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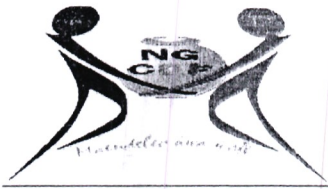
 THE NATIONAL ASSEMBLY PAPERS Laid	
DATE: 09 NOV 2021	DAY: Tue
TABLED BY:	Majority Whip Hon Wanjau
OP-AT THE-TABLE:	B. Inogwa

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2019**



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

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2019**

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

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

Reports and Financial Statements

For the year ended June 30, 2019

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NDIA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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

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For the year ended June 30, 2019

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.

Key Management

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

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

Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Timothy Njichi
2.	Sub-County Accountant	Cecilia Wambui
3.	Chairperson NGCDFC	Beatrice Mwangi

Fiduciary Oversight Arrangements

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

NGCDF NDIA Constituency Headquarters

P.O. Box 70
NG CDF Ndia Constituency Office Building/House/Plaza
Baricho/Kerugoya Avenue/Road/Highway
Baricho, KENYA

NGCDF NDIA Constituency Contacts

Telephone: (254)703362365
E-mail: tnjichi@ngcdf.go.ke
Website: www.go.ke

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NDIA CONSTITUENCY
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NGCDF NDIA Constituency Bankers

1. Equity Bank Ltd
A/C NO.0420294874971
Kagio Branch
P.O. Box 134 -10306
Kagio, Kenya

Independent Auditors

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

Principal Legal Adviser

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
 NDIA CONSTITUENCY
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 For the year ended June 30, 2019**

II FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Ndia Constituency is an electoral constituency in Kenya. It is one of the Constituencies in Kirinyaga county . Its constituency number 102 with an estimated population of 99,517, approx area of 270 sq.km. It is constitute 3 ward and 16 sub locations

Detail key achievements for the NG CDF

- Uplifted the unfortunate in society through the bursary funding.
- Improved security through provision of offices and houses to AP posts, police post & chiefs camps.
- Development of day and boarding secondary schools and improving learning institutions.
- Eradicating poverty at grass root level.

Sagana Sub-chief's Office



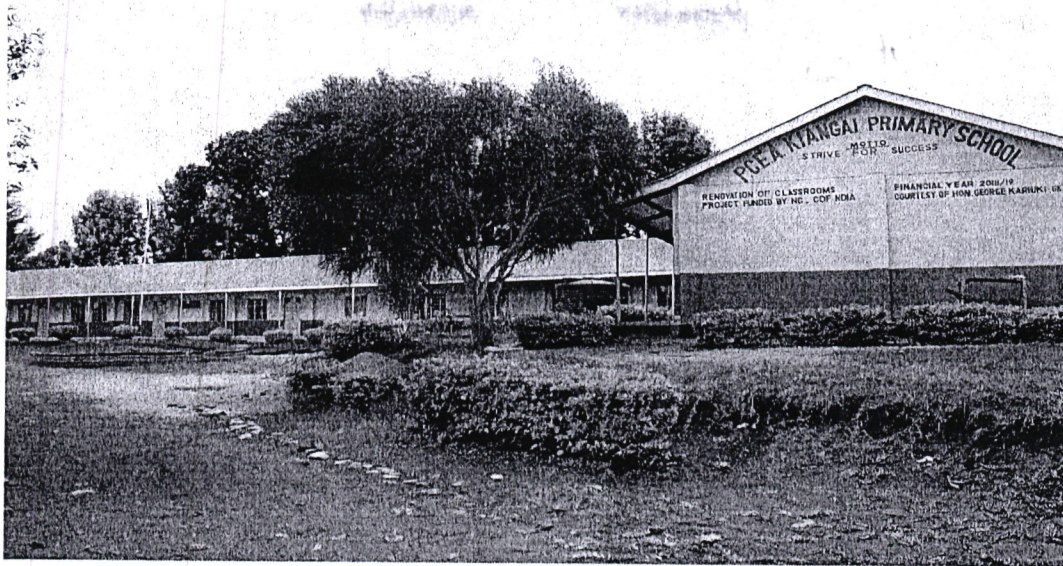
The above Project was funded in 2018/2019 out of the money that was reallocated from the following projects:

<i>SAGANA ASS. COUNTY COMMISSIONER OFFICE</i>	<i>ksh 950,000</i>
<i>KIARAGANA DISPENSARY</i>	<i>ksh700,000</i>

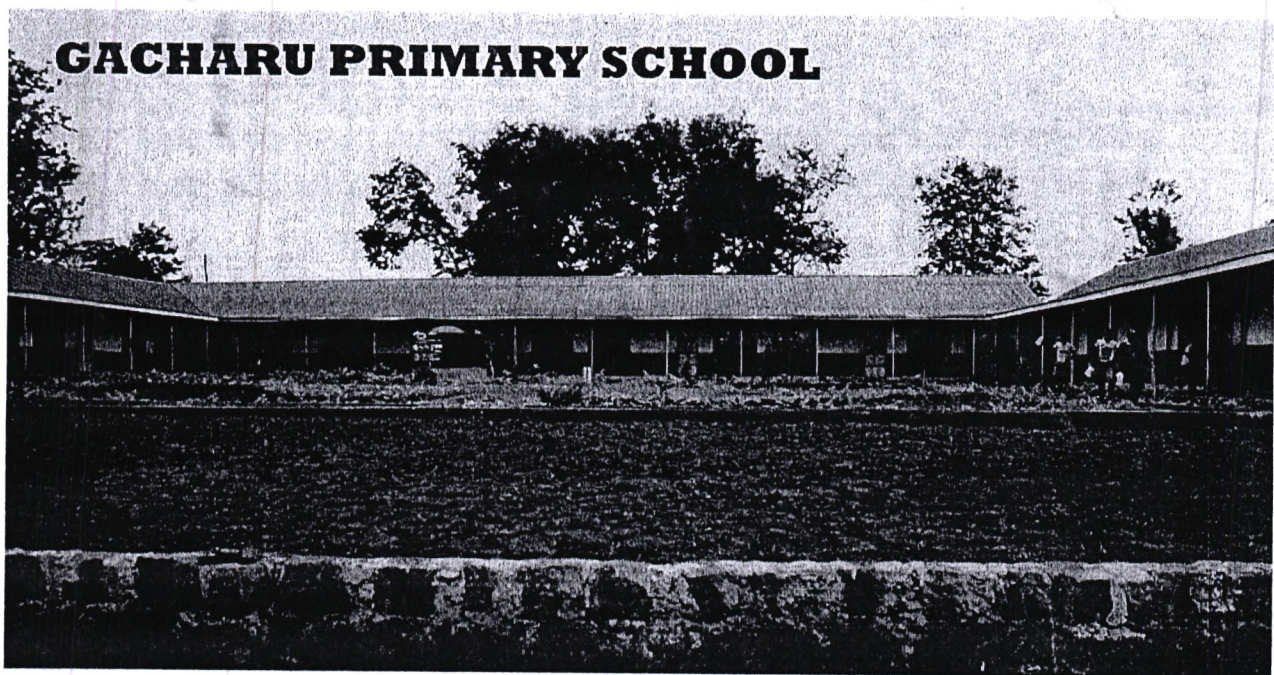
The total cost of construction is ksh1, 650,000/=

It is located in Sagana town, sagana sub location which is one of the sixteen sub locations in Ndia Constituency.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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The above Education Project was funded in 2018/2019 with the allocation of ksh 2,400,000 whose work was to renovate 6 classrooms tiling, plastering roofing and painting of doors and windows. It is located next to kiangai town, kiangai sub location which is one of the sixteen sub locations in Ndia Constituency.



