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REPORT

OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2021**



THE NATIONAL ASSEMBLY
PAPERS (A1)

DATE:	22 FEB 2023	Wednesday
LED	Leader of the Majority Party	
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29 SEP 2021
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BUMULA CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021**

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

*Bumula Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

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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;
- 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 Bumula Constituency NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Joyce Nasike Wanjala
2.	Sub-County Accountant	Susan Simiyu
3.	Chairman NGCDFC	William Namasake
4.	Member NGCDFC	Cyphrine Wasilwa

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Bumula Constituency NG - CDF . 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) Bumula Constituency NGCDF Headquarters

P.O. Box
Bumula NG CDF Office
Bumula sub county head quarters
Bungoma, KENYA

*Bumula Constituency
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(f) Bumula Constituency NGCDF Contacts

Telephone: (254)
E-mail: cdfbumula@ngcdf.go.ke
Website: www.bumula.go.ke

(g) Bumula Constituency NGCDF Bankers

Equity Bank
Bungoma Branch
P.o Box
Bungoma

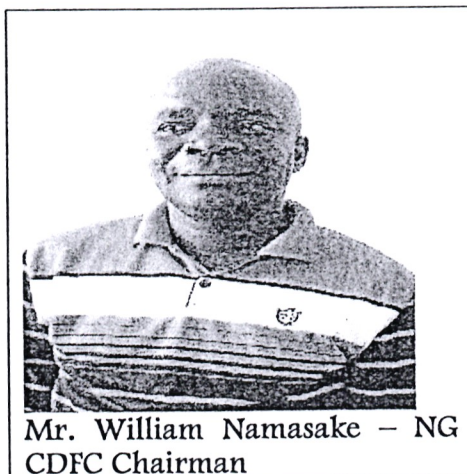
(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT



I feel privileged to have this opportunity of submitting our financial statement for the Financial Year 2020/2021 in line with the requirement of the NG-CDF Act 2015.

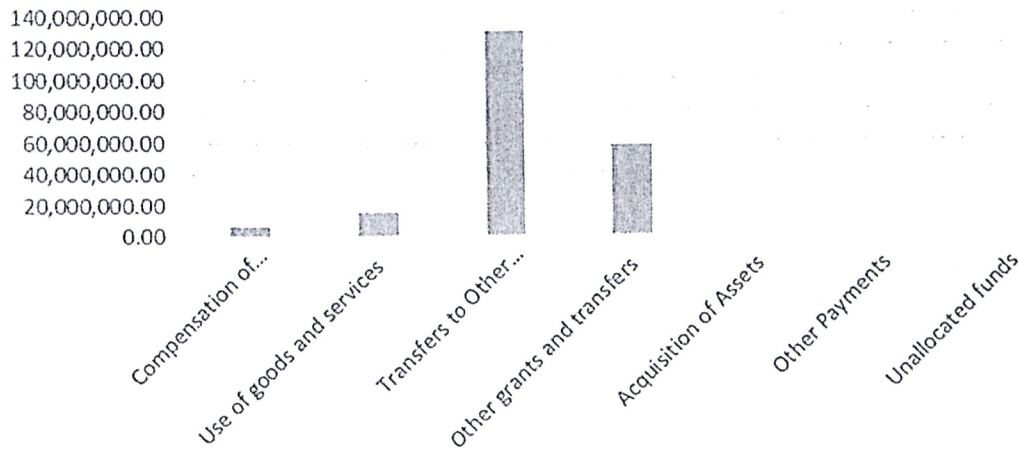
The constituency had an original budget of ksh. 137,088,879.31 (one hundred and thirty-seven million eighty eight thousand eight hundred and seventy nine, cents thirty one only), the FY opening cashbook balance was Kshs. 3,134,490 (Three million, one hundred thirty-four thousand, four hundred and ninety), and the previous year outstanding disbursements amounted to ksh.69,367,724 (sixty nine million, three hundred and sixty seven thousand, seven hundred and twenty four only) leading to a final budget of Ksh. 209,591,093 (two hundred and nine million, five hundred and ninety one thousand and ninety three only) as represented in the graph below;

Description	Amounts in Ksh
Compensation of Employees	6,395,156
Use of goods and services	15,394,099
Transfers to Other Government Units	130,048,886
Other grants and transfers	57,669,952
Acquisition of Assets	-
Other Payments	-
Unallocated funds (AIA)	83,000
Total	209,591,093

Below we present the above details graphically.

