tertiary Institutions (See Attached List)	-	-
Total	76,000,000	82,800,000

7. Other Grants and Other transfers

Description	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	36,966,155	27,785,000
Bursary – tertiary institutions (see attached list)	-	-
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	26,100,000	14,513,441
Sports projects (see attached list)	4,000,000	2,100,000
Environment projects (see attached list)	2,000,000	-
Emergency projects (see attached list)	12,272,207	-
NG CDF Office Project	10,000,000	7,000,000
Youth Center	4,700,000	-
Total	96,038,362	51,398,441

Kiambu Town Constituency
National Government Constituencies Development Fund (NGCDF)
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8. Acquisition Of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	350,000
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	0	350,000

Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)		
<i>Name Of Bank, Account No. Equity Bank Kiambu Branch, 0640261707042</i>	3,484,678	19,151,772
Total	3,484,678	19,151,772
10 B: Cash on Hand		
Location 1	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

Kiambu Town Constituency
National Government Constituencies Development Fund (NGCDF)
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11: Outstanding Imprests

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

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

Notes to the Financial Statement Continued

12A. Retention

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

[Provide short appropriate explanations as necessary.]

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

[Provide short appropriate explanations as necessary]

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

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	3,484,678	19,151,772
Cash in hand	-	-
Imprest	-	-
Total	3,484,678	19,151,772

[Provide short appropriate explanations as necessary]

14. Prior Year Adjustments

Description of the error	Balance b/f FY 2020/2021 as per Audited Financial statements Kshs	Adjustments Kshs	Adjusted Balance** b/f FY 2021/2022 Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
Total	-	-	-

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

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022	2020-2021
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Changes in Account Receivables E= D-A	-	-

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

16. Changes in Accounts Payable – Deposits and Retentions

	2021 – 2022	2020 – 2021
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-
Changes in Accounts Payable E= D-E	-	-

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

Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
Total	-	-

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	219,494	4,780,502
Use of goods and services	131,726	1,498,822
Amounts due to other Government entities (see attached list)	-	6,000,000
Amounts due to other grants and other transfers (see attached list)	3,133,458	6,872,448
Acquisition of assets	-	-
Funds pending approval	-	-
Total	3,484,678	19,151,772

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

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	22,141,010.00	25,818,181.00
Total	22,141,010.00	25,818,181.00

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

Annexes

Annexes: 1 Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
	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.					
Sub-Total					
Grand Total					

Annex 2 - Analysis of Pending Staff Payables

Kiambu Town Constituency
National Government Constituencies Development Fund (NGCDF)
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Name of Staff	Designation	Date employed	Outstanding Balance 30th June 2022	Comments
NG-CDFC Staff				
1. Helen Wanjiru Nganga	Office Administrator	1 st July 2021	-	
2. Teresia Nyambura Njoroge	Administrative Assistant	1 st July 2021	-	
3.				
Sub-Total				
Grand Total				

Wamba Town Constituency
National Government Constituencies Development Fund (NGCDF)
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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees		219,494	4,780,502	
Use of goods & services		131,726	1,498,822	
Amounts due to other Government entities		-	6,000,000	
Sub-Total		351,220	12,279,324	
Amounts due to other grants and other transfers		3,133,458	6,872,448	
Sub-Total		3,133,458	6,872,448	
Acquisition of assets				
Others (<i>specify</i>)				
Sub-Total				
Funds pending approval				
Grand Total		3,484,678	19,151,772	

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

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land				
Buildings and structures				
Transport equipment				
Office equipment, furniture and fittings				
ICT Equipment, Software and Other ICT Assets	1,199,390	300,000	-	1,499,390
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	1,199,390	300,000	-	1,499,390

Kiambu Town Constituency
National Government Constituencies Development Fund (NGCDF)
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Annex 5 –PMC Bank Balances As At 30th June 2022