The above Education Project was funded in 2017/2018 with the allocation of ksh 5,200,00 whose work was to sink a borehole with a cost of ksh 2,500,000 and to ksh 2,700,000 for construction of 3 classrooms. It is located at Gacharu sub location which is

one of the sixteen sub locations in Ndia Constituency

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NDIA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

Sign 

BEATRICE WANGUI MWANGI

CHAIRPERSON NGCDF COMMITTEE

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

**Reports and Financial Statements
For the year ended June 30, 2019**

III STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

Board of Kenya from time to time.

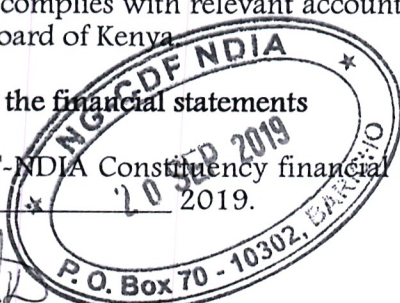
The Accounting Officer in charge of the NGCDF-NDIA Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2019. 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-NDIA Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-NDIA Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

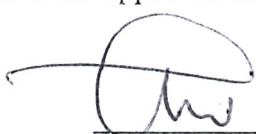
The Accounting Officer in charge of the NGCDF-NDIA Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible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

Approval of the financial statements

The NGCDF-NDIA Constituency financial statements were approved and signed by the Accounting Officer on 20 SEP 2019 2019.




Fund Account Manager
Name: Timothy Njichi

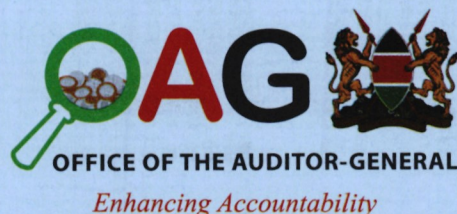


Sub-County Accountant
Name: Cecilia wambui

ICPAK Member Number : 20498

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NDIA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Ndia Constituency set out on pages 8 to 50, which comprise of the statement of assets and liabilities as at 30 June, 2019, statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Ndia Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Inaccuracies of the Financial Statements

1.1 Summary Statement of Appropriation

The summary statement of appropriation - recurrent and development combined reflects actual receipts totalling to Kshs.166,140,011. However, the individual summary statements of appropriations reflect receipts amounting to Kshs.10,701,597 and Kshs.154,679,732 respectively both totalling to Kshs.165,381,329 resulting to an unexplained and unreconciled variance of Kshs.758,682.

Further, the summary statement of appropriation - recurrent and development combined reflects an amount of Kshs.112,140,011 in respect to adjustments same as per disclosure

Note 15.3, unutilized funds, opening balance. However, the same statement in the audited 2017/2018 financial statements reflected a budget utilization difference amount of Kshs.44,193,286 which ought to have been the budgeted adjustments for the year under review, resulting to an unreconciled and unexplained variance totalling to Kshs.67,946,725.

In addition, the summary statement of appropriation - recurrent reflects an amount of Kshs.11,460,279 in respect to budget utilization difference being budgeted funds which were not transferred to the Fund by the National Government Constituencies Development Fund Board. However, re-casting of the statement gave an amount of Kshs.10,512,408 in respect to the same item, resulting to an unreconciled and unexplained variance totalling to Kshs.947,871.

In the circumstances, the accuracy of the summary statement of appropriation - recurrent and development combined for the year ended 30 June, 2019 could not be confirmed.

1.2. Statement of Assets and Liabilities

As disclosed in Note 10A to the financial statements, the statement of assets and liabilities reflects cash and cash equivalents totalling to Kshs.12,145,702. The bank reconciliation statement reflected unpresented cheques amount of Kshs.2,003,032 which included an amount of Kshs.148,382 in respect to five (5) stale cheques. However, the cheques had not been reversed and adjusted in the cashbook as at 30 June, 2019 and therefore understating the cash and cash equivalents by the same amount.

In the circumstances, the accuracy of an amount of Kshs.148,382 included in cash and cash equivalents as at 30 June, 2019 could not be confirmed.

2. Unsupported Bank Balances

The summary statement of appropriation - development reflects actual expenditure amounting to Kshs.143,292,712 which was disbursed to various institutions to implement projects through Project Management Committee (PMC). Disclosed in Annex 5 to the financial statements is PMC balances amounting to Kshs.11,629,877 being the unspent project funds as at 30 June, 2019. The balance includes an amount of Kshs.1,758,133 in respect of twelve (12) PMC bank balances. However, the respective bank statements reflected a balance of Kshs.9,712,107 resulting to an unreconciled and unexplained negative variance totalling Kshs.7,953,974.

In addition, no explanation was provided on why the balance totalling Kshs.11,629,877 was still held at the PMC accounts contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which states that all unutilized funds of the Project Management Committee shall be refunded to the constituency account.

Further, Annex 5 to the financial statements reflects an amount of Kshs.11,629,877 in respect to PMC balances. However, re-casting of the balances gave a total of

Kshs.8,101,940 resulting into an unexplained and unreconciled variance amounting to Kshs.3,527,937.

In the circumstances, the accuracy and validity of PMC bank balances totalling to Kshs.11,629,877 as at 30 June, 2019 could not be confirmed.

3. Unsupported Project Implementation Status

The summary statement of appropriation - development reflects a development expenditure amounting to Kshs.143,292,712 which was spent on various projects during the year. However, supporting documents including funds disbursed, date of projects completion, location of the projects and total funds allocated to budgeted projects in the 2018/2019 financial year were not provided. It was therefore, not possible to confirm the status of projects budgeted for in the year under review.

In the circumstances, the accuracy and value for money for the total of Kshs.143,292,712 expenditure for the year ended 30 June, 2019 could not be ascertained.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.221,180,886 and Kshs.166,140,011 respectively, resulting to an under-funding of Kshs.55,040,875 or 25% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.221,180,886 and Kshs.153,994,309 respectively, resulting to an under expenditure of Kshs.67,186,578 or 30% of the budget.

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

2. Unresolved Prior Year Matters

The Management reflects progress on follow up of auditor's recommendations indicating that seven (7) issues were raised by the Auditor-General in the 2017/2018 financial year.

However, in the audit report of the previous year, two (2) issues were raised. The Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref: PSASB/1/12 Vol.1(44) of 25 June, 2019.

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

1.0 Transfer to Other Government Units

As disclosed in Note 6 to the financial statements, the statement of receipts and payments reflects transfers to other Government Entities amount of Kshs.79,782,795. The balance includes an amount of Kshs.18,750,000 in respect to transfers to secondary schools. However, the following unsatisfactory observations were made:

1.1 Unimplemented Project

The balance includes an amount of Kshs.1,200,000 transferred to Kiaragana Girls Secondary School on 31 July, 2018 for the construction of a dormitory up to slab level. However, physical verification carried out in December, 2019, revealed that the project had not started and no explanations were provided.

In the circumstances, the propriety and value for money amounting to Kshs.1,200,000 expenditure for the year ended 30 June, 2019 could not be ascertained.

1.2 Irregular Diversion of Funds

Further, the balance includes an amount of Kshs.1,100,000 transferred to Kianjege West Secondary School for walling, plastering, flooring and installation of benches of a laboratory. However, physical verification carried out in December, 2019 revealed that the Project Management Committee diverted the funds into construction of two (2) classrooms. This is contrary to Section 6 (2) of the National Government Constituencies Development Fund Act, 2015 that states that "once funds are allocated for a particular project, they shall remain allocated for that project and may only be re-allocated for any other purpose during the financial year with the approval of the Board".