Bumula Constituency
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FINAL BUDGET FOR THE FY 2020/2021

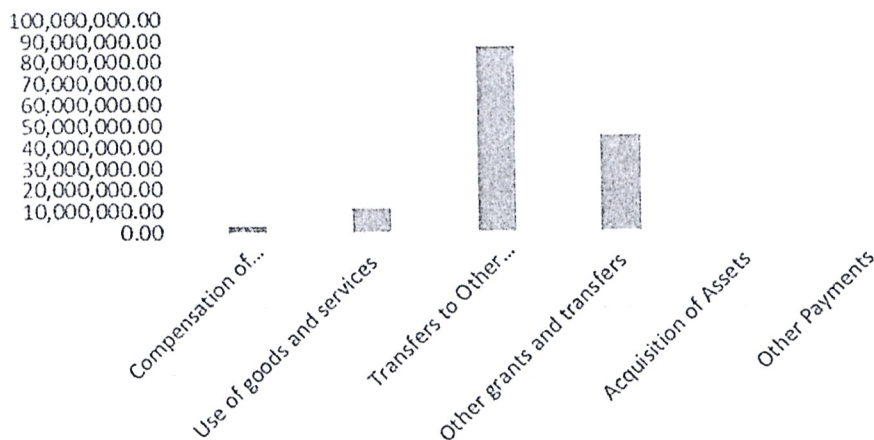


The constituency received Kshs. 164,502,214 (One hundred and sixty-four million, five hundred and two thousand, two hundred and fourteen only) in the year 2020/2021 we are indeed the most grateful to the NG-CDF Board for this funding.

However, the constituency was able to utilize up to Ksh. 147,213,651 (one hundred and forty-seven million, two hundred and thirteen thousand, six hundred and fifty-one only) as represented in the graph below;

Description	Amounts in Ksh
Compensation of Employees	1,957,239
Use of goods and services	8,484,274
Transfers to Other Government Units	79,376,486
Other grants and transfers	48,606,505
Acquisition of Assets	2,154,677
Other Payments	-
Total	140,579,181

ACTUAL UTILIZATION FY 2020/2021

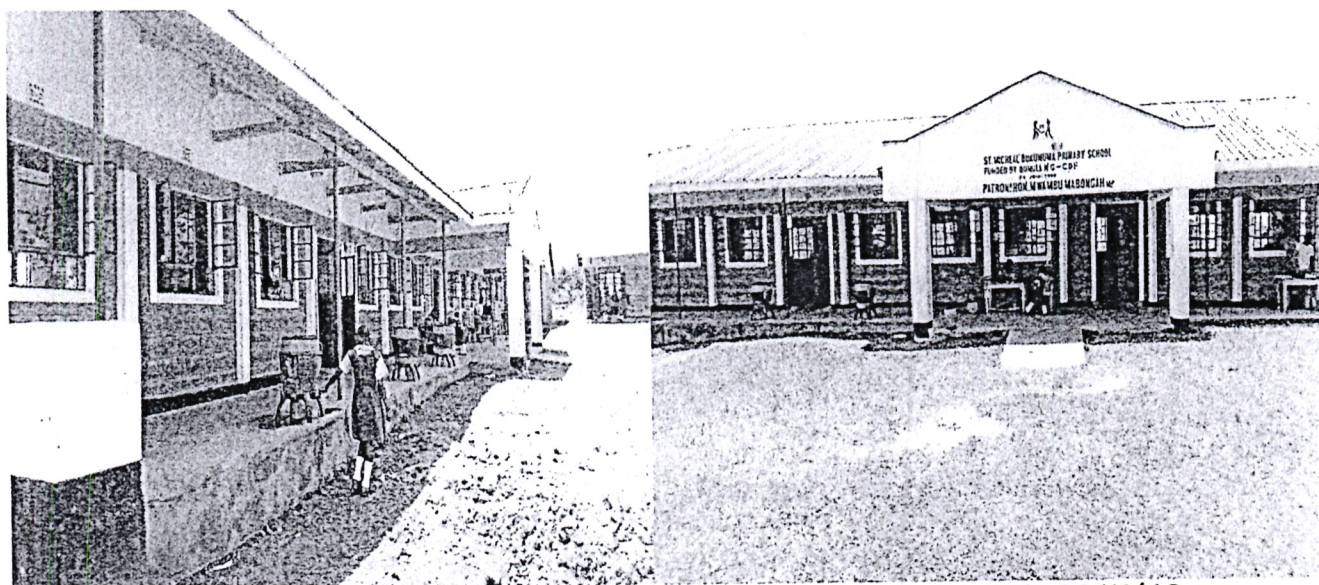


*Bumula Constituency
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Over the years, the Bumula NG-CDF has promptly disbursed funds to the Project Management Committee's (PMC's) for implementation of various projects. We have consequently recorded tremendous progress in various sectors as follows: -

1. Many needy and vulnerable children have accessed education through the bursary schemes,
2. Construction of classrooms, laboratories, dormitories, and libraries and computer rooms has enhanced provision of quality education.
3. Promotion of environmental conservation, Aids awareness, sensitisation on drug and substance abuse as well as promotion of Youth Sports,
4. The funds have also been used to provide security facilities.