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Benson Njau Primary School	EQUITY	0640266349626	2,000,000.00	
Gichocho Chiefs Office	EQUITY	0640280989421	589,867.00	
Kanunga High School	EQUITY	0640279022742	511,140.00	
Kiambu County Commissioners Office	EQUITY	0640282687636	1,000,000.00	
Kiambu Prisons	EQUITY	0640282745478	2,500,000.00	
Kiamumbi Chiefs Office	EQUITY	0640282209954	4,000,000.00	
Kihingo Chiefs Office	EQUITY	0640280988844	613,015.00	
Kongo Primary School	EQUITY	0640280990828	2,000,000.00	
Machiri Primary School	EQUITY	0640264358668	4,000,000.00	
Mbureria Chiefs Office	EQUITY	0640282714461	3,000,000.00	
Njunu Police Post	EQUITY	0640282673334	500,000.00	
Ting'ang'a Chiefs Office Youth Empowerment Center	EQUITY	0640280539050	426,988.00	
Ting'ang'a Police Post	EQUITY	0640282543273		
Total			1,000,000.00 22,141,010.00	

Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)								
CEN/HUB/KIAMBU CDF/10/1B/2	<p>1. <u>VARIANCE BETWEEN THE STATEMENT OF RECEIPTS AND PAYMENTS AND SUMMARY STATEMENT OF APPROPRIATION</u></p> <p>It was found that Kiambu NG-CDF had a variance in the transfers from NG CDF Board between the Statement of Receipts \$ Payments and the Actual on Comparable Basis of the figures in the summary statement of appropriation as shown below;</p> <table border="1" data-bbox="483 1098 1028 1398"> <thead> <tr> <th>Description</th> <th>Statement of Receipts and Payments</th> <th>Actual on Comparable Basis</th> <th>Variance</th> </tr> </thead> <tbody> <tr> <td>Transfers from NG CDF Board</td> <td>126,020,186.00</td> <td>135,034,867.00</td> <td>(9,014,681.00)</td> </tr> </tbody> </table>	Description	Statement of Receipts and Payments	Actual on Comparable Basis	Variance	Transfers from NG CDF Board	126,020,186.00	135,034,867.00	(9,014,681.00)	We would like to clarify (9,014,681) was the closing cash balance at the end of the financial year. Attached is the statement of receipt and expenditure.	Resolved	
Description	Statement of Receipts and Payments	Actual on Comparable Basis	Variance									
Transfers from NG CDF Board	126,020,186.00	135,034,867.00	(9,014,681.00)									

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	<p>2. EXPENDITURE OMITTED FROM THE FINANCIAL STATEMENTS</p> <p>During the examination of the payment vouchers provided for audit, you have indicated that there were disbursements made for bursaries during the Financial Year 2018/2019 that were not disclosed in the Financial Statements. The disbursements amounted to ksh 480,203 as shown below;</p> <table border="1" data-bbox="479 1166 1043 1385"> <thead> <tr> <th>Date</th> <th>Payee</th> <th>Details</th> <th>Cheque No.</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>10/01/20</td> <td>Bursary Beneficia</td> <td>Bursa ry</td> <td>5054-5499</td> <td>480,203.</td> </tr> </tbody> </table>	Date	Payee	Details	Cheque No.	Amount	10/01/20	Bursary Beneficia	Bursa ry	5054-5499	480,203.	<p>I would wish to clarify that the disbursement of bursary amounting to ksh 480,203 could not have been reflected in the Financial Statement of FY 2018/2019 since; this was FY 2017/2018 Bursary Vote Balance which was not expended. The same was processed on 10th January 2019 to benefit the needy students who had challenges in joining form 1. The Financial Statement for the year ending 30th June 2019 has no expenditure omission.</p>	Resolved	
Date	Payee	Details	Cheque No.	Amount										
10/01/20	Bursary Beneficia	Bursa ry	5054-5499	480,203.										