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

1.3 Irregular Holding of Project Funds

The balance also includes funds totalling to Kshs.750,000 transferred to Gakindu Secondary School in January, 2019 for purchase and installation of a transformer, which

had not been purchased as at the time of physical verification in December, 2019. Further, the unutilized balance had not been included under Annex 5 to the financial statements on Project Management Committee bank balances as at 30 June, 2019. This is contrary to Section 12(8) of the National Government Development Fund Act, 2015 which states that all unutilized funds of the Project Management Committee shall be refunded to the constituency account.

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

2.0 Other Grants and Transfers

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and other transfers totalling to Kshs.62,281,647. The following unsatisfactory observations were made:

2.1 Unsatisfactory Implementation of Projects

The balance includes an amount of Kshs.1,650,000, under security projects, used for construction, electrification and equipping of Sagana Assistant Chief's Office. Review of records revealed that the amount was paid to a firm to carry out the project as per the bill of quantities. However, physical verification in December, 2019 revealed that works totalling to Kshs.323,200 were not done as per the bills of quantities.

In the circumstances, the propriety and value for money for the Kshs.323,200 expenditures for the year ended 30 June, 2019 could not be ascertained.

2.2 Non-compliance with Bursary Circular

Further, the balance includes bursaries totalling to Kshs.45,632,814. Review of records revealed that amounts allocated to every Sub-location was subdivided equally among all applicants without any criterion. This is contrary to the NG-CDF Board Circular/Vol I/111 dated 13 September, 2010 which states that a bursary applicant must be a deserving student, orphaned totally or partially, or socially or economically disadvantaged including vulnerable students.

In the circumstances, the Management is in breach of the Board's circular.

3.0 Irregular Procurement of Strategic Plan

As disclosed in Note 5 to the financial statements, the statement of receipts reflects use of goods and services amounting to Kshs.8,789,184. The balance includes an amount of Kshs.2,950,000 paid as part payment to a Company in respect to development of a strategic plan for a contract sum of Kshs.3,500,000. However, review of records revealed that the procurement was not in the annual procurement plan. This is contrary to Section 45(3)(a) of the Public Procurement and Asset Disposal Act, 2015 which states that all procurement processes shall be within the approved budget of the procuring entity and shall be planned by the procuring entity concerned through an annual procurement plan.

Further, there was no evidence that there was pre-qualification of bidders and review of documents revealed that all members of the tender opening committee were directly involved in the tender evaluation contrary to Section 78(1)(b) of the Public Procurement

and Asset Disposal Act, 2015 which requires that at least one of the members shall not be directly involved in the processing or evaluation of the tenders.

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

4.0 Non-compliance with Public Sector Accounting Standards Board Requirements

The annual report and financial statements did not provide for the report of the independent auditor, the financial statements do not disclose the appropriate dates, whereas page 2 discloses the year as 2018 instead of 2019. The headers to Annexures 3, 4 and 5 to the financial statements indicate that the balances are in thousands of shillings (Kshs.000). However, the balances are presented in absolute terms thereby overstating the balances.

This is contrary to the template Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref: PSASB/1/12 Vol.1(44) of 25 June, 2019.

Consequently, the Management is 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to 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 financial reporting process, reviewing the effectiveness of how the Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

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

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

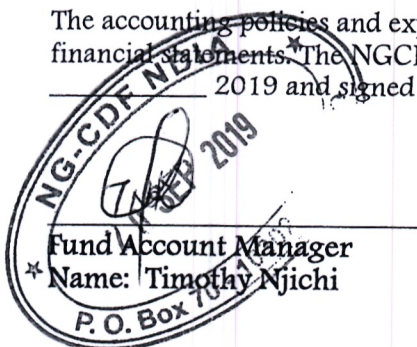
08 October, 2021


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NDIA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

IV STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019 Kshs	2017 - 2018 Kshs
RECEIPTS			
Transfers from NGCDF board	1	129,487,069	90,504,310
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	145,000
TOTAL RECEIPTS		129,487,069	90,649,310
PAYMENTS			
Compensation of employees	4	1,912,413	1,409,226
Use of goods and services	5	8,789,184	5,078,546
Transfers to Other Government Units	6	79,782,795	50,644,574
Other grants and transfers	7	62,281,647	48,919,492
Acquisition of Assets	8	1,228,270	0
Other Payments	9	<u>0</u>	<u>540</u>
TOTAL PAYMENTS		153,994,309	106,052,3780
SURPLUS/(DEFICIT)		<u>(24,507,241)</u>	<u>(15,403,067)</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NDIA Constituency financial statements were approved on _____ 2019 and signed by:


Fund Account Manager
* Name: Timothy Njichi


Sub-County Accountant
Name: Cecilia wambui
ICPAK Member Number: 20498

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NDIA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019**

V STATEMENT OF ASSETS AND LIABILITIES

	Note	2018-2019 Kshs	2017-2018 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	12,145,702	36,652,942
Cash Balances (cash at hand)	10B	0.00	0.00
Total Cash and Cash Equivalents		12,145,702	36,652,942
Current Receivables			
Outstanding Imprests	11	0	0
		0	0
		12,145,702	36,652,942
TOTAL FINANCIAL ASSETS			
FINANCIAL LIABILITIES			
Accounts Payable		0	0
		0	0
Retention	12A	0	0
Gratuity	12B		
		0	0
TOTAL FINANCIAL LIABILITES		0	0
NET FINANCIAL ASSETS		12,145,702	36,652,942
REPRESENTED BY			
Fund balance b/fwd 1 st july 2018	13	36,652,942	52,056,010
Surplus/Defict for the year		-24,507,240	-15,403,068
		0	0
Prior year adjustments	14		
NET FINANCIAL POSITION		12,145,702	36,652,942

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NDIA Constituency financial statements were approved on _____ 2019 and signed by:

Fund Account Manager
Name: Tomothy Njicha



Sub-County Accountant
Name: Cecilia wambui
ICPAK Member Number: 20498

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

**Reports and Financial Statements
For the year ended June 30, 2019**

VI STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from NGCDF Board	1	129,487,069	90,504,310
Other Receipts	3	-	145,000
Total receipts		129,487,069	90,649,310
Payments			
Compensation of Employees	4	1,912,413	1,409,226
Use of goods and services	5	8,789,184	5,078,546
Transfers to Other Government Units	6	79,782,795	50,644,574
Other grants and transfers	7	62,281,647	48,919,492
Other Payments	9	0	540
Total payments		152,766,039	106,052,378
Total Receipts Less Total Payments		(23,278,970)	(15,403,068)
Adjusted for:			
Outstanding imprest	11	-	-
Retention Payable	12A	-	-
Gratuity Payable	12B	0	-
Prior year adjustments	14	0	0
Net Adjustments		0	0
Net cash flow from operating activities		(23,278,970)	(15,403,068)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0	-
Acquisition of Assets	8	1,228,270	-
Net cash flows from Investing Activities		1,228,270	0
NET INCREASE IN CASH AND CASH EQUIVALENT		(24,507,240)	(15,403,068)
Cash and cash equivalent at BEGINNING of the year	13	36,652,942	52,056,010
Cash and cash equivalent at END of the year		12,145,702	36,652,942

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

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

**Reports and Financial Statements
For the year ended June 30, 2019**

Constituency financial statements were approved on _____ 2019 and signed by:



Fund Account Manager
Name: Timothy Njichi



Sub-County Accountant
Name: Cecilia wambui
ICPAK Member Number: 20498

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NDIA CONSTITUENCY
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VII SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=e/d %
RECEIPTS						
Transfers from CDF Board	109,040,876	112,140,011	221,180,886	166,140,011	55,040,875	75.1%
Proceeds from Sale of Assets				-	-	
Other Receipts						
TOTAL	109,040,876	112,140,011	221,180,886	166,140,011	55,040,875	75.1%
PAYMENTS						
Compensation of Employees	2,642,452	1,579,868	4,222,320	1,912,413	2,309,907	45.3%
Use of goods and services	7,171,226.00	9,820,459	16,991,685	8,789,184	8,202,501	51.7%
Transfers to Other Government Units	50,463,387	64,258,688	114,722,075	79,782,795	34,939,280	69.5%
Other grants and transfers	48,763,810	29,971,695	78,735,505	62,281,647	16,453,858	79.1%
Acquisition of Assets		1,229,273	1,229,273	1,228,270	1,003	99.9%
Other Payments		5,280,028	5,280,028		5,280,028	0.0%
TOTAL	109,040,876	112,140,011	221,180,887	153,994,309	67,186,578	69.6%

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NDIA CONSTITUENCY
Reports and Financial Statements
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VII SUMMARY STATEMENT OF APPROPRIATION: RECURRENT FOR F/Y 2018/2019

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
RECEIPTS	a	b	c=a+b	d	e=c-d	f=e/d %
Transfers from CDF Board	9,813,678	11,400,327	21,214,005	10,701,597	11,460,279	98.23%
Proceeds from Sale of Assets						
Other Receipts						
TOTAL	9,813,678	11,400,327	21,214,005	10,701,597	11,460,279	1
PAYMENTS						
Compensation of Employees	2,642,452	1,579,868	4,222,320	1,912,413	2,309,907	45.30%
Use of goods and services	7,171,226.00	9,820,459	16,991,685	8,789,184	8,202,501	51.70%
TOTAL	9,813,678	11,400,327	21,214,005	10,701,597	10,512,408	69.60%

VII SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT FOR FINANCIAL YEAR 2018/2019

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
RECEIPTS	a	b	c=a+b	d	e=c-d	f=d/c %
Transfers from CDF Board	99,227,198	100,739,684	199,966,882	154,679,732	45,287,149	77.35%
Proceeds from Sale of Assets						
Other Receipts						
TOTAL	99,227,198	100,739,684	199,966,882	154,679,732	45,287,149	75.10%
PAYMENTS						
Transfers to Other Government Units	50,463,387	64,258,688	114,722,075	79,782,795	34,939,280	69.50%

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NDIA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

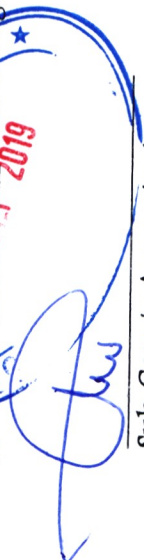
Other grants and transfers	48,763,810	29,971,695	78,735,505	62,281,647	16,453,858	79.10%
Acquisition of Assets	-	1,229,273	1,229,273	1,228,270	1,003	99.90%
Other Payments	-	5,280,028	5,280,028	-	5,280,028	0.00%
TOTAL	99,227,197	100,739,684	199,966,881	143,292,712	56,674,169	69.50%

For utilization below 90% this was as a result of fund not disbursed from the NG CDF BOARD since an AIE of ksh 55,040,875 for financial year 2018 2019 had not yet been released as at end of the financial year.
For Utilization of 0% this is as a result of the funds submitted for reallocation and have not been approved by the Board.

REALLOCATIONS DURING THE YEAR 2018/2019

REALLOCATED FROM	REALLOCATED TO	AMOUNT
EMERGENCY 2017/2018	KATHAKA PRIMARY SCHOOL	3,068,965.22
EMERGENCY 2017/2018	KINYAKIRU PRIMARY SCHOOL	1,500,000.00
GATHUTHIINI SEC. SCH	GATHUTHIINI PRIMARY SCHOOL	850,000.00
MURAGARA PRI SCH (ENVIRONMENT)	MURAGARA PRI SCH (EDUCATION)	818,965.52
MUKUI PRI SCH (ENVIRONMENT)	MUKUI PRI SCH (EDUCATION)	818,965.52
KIRIMA MUKURIA WATER PROJECT	GETUYA SECONDARY SCHOOL	300,000.00
RIAKANIA PRI SCHOOL	GAKINDU SEC. SCHOOL	750,000.00
SAGANA ASS. COUNTY COMMISSIONER OFFICE	SAGANA ASSISTANT CHIEF OFFICE	950,000.00
KIARAGANA DISPENSARY	SAGANA ASSISTANT CHIEF OFFICE	700,000.00

The NGCDF-NDIA Constituency financial statements were approved on 27th July 2019 and signed by:


 Sub-County Accountant
 Name: Cecilia wambui
 ICPAK Member Number: 20498


 Fund Account Manager
 Name: Timothy Njichi

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NDIA CONSTITUENCY
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VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub programme	Original Budget 2018/2019 Kshs	Adjustments 2018/2019 Kshs	Final Budget 2018/2019 Kshs	Actuals to date 30/06/2019 Kshs	Budget utilization Difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,642,452	1,579,868	4,222,320	1,912,413	2,309,907
1.2 Committee allowances	1,900,000	1,024,651	2,924,651	1,704,100	1,220,551
1.3 Use of goods and services	2,000,000	1,334,048	3,334,048	731,351	2,602,697
1.4 Acquisition of assets					
2.0 Monitoring and evaluation			0		0
2.1 Capacity building	1,000,000	1,177,586.00	2,177,586	1,554,000	623,586
2.2 Committee allowances	1,000,000	875,564.00	1,875,564	538,200	1,337,364
2.3 Use of goods and services	1,271,226	1,908,610.00	3,179,836	1,311,533	1,868,303
3.0 Emergency	5,738,993	0	5,738,993	0	5,738,993
4.0 Bursary and Social Security					
4.1 Primary Schools	0	383320	383,320	383,320.00	0
4.2 Secondary Schools	19,600,000	9,458,975.00	29,058,975	29,058,975.00	0
4.3 Tertiary Institutions	6,400,000	3,154,004	9,554,004	7,063,956.00	2,490,048
4.4 Universities	9,000,000	126,563	9,126,563	9,126,563.00	0
4.5 Social Security					
5.0 Sports	2,180,817	1,436,207.00	3,617,024	1,436,206	2,180,818
5.1 kibirigwi primary school	0	100,000	100,000	100,000	0
5.2 kathaka primary school	0	100,000	100,000	100,000	0
5.3 Kiburu primary school	0	100,000	100,000	100,000	0
6.0 Environment					
6.1 muragara primary school	92,000	0	92,000	0	92,000
6.2 gathambi primary school	92,000	0	92,000	0	92,000
6.3 thunguri primary school	92,000	0	92,000	0	92,000
6.4 kianwe primary school	92,000	0	92,000	0	92,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NDIA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