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	19 ries																															
	<p>3. PROJECT IMPLEMENTATION ANALYSIS</p> <p>During your audit review, it was noted that the Statement of Appropriation showed 96.5% and 79% budget utilization of transfers to Other Government Units and Other Grants and Transfers respectively. However, a detailed analysis of project implementation showed the following;</p> <table border="1"> <thead> <tr> <th>Project category</th> <th>No. of projects budgeted</th> <th>No. of projects implemented</th> <th>Projects not started</th> <th>Amount budgeted</th> <th>Amount spent</th> <th>% of budget utilization</th> </tr> </thead> <tbody> <tr> <td>Transfer to other government units</td> <td>33</td> <td>33</td> <td>0</td> <td>98,200,000</td> <td>64,850,000</td> <td>66%</td> </tr> <tr> <td>Other grants and transfers</td> <td>10</td> <td>10</td> <td>0</td> <td>48,220,563</td> <td>46,149,987.20</td> <td>96%</td> </tr> <tr> <td>Total</td> <td>43</td> <td>43</td> <td>0</td> <td>146,420,563</td> <td>110,999,987.20</td> <td>76%</td> </tr> </tbody> </table>	Project category	No. of projects budgeted	No. of projects implemented	Projects not started	Amount budgeted	Amount spent	% of budget utilization	Transfer to other government units	33	33	0	98,200,000	64,850,000	66%	Other grants and transfers	10	10	0	48,220,563	46,149,987.20	96%	Total	43	43	0	146,420,563	110,999,987.20	76%	<p>I would wish to state that the Kiambu NG CDF was allocated ksh 109,040,875.52 in FY 2018/2019. The Constituency had delayed disbursements amounting to ksh 16,979,310.35 from FY 2017/2018. In total the Transfer from NG CDF Board in FY 2018/2019 was ksh 126,020,185.87 and not Ksh 146,420,563 as indicated.</p> <p>On the same note, I also wish to notify you that the last batch for FY 2018/2019 amounting to Ksh 55,040,875.50 (as shown below) was received on 12th June 2019 and the committee was not able to fully utilize their budget provisions as planned and this resulted to under expenditure of funds.</p>	Resolved	
Project category	No. of projects budgeted	No. of projects implemented	Projects not started	Amount budgeted	Amount spent	% of budget utilization																										
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	<table border="1" data-bbox="495 469 1077 520"> <tr> <td></td> <td></td> <td></td> <td></td> <td>563</td> <td>987.20</td> </tr> </table> <p>It was further noted that the NG-CDF Kiambu Constituency was allocated ksh 146,420,563 in the FY2018/2019 for project implementation of 43 projects. However, total disbursements received were Ksh 126,020,186 from the NG-CDF Board out of which Ksh 16,979,310.35 was delayed disbursements from the FY 2017/2018. However, a total of ksh 110,999,987.20 was spent resulting in an underutilization of funds by ksh 35,420,575.80 thus delaying the benefit of the project to the community.</p>					563	987.20	<p>The anomaly has since been rectified since the projects have been implemented and going forward, the committee will implement approved projects without undue delay and still, they will continually work on improving the absorption rates of funds to ensure funds benefit those intended.</p> <table border="1" data-bbox="1093 879 1525 1401"> <thead> <tr> <th>FINANCIAL YEAR</th> <th>AMOUNT ALLOCATED</th> <th>A I E NO.</th> <th>A I E DATE</th> <th>A I E AMOUNT</th> </tr> </thead> <tbody> <tr> <td>2018/2019</td> <td></td> <td>B</td> <td>10.0</td> <td></td> </tr> <tr> <td>19</td> <td>109,040,875.52</td> <td>030185</td> <td>1.20 19</td> <td>10,000,000.00</td> </tr> <tr> <td>"</td> <td>"</td> <td>B 006375</td> <td>22.0 2.20 19</td> <td>7,000,000.00</td> </tr> <tr> <td>"</td> <td>"</td> <td>B 030433</td> <td>22.0 2.20 19</td> <td>13,000,000.00</td> </tr> <tr> <td>"</td> <td>"</td> <td>A 699125</td> <td>02.0 4.20</td> <td>11,000</td> </tr> </tbody> </table>	FINANCIAL YEAR	AMOUNT ALLOCATED	A I E NO.	A I E DATE	A I E AMOUNT	2018/2019		B	10.0		19	109,040,875.52	030185	1.20 19	10,000,000.00	"	"	B 006375	22.0 2.20 19	7,000,000.00	"	"	B 030433	22.0 2.20 19	13,000,000.00	"	"	A 699125	02.0 4.20	11,000		
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	<p>4. <u>PROCUREMENT OF BACK FILLING, RAISING THE COMPOUND AND CREATING THE PARADE GROUND AT KARUNGA PRIMARY SCHOOL</u></p> <p>During the audit of the year under review, it was found that the NG-CDF Kiambu Constituency procured works for back filling, raising the compound and creating the parade ground at Karunga Primary School at a cost of ksh 1,804,700. The audit</p>	<p>I wish to notify you that the Kiambu NG CDFC requested for quotations for the above works rather than restricted tendering which requires tenders to be submitted by at least ten contractors as provided for in the Public Procurement and Disposal Act and Regulations, since the works did not exceed the</p>	Resolved																					