Programme/Sub-programme	Original Budget 2018/2019	Amendment	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
6.5 getuya primary school	92,000	0	92,000	0	92,000
6.6 kiriko primary school	92,000	0	92,000	0	92,000
6.7 mathia primary school	92,000	0	92,000	0	92,000
6.8 kiine primary school	0	92,857	92,857	92,857	0
6.9 ndigaru primary school	0	92,857	92,857	92,857	0
6.10 kianjege west primary school	0	92,857	92,857	92,857	0
6.11 lower sagana primary school	0	92,857	92,857	92,857	0
6.12kiangai primary school	0	92,857	92,857	92,857	0
6.13 ndiriti primary school	0	92,857	92,857	92,857	0
6.14 gathuthini primary school	0	92,857	92,857	92,857	0
7.0 primary schools projects					
7.1 thumaita west primary school	2,500,000.00	4,156,900	6,656,900	5,156,900	1,500,000
7.2 kiandangae primary school	2,100,000.00	1,600,000	3,700,000	1,600,000	2,100,000
7.3 upper sagana primary school	2,700,000.00	2,156,900	4,856,900	2,156,900	2,700,000
7.4 kiine primary school	3,240,000.00	0	3,240,000	0	3,240,000
7.5 kiburu primary school	3,150,000.00	2,900,000	6,050,000	2,900,000	3,150,000
7.6 kathaka primary school	2,300,000.00	3,725,865	6,025,865	3,725,865	2,300,000
7.7 kianjege west primary school	2,400,000.00	656,900	3,056,900	656,900	2,400,000
7.8 ndigaru primary school	2,500,000.00	0	2,500,000	0	2,500,000
7.9 kahiro primary school	2,000,000.00	1,000,000	3,000,000	1,000,000	2,000,000
7.10 ngando primary school	200,000.00	0	200,000	0	200,000
7.11 kahuhoini primary school	2,700,000.00	800,000	3,500,000	800,000	2,700,000
7.12 Githuaini primary school	2,700,000	850,000	3,550,000	3,550,000	0
7.13 Upper Baricho Primary school	0	2,100,000	2,100,000	2,100,000	0
7.14 Mukangu Primary School	0	750,000	750,000	750,000	0
7.15 Nguuini Primary School	0	1,506,900	1,506,900	1,506,900	0
7.16 Getuya primary school	0	1,556,900	1,556,900	1,556,900	0
7.17 Mukui Primary School	0	1,318,965	1,318,965	1,318,965	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NDIA CONSTITUENCY
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Programme Sub-programme	Original Budget	Actual Budget	Actual Budget	Actual Budget	Actual Budget
	2018/2019	2018/2019	2018/2019	2018/2019	2018/2019
7.18 Muragara Primary School	0	1,818,965	1,818,965	1,818,965	0
7.19 Lower Sagana Primary school	1,300,000	1,000,000	2,300,000	2,300,000	0
7.20 Sagana Muslim Primary school	0	656,900	656,900	656,900	0
7.21 Gacharu Primary School	0	5,200,000	5,200,000	5,200,000	0
7.22 Lower baricho primary School	0	3,156,900	3,156,900	3,156,900	0
7.23 Kibirigwi primary school	1,800,000	1,656,900	3,456,900	3,456,900	0
7.24 Kiangoma Primary School	0	800,000	800,000	800,000	0
7.25 mathia primary school	0	375,893	375,893	0	375,893
7.26 Kairungu Primary school	0	1,000,000	1,000,000	1,000,000	0
7.27 Kiaragana Primary School	0	1,000,000	1,000,000	1,000,000	0
7.28 Thanju Primary School	0	656,900	656,900	656,900	0
7.29 Karima Primary School	0	2,500,000	2,500,000	2,500,000	0
7.30 Kinyakiitu Primary school	0	2,156,900	2,156,900	2,156,900	0
7.31 Kabonge Primary School	0	800,000	800,000	800,000	0
7.32 kairini primary school	0	1,000,000	1,000,000	1,000,000	0
7.33 Gathuthiini primary school	0	850,000	850,000	850,000	0
7.34 kiangai primary school	2,400,000	0	2,400,000	2,400,000	0
8.0 secondary schools projects					
8.1 st. philips secondary school	3,500,000.00	1,100,000	4,600,000	3,600,000.00	1,000,000
8.2 Kathaka secondary school	1,800,000.00	1,000,000	2,800,000	1,000,000.00	1,800,000
8.3 kiburu Girls Secondary School	1,000,000.00	1,000,000.00	2,000,000	1,000,000.00	1,000,000
8.4 Kiburu Boys Secondary School	1,000,000.00	1,000,000.00	2,000,000	1,000,000.00	1,000,000
8.5 kiaragana Girls Secondary School	1,000,000.00	1,200,000.00	2,200,000	1,200,000.00	1,000,000
8.6 Baricho Boys Secondary School	1,000,000.00	0	1,000,000	0	1,000,000
8.7 Bishop Ngoru Secondary School	1,400,000.00	0	1,400,000	0	1,400,000
8.8 kairini secondary school	1,500,000.00	0	1,500,000	0	1,500,000
8.9 Lower Sagana Secondary School	1,473,387.00	0	1,473,387	1,400,000.00	73,387
8.9 Ngunuini secondary school	0	900,000	900,000	900,000	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NDIA CONSTITUENCY
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For the year ended June 30, 2019

Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
8.10 Mathia Secondary school	0	900,000	900,000	900,000	0
8.11 Kiangai Secondary School	0	1,000,000	1,000,000	1,000,000	0
8.12 Getuya Secondary School	800,000	300,000	1,100,000	1,100,000	0
8.13 Mukangu secondary school	0	1,800,000	1,800,000	1,800,000	0
8.14 kianjege west secondary school	900,000	1,100,000	2,000,000	2,000,000	0
8.15 Gakindu secondary school	0	750,000	750,000	750,000	0
8.16 st marys kiaragana sec sch	1,100,000	0	1,100,000	1,100,000	0
9.0 Tertiary institutions Projects					
9.1 Ndiriri vocational technical Inst.	0	2,500,000	2,500,000	2,500,000	
10.0 Security Projects					
10.1 kirinyaga west police division h/q	2,500,000	0	2,500,000	0	2,500,000
10.2 kibingoti assistant county comm. office	2,700,000	0	2,700,000	0	2,700,000
10.3 kiburu police post	0	200,000	200,000	0	200,000
10.4 Ruiru Assistant chief office	0	1,000,000	1,000,000	1,000,000	0
10.5 Gacharu Assistant chief office	0	1,000,000	1,000,000	1,000,000	0
10.6 Gacharu AP Post	0	500,000	500,000	500,000	0
10.7 Mururini AP post	0	1,200,000	1,200,000	1,200,000	0
10.8 Kiandai Police Post	0	1,100,000	1,100,000	1,100,000	0
10.9 Mukure Location Chief office	0	650,000	650,000	650,000	0
10.10 Kibingoti AP Post	0	1,100,000	1,100,000	1,100,000	0
10.11 Kiangai Assistant Chief Office	0	300,000	300,000	300,000	0
10.12 Kibirigwi AP post	0	600,000	600,000	600,000	0
10.13 Gathuthiini ap post	0	450,000	450,000	450,000	0
10.14 Gathuthiini ap post	0	1,800,000	1,800,000	1,800,000	0
10.15 kibingoti ass chief office	0	112,628	112,628	112,628	0
10.16 nguguni police post	0	1,000,000	1,000,000	1,000,000	0
10.17 riamugaa ap post	0	1,800,000	1,800,000	1,800,000	0
10.18 Sagana assistant chief office	0	1,650,000	1,650,000	1,650,000	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NDIA CONSTITUENCY
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Programme/Project/Component	Original Budget 2018/2019	Approved Budget 2018/2019	Actual Budget 2018/2019	Balance 2018/2019
11.0 Acquisition of assets			0	0
11.1 Motor Vehicles	0	0	0	0
11.2 Construction of CDF office	0	550,000	550,000	0
11.3 Purchase of furniture and equipment	0	0	0	0
11.4 Purchase of computers	0	679,273	679,273	1,003
12.0 Others				
12.1 Strategic Plan	0	3,500,000.00	3,500,000	550,000
12.2 Innovation Hub			0	0
12.21Kiangai ict Hub	0	1,169,257	1,169,257	1,169,257
12.22 Kagio ict Hub	0	1,169,257	1,169,257	1,169,257
12.23 Baricho ict Hub	0	1,169,257	1,169,257	1,169,257
12.24Sagana Ict Hub	0	1,169,257	1,169,257	1,169,257
12.3 TIVET	0	0	0	0
12.4 AIA	0	603,000	603,000	603,000

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

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IX SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

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SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and

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deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1st July 2018 to 30th June 2019 as required by Law and there was none supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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X NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019	2017-2018
		Kshs	Kshs
Description		2018 - 2019	2017 - 2018
		Kshs	Kshs
Normal Allocation	AIE NO. 005019	26,392,241	
	AIE NO. 005256	49,094,828	
	AIE NO 030289	10,000,000	
	AIE NO 005441	12,000,000	
	AIE NO 006488	8,000,000	
	AIE NO B 042820	12,000,000	
	AIE NO B 047040	12,000,000	
	A839748		26,853,488
	A855970		5,500,000
	A896858		17,202,586
	A896930		40,948,276
TOTAL		129,487,069	90,504,350

2. PROCEEDS FROM SALE OF ASSETS

	2018-2019	2017-2018
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
	0	0
Total	0	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2018-2019 Kshs	2017-2018 Kshs
Interest Received	0	0
Rents	0	0
Receipts from Sale of tender documents	0	145,000
Other Receipts Not Classified Elsewhere	0	0
Total	0	145,000

4. COMPENSATION OF EMPLOYEES

	2018-2019 Kshs	2017-2018 Kshs
Basic wages of contractual employees	1,267,613	947,946
Basic wages of casual labour	0	0
Personal allowances paid as part of salary		
House allowance	264,000	193,000
Transport allowance	288,000	224,000
Leave allowance	28,000	0
Gratuity	0	0
Other personnel payments NSSF paid by Employer	64,800	44,280
Total	1,912,413	1,409,226

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5. USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	Kshs	Kshs
Committee Expenses	2,406,000	1,059,500
Utilities, supplies and services	29,461	216,843
Communication, supplies and services	81,665	216,000
Domestic travel and subsistence	290,800	221,500
Printing, advertising and information supplies & services	246,550	179,250
Rentals of produced assets	-	-
Training expenses	1,130,000	1,845,000
Hospitality supplies and services	111,100	43,050
Insurance costs	0	-
Specialized materials and services	202,390	0
Office and general supplies and services	62,085	180,625
Other operating expenses	111,850	-
Routine maintenance – vehicles and other transport equipment	1,167,283	943,378
Routine maintenance – other assets	0	173,400
Strategic plan	2,950,000	0
Total	8,789,184	5,078,546

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017-2018
	Kshs	Kshs
Transfers to National Government entities	-	1,831,034
Transfers to primary schools (see attached list)	58,532,795	26,217,000
Transfers to secondary schools (see attached list)	18,750,000	22,596,540
Transfers to tertiary institutions (see attached list)	2,500,000	-
Transfers to health institutions (see attached list)	-	-
TOTAL	79,782,795	50,644,574

7. OTHER GRANTS AND OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools (see attached list)	29,058,975	23,074,561
Bursary – tertiary institutions (see attached list)	16,190,519	15,492,000
Bursary – special schools (see attached list)	383,320	231,000
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	14,262,628	7,173,000
Road and bridges	0	400,000
Sports projects (see attached list)	1,736,206	1,637,931
Environment projects (see attached list)	649,999	-
Emergency projects (see attached list)	-	911,000
Total	62,281,647	48,919,492

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2018-2019 Kshs	2017-2018 Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	550,000	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	678,270	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	1,228,270	-

9. OTHER PAYMENTS

	2018-2019 Kshs	2017-2018 Kshs
ICT Hub	-	-
TIVET	-	-
PENALTY NSSF	-	540
	-	-
	-	-
TOTAL	-	540

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
<i>EQUITY BANK KAGIO, Account No. 0420294874971</i>	12,145,702	36,652,942
<i>Name of Bank, Account No.</i>	0	0
<i>Name of Bank, Account No.</i>	0	0
Total	12,145,702	36,652,942
10B: CASH IN HAND		
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other Locations (<i>specify</i>)	0	0
Total	0	0
<i>[Provide cash count certificates for each]</i>		

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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>Name of Officer or Institution</i>	N/A	NIL	NIL	NIL
<i>Name of Officer or Institution</i>	N/A	NIL	NIL	NIL
<i>Name of Officer or Institution</i>	N/A	NIL	NIL	NIL
<i>Name of Officer or Institution</i>	N/A	NIL	NIL	NIL
<i>Name of Officer or Institution</i>	N/A	NIL	NIL	NIL
<i>Name of Officer or Institution</i>	N/A	NIL	NIL	NIL
Total				NIL

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

12A. RETENTION

	2018 - 2019	2017-2018
	Kshs	Kshs
Supplier 1	NIL	NIL
Supplier 2	NIL	NIL
Supplier 3	NIL	NIL
Total	NIL	NIL

[Provide short appropriate explanations as necessary]

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019	2017-2018
	Kshs	Kshs
Name 1	NIL	NIL
Name 2	NIL	NIL
Name 3	NIL	NIL
Add as appropriate		
Total	NIL	NIL

[Provide short appropriate explanations as necessary]

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13. BALANCES BROUGHT FORWARD

	2018-2019 Kshs	2017-2018 Kshs
Bank accounts	36,652,942	52,056,010
Cash in hand	NIL	NIL
Imprest	NIL	NIL
Total	36,652,942	52,056,010

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2018-2019 Kshs	2017-2018 Kshs
Bank accounts	NIL	NIL
Cash in hand	NIL	NIL
Imprest	NIL	NIL
Total	NIL	NIL

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019	2017-2018
	Kshs	Kshs
Construction of buildings	NIL	NIL
Construction of civil works	NIL	NIL
Supply of goods	NIL	NIL
Supply of services	NIL	NIL
	NIL	NIL

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	NIL	NIL
Middle management	NIL	NIL
Unionisable employees	NIL	NIL
Others (<i>specify</i>)	NIL	NIL
	NIL	NIL

15.3: UNUTILIZED FUND (See Annex 3)

	Kshs	Kshs
Compensation of employees	2,309,907	1,579,868
Use of goods and services	8,202,501	9,820,459
Amounts due to other Government entities (see attached list)	34,939,280	64,258,688
Amounts due to other grants and other transfers (see attached list)	16,453,858	29,971,695
Acquisition of assets	1,003	1,229,273
Others (<i>ICT HUB AND ACUMULATIVE AIA OF 603,000</i>)	5,280,028	5,280,028
	67,186,577	112,140,011

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.A: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account balances (see attached list)	11,629,877	15,855
	11,629,877	15,855

NATIONAL GOVERNMENT ENTITY - (NG CDF NDIA CONSTITUENCY)
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
	a	b	c	d=a-c	
Construction of buildings					
1. N/A	NIL	NIL	NIL	NIL	
2. N/A		NIL	NIL	NIL	
3. N/A		NIL	NIL	NIL	
Sub-Total					
Construction of civil works					
4. N/A	NIL	NIL	NIL	NIL	
5. N/A	NIL	NIL	NIL	NIL	
6. N/A	NIL	NIL	NIL	NIL	
Sub-Total					
Supply of goods					
7. N/A	NIL	NIL	NIL	NIL	
8. N/A	NIL	NIL	NIL	NIL	
9. N/A	NIL	NIL	NIL	NIL	
Sub-Total					
Supply of services					
10. N/A	NIL	NIL	NIL	NIL	
11. N/A	NIL	NIL	NIL	NIL	
12. N/A	NIL	NIL	NIL	NIL	

**NATIONAL GOVERNMENT ENTITY - (NG CDF NDLA CONSTITUENCY)
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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
Sub-Total	NIL	NIL	NIL	NIL	
Grand Total	NIL	NIL	NIL	NIL	