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>verification revealed that the works for the project were procured through quotations where the NG-CDF issued quotations to three contractors rather than restricted tendering which required tenders to be submitted by at least ten contractors as provided for in the Public Procurement and Disposal Act and Regulations.</p>	<p>maximum threshold of ksh. 4,000,000. However, the Committee has noted the Auditors recommendations.</p>		
	<p>5. <u>PROJECT COMPLETED BUT NOT PUT INTO USE – KANUNGA HIGH SCHOOL BIOGAS PLANT</u></p> <p>During your audit you have indicated that you found that the biogas plant at Kanunga High School was constructed at a cost of Ksh. 1,200,000. The project was constructed to completion and that it has not been put into use thus risking the students and constituents from getting the value for money on this project.</p>	<p>The biogas plant at Kanunga High School is 100% complete and operational. At the time of your physical audit of the project, the school had temporarily closed for midterm break hence the reason you found the biogas not in use. We would also wish to state that the school and students have really benefitted from this project.</p>	<p>Resolved</p>	

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	<p>6. <u>DELAY IN COMPLETION OF KARUNGA AND KANUNGA CHIEFS OFFICE MEETING ROOMS</u></p> <p>During your audit, it was found that the NG-CDF Board approved a total of ksh 2,282,759 for the first phase of two projects namely Karunga and Kanunga Chiefs Office Meeting Rooms. The allocation for the two projects was approved in 2017/2018 with each receiving ksh 1,141,379.50. The audit team noted that the first phase for both projects had been completed.</p> <p>However, it was noted that the second phase of works had not commenced as at the time of audit. For Karunga Chiefs Meeting Room, the remaining works include rainwater disposal works and electrical works and for Kanunga Chiefs Meeting Room, remaining</p>	<p>The delay in implementation of the above projects to completion has been necessitated by the delay in receiving the FY 2019/2020 allocations, whereby, Karunga and Kanunga Chiefs Office Meeting Rooms has been allocated ksh 1,000,000 each. Once the NG CDFC receives the said funds, the 2 No. projects will be implemented to completion. However, it is important to note that, Karunga Chiefs Meeting Room is partially in use since the remaining works are rainwater disposal and electrical works. The committee has however noted the Auditors recommendation and in future, they will fasten the</p>		

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	works included the front door, electrical works, painting, ceiling and grills. The delay in implementation of the projects halts infrastructural development and delays the benefit of the project to the community.	implementation of their projects and ensure the community benefit from the development without delays.		

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 Name

Fund Account Manager.

GUMATO SHARAMO