NATIONAL GOVERNMENT ENTITY - (NG CDF NDIA CONSTITUENCY)
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
		a	B	c	d=a-c	
Senior Management						
1.	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL
2.	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL
3.	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL
Sub-Total	NIL	NIL	NIL	NIL	NIL	NIL
Middle Management						
	NIL	NIL	NIL	NIL	NIL	NIL
4.	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL
5.	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL
6.	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL
Sub-Total	NIL	NIL	NIL	NIL	NIL	NIL
Unionisable Employees						
	NIL	NIL	NIL	NIL	NIL	NIL
7.	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL
8.	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL
9.	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL
Sub-Total	NIL	NIL	NIL	NIL	NIL	NIL
Others (specify)						
	NIL	NIL	NIL	NIL	NIL	NIL
10.	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL
11.	NIL	NIL	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL	NIL	NIL

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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
12.	NIL	NIL	NIL	NIL	NIL	NIL
	Sub-Total	NIL	NIL	NIL	NIL	NIL
	Grand Total	NIL	NIL	NIL	NIL	NIL

NATIONAL GOVERNMENT ENTITY - NG CDF NDIA CONSTITUENCY
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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	0	0	0	0
Buildings and structures	4,294,872	550,000	0	4,844,872
Transport equipment	4,328,326	0	0	4,328,326
Office equipment, furniture and fittings	1,881,088	0	0	1,881,088
ICT Equipment, Software and Other ICT Assets	334,444	678,270	0	1,012,714
Other Machinery and Equipment	60,792	0	0	60,792
Heritage and cultural assets	0	0	0	0
Intangible assets	69,239	0	0	69,239
Total	10,968,761	1,228,270	0	12,197,031

NATIONAL GOVERNMENT ENTITY - (NG CDF NDIA CONSTITUENCY)
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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC	BANK	Account number	Bank Balance 2018/19	Bank Balance 2017/18
THUMAITA WEST PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420191370332	718,338.00	
KAIRUNGU PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420294740792	101,173.00	
UPPER SAGANA PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420276253574	138,610.00	
THANJU PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420161489458	1,540.00	
KIANGAI SECONDARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420266785598	1,245.00	
RUIRU ASSISTANT CHIEF OFFICE	EQUITY BANK –KAGIO BRANCH	0420177458361	1,690.00	
KIINE PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420165044738	4,084.45	
KAHIRO PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420191359631	866.95	
KATHAKA PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420274267239	5,100.00	
GACHARU ASS CHIEF OFFICE	EQUITY BANK –KAGIO BRANCH	0420177458134	3,040.00	
KIBURU PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420269843400	6,085.00	
KIBURU GIRLS SEC.SCHOOL	EQUITY BANK –KAGIO BRANCH	0420266784068	4,845.00	
KATHAKA SEC. SCHOOL	EQUITY BANK –KAGIO BRANCH	0100291743177	4,662.00	
KIARAGANA PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0100299511654	506.65	
KAIRINI PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420196426205	102,258.00	
GACHARU PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420296963408	360,390.80	
NGUGUINI PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420277340130	87,648.00	
GACHARU AP LINE	EQUITY BANK –KAGIO BRANCH	0420176775645	51,014.00	
MUKANGU SECONDARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420266784449	181,225.00	
GETUYA PRIMARY SCHOOL	EQUITY BANK –KAGIO	0420161725557		

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PMC	BANK	Account number	Bank Balance 2018/19	Bank Balance 2017/18
	BRANCH		67,927.50	
GETUYA SECONDARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420266794147	67,095.00	
GITHUAINI PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420199920987	415,560.00	
UPPER BARICHO PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420177452068	160,800.00	
MUKANGU PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420277407365	15,550.00	
KIARAGANA GIRLS SEC SCHOOL	EQUITY BANK –KAGIO BRANCH	0100293161136	1,218,630.80	
NGUGUINI SEC SCHOOL	EQUITY BANK –KAGIO BRANCH	0100299660969	91,942.00	
KIBURU BOYS SEC SCHOOL	EQUITY BANK –KAGIO BRANCH	0420264541277	999,781.05	
MATHIA SEC SCHOOL	EQUITY BANK –KAGIO BRANCH	0420174222294	21,340.00	
MUKUI PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420197501638	94,253.50	
MURURIINI AP POST	EQUITY BANK –KAGIO BRANCH	0420277503635	119,219.50	
GATHUTHIINI AP POST	EQUITY BANK –KAGIO BRANCH	0420178047100	271,792.50	
KIBINGOTI ASSISTANT CHIEF	EQUITY BANK –KAGIO BRANCH	0040194142480	260.00	
RIAMUGAA AP POST	EQUITY BANK –KAGIO BRANCH	0420178352339	180,804.00	
SAGANA ASS. CHIEF OFFICE	EQUITY BANK –KAGIO BRANCH	0420178451535	166,952.00	
KIANGAI ASS. CHIEF OFFICE	EQUITY BANK –KAGIO BRANCH	0420177534824	980.00	
KIANDAI POLICE POST	EQUITY BANK –KAGIO BRANCH	0420197950950	1,465.00	
NGUGUINI POLICE POST	EQUITY BANK –KAGIO BRANCH	0100191736654	1,000,000.00	
KIBIRIGWI AP POST	EQUITY BANK –KAGIO BRANCH	0420277603303	14,889.00	
MUKURE LOCATION	EQUITY BANK –KAGIO BRANCH	0420199977240	64,887.60	
KIANJEGE WEST SEC.SCHOOL	EQUITY BANK –KAGIO BRANCH	0420295186292	204,758.00	
KIANGAI PRIMARY SCHOOL	EQUITY BANK –KAGIO	0420278146485		

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PMC	BANK	Account number	Bank Balance 2018/19	Bank Balance 2017/18
	BRANCH		248,267.00	
ST.MARYS KIARAGANA SECONDARY SEC.SCHOOL	EQUITY BANK –KAGIO BRANCH	0420278756063	744.00	
ST.PHILIPS MIXED SECONDARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420294755129	258,822.00	
SAGANA SEC.SCHOOL	EQUITY BANK –KAGIO BRANCH	0420294147268	50.00	
NDIRITI VOCATIONAL TRAINING INSTITUTE	EQUITY BANK –KAGIO BRANCH	0420178214072	3,920.00	
NDIA CONSTITUENCY OFFICE	EQUITY BANK –KAGIO BRANCH	0420164569532	50,990.90	
KIBIRIGWI PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420161715617	240,040.95	
GATHUTHIINI PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420190892785	86,345.70	
NDIGARU PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420269844737	1,060.65	
KIANJEJE WEST PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420276286218	67,736.00	
NDIRITI PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420165364997	497.00	
KIBINGOTI AP POST	EQUITY BANK –KAGIO BRANCH	0420177493137	2,380.00	
MURAGARA PRIMARY SCHOOL	EQUITY BANK –KAGIO BRANCH	0420165256403	187,876.10	
Total			11,629,877	0

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame: (Put a date when you expect the issue to be resolved)
4.1.1 Transfer to secondary school	I. KINYAKIIRU PRIMARY SCHOOL Physical verification of the project revealed that the project was complete and in use. However, the walls of the ablution block had some cracks while the doors for the latrines were poorly done and could not closed	<i>The auditors findings have been noted and the school management has embarked on doing repairs on the walls and the doors of the pit latrine block to make it usable. Tender documents for the construction and renovation of classrooms have been availed and attached to this document (annex 1). The reason for awarding RafikiKweli Hyper is because the contractor had attached all the required documents unlike the other bidders that had quoted a lower figure than the winning tenderer thus were not responsive in terms of the required documents to be awarded the construction project as per the attached (annex).</i>	TIMOTHY NJICHI F.A.M	RESOLVED	
	II. KARIMAINI SECONDARY SCHOOL Upon field verification, it was noted that the funds had been used to construct a modern kitchen at	After the school requested for a change of activity CDFC wrote the same to CDF Board requesting change in activity which was	TIMOTHY NJICHI F.A.M	RESOLVED	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>a contract sum of Kshs.999,410 by Berint Kenya ltd. Though the school management had BOD minutes dated 25th June 2018 requesting for the change of activity from multipurpose hall to a modern kitchen, the CDF had no documented authorization for the change of the activity.</p>	<p>approved as per the the attached document(annex)</p> <p>After the first contractor was contracted he never went to the site so when six months elapsed it prompted the office to re-advertise as per the procurement documents provided herein (annex) .</p> <p>The project is still not complete as there are pending works and only part payment has been made as evidenced by the certificate from public works office and the bank statement (annex).</p>			
	<p>II. <i>KAIRINI SECONDARY SCHOOL</i> Upon scrutiny of payment vouchers and project files revealed that a total of Kshs.1, 600,000 was allocated towards construction of a dining hall up to the slab level at Kairini secondary. The project was done by Don valley merchants ltd at a contract sum of Kshs.1, 595,422.However, advertisements, tender opening minutes, evaluation and award</p>	<p>The procurement documents and completion certificate are as provided in the attached document for your verification(annex).</p>	<p>TIMOTHY NJICHI F.A.M</p>	<p>RESOLVED</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time taken: (Put a date when you expect the issue to be resolved)
	<i>minutes, letter of acceptance, contract agreement, and a completion certificate were not availed for audit verification.</i>				
	<i>IV. MUKANGU SECONDARY SCHOOL Upon field visit, it was noted that the verandah had many holes and the flooring was poorly done, a part of the wall had also peeled off.</i>	<i>This has been noted and the school management has already embarked on repairing the verandah and the walls to make the learning conditions better.</i>	<i>TIMOTHY NJICHI F.A.M</i>	<i>RESOLVED</i>	
4.1.2 Transfers to Primary Schools	<i>I.Kiine primary school A review of the project file revealed that the contract was procured and awarded to Listech contractors at the contract price of Kshs.1,494,310 on 17th April 2018 as per the award letter Ref NGCDF NDIA /P012/2016/17. However, the contractor was paid the full contract amount without evidence of deduction of the retention fee. Further, physical verification carried out on 12 February 2019 revealed a poor workmanship of the project that included cracked, peeling off floors, and the windows did not have locks for closing them. Further, the</i>	<i>This has been noted and the school management has already embarked on repairing the verandah, the walls and replacing the mishandled locks for the windows. The school admitted to occupying the classrooms before proper curing of the floor and the wall due to the large population of the students versus the number of classes the school has. The various monitoring and evaluation reports by the CDFC have been attached as proof of supervision.</i>	<i>TIMOTHY NJICHI F.A.M</i>	<i>RESOLVED</i>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p><i>computer-room had cracked floor and both the outside and inside walls had cracks and wall plaster was peeling off. All the five classes were poorly done.</i></p> <p><i>Documents availed for audit did not disclose whether CDF monitored the execution of the contract. An inspection and acceptance committee report was not availed our audit review.</i></p>				
	<p>III. Gathambi Primary School</p> <p><i>Transfers to primary schools balance of Kshs.26,217,000 includes an amount of Kshs.850,000 transferred to Gathambi Primary school that includes a figure of Kshs.847,755 to contractor Kihuro Enterprises for the construction of toilets. A certificate of completion was issued on 6 July 2018. During audit verification on 12 February 2019, it was noted that though complete the toilets were not in use allegedly awaiting commissioning by the area Members of Parliament.</i></p>	<p><i>The toilet was officially handed over on 15th February 2019 and is in use. This is after the contractor finished the remaining works that had not been done there before. Also to note is that the PMC haven't released the retention money to the contractor as he had not done what was recommended by the works officer. This is evidenced by the bank statement even though the six month grace period elapsed on February. find the attached documents.(annex)</i></p>	<p><i>TIMOTHY NJICHI F.A.M</i></p>	<p align="center">RESOLVED</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame: (Put a date when you expect the issue to be resolved)
4.2 Other Grants and Other Payments – Unsupported Expenditure	Included in other grants and other payments balance of Kshs.48,919,492 in the statement of receipts and payments for the year ended 30 June 2018 is sports projects balance of Kshs.1,637,931 that was not supported by either payment vouchers or schedules. No explanation was given for this anomaly.	This has been noted and the available documents have been availed for your verification. however ,the Fund Account Manager at the time of expenditure is now deceased and the new management cant trace any other document relating to the above matter. see attached(annex)	TIMOTHY NJICHI F.A.M	NOT RESOLVED WAITING FOR THE SENATE APPROVAL	
4.3 Delayed implementation of security projects	Audit of the security expenditure for 2017/18 revealed that projects worth Kshs.4,173,000 had rolled over from 2015/16 and were only funded in 2017/2018. There was no sufficient reason presented to confirm why they took three financial years to implement.	This delay in the implementation of some projects have been noted and measure have been put in place to ensure that timely implementation of projects is achieved. this delay is normally experienced when there is delay in release of funds from the NGCDF board but requisitions have so far been done release of any pending amount of money and the projects have been done to completion. find the attached documents for verification(annex)	TIMOTHY NJICHI F.A.M	RESOLVED	
4.4 Committe	Included in use of goods and services balance of Kshs.5, 078,546 for the	The work plan for the financial year 2017/18 has been availed for your verification and this will always be provided in the coming	TIMOTHY NJICHI F.A.M	RESOLVED	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
e expe nses	year ended 30 June 2018 is committee expenses amount of Kshs.1,059,500 that includes a figure of Kshs.450,000 spent on payment of training to Project Management committee members undergoing capacity building as per voucher number 53. However, Ndia NG- CDF did not provide for audit a capacity building work plan for the period to support the expenditure.	financial years			
4.5 Eme rgen cy proj ects	Note 1.1.1.1.1,7 on other Grants and Other Payments totaling Kshs.48,919,492 included an amount of Kshs.911,000 being emergency whose budget was Kshs.4,094,827. The expenditure of Kshs.911,000 vide payment voucher 22 of 30 September 2017 includes an amount of Kshs.870,000 indicated as sitting allowance, capacity building and office expenses. However, these expenses are ordinary recurrent expenses and not emergency in nature hence it was not clear why they were charged as emergency expense. Further to the above, the management failed to absorb Kshs.3,183,827 budgeted for emergency purposes without	The management at the time of use of the above money had exhausted the funds under monitoring and expenditure and administration votes.as at this time the management had not submitted the proposals for that financial year since it was immediately after the general election and there was no new committee. On under absorption of Kshs3,183,827 ,the cdf act allows reallocation of the funds to other activities or projects by the CDFCs.this was done later in the financial year 2017/18 as attached	TIMOTHY NJICHI F.A.M	RESOLVED	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame: (Put date when you expect the issue to be resolved)
	giving sufficient	herein.annex....			
4.6 Roads projects	Note 1.1.1.1.1,7 on other Grants and Other Payments totaling Kshs.48,919,492 included an amount of Kshs.400,000 for roads projects in the year under audit. The amount was for the KibirigwiNguguini Access road (4-020-102-2640508-107-2015-2016-003). However, the project file was not availed for audit as requested in order to determine the procurement method, contract sum and the bills of quantities as required by the procurement procedures.	Project Management committee and the NG-CDF Ndia constituency are ensuring that project files are maintained as required by procurement rules/procedures and availed for audit verification when required.	TIMOTHY NJICHI F.A.M	NOT RESOLVED Waiting for the senate approval	SOONEST