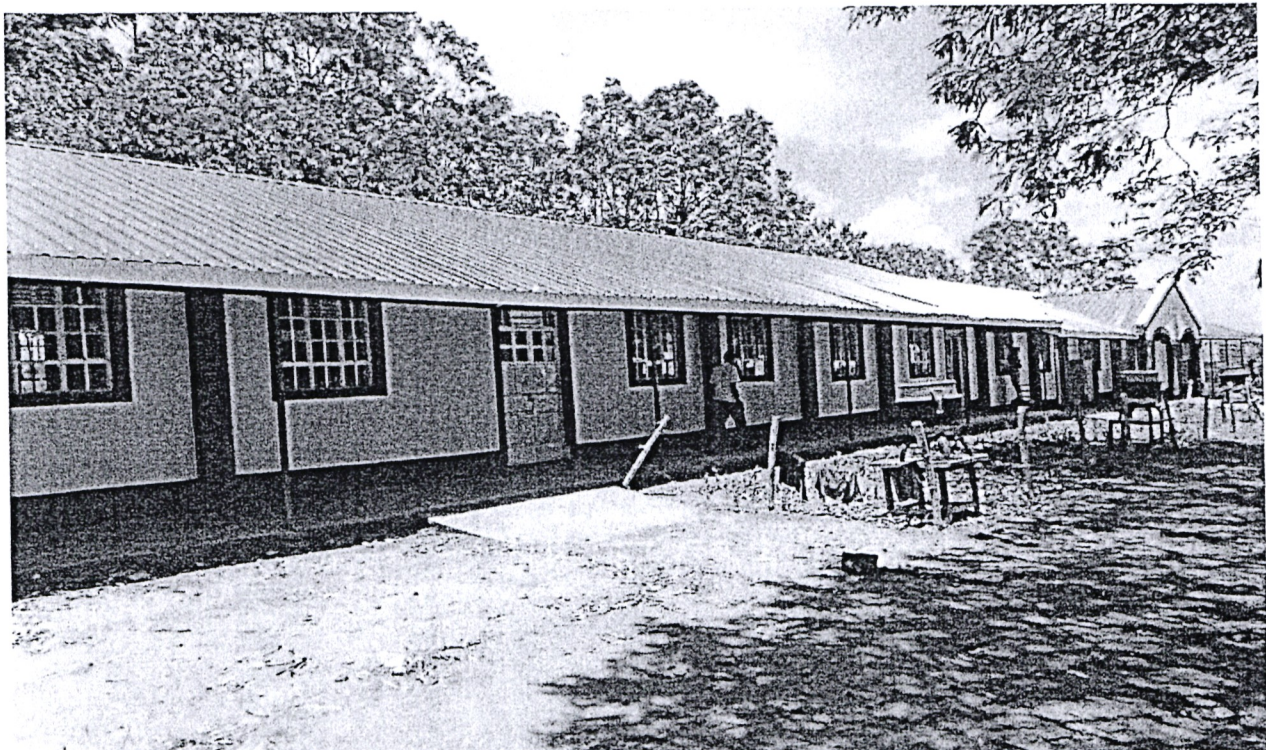
The following are some of our success stories;



BUKUMUMA PRIMARY SCHOOL – CONSTRUCTION OF 3 CLASSROOMS FY 2017/18



NAMUNINGIE PRIMARY SCHOOL - CONSTRUCTION OF 3 CLASSROOMS FY 2018/19



MAYANJA PRIMARY SCHOOL-RENOVATION OF 4CLASSROOMS & OFFICE FY 20/21

However, the implementation of such projects has not gone without challenges such as;

1. Lacks of sufficient funds as needs are limitless.
2. The problem of bit funding has slowed the period of completion of projects.
3. Lack of partners for co-funding has also been a challenge.

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The entity is striving to prioritize projects and implement as stipulated in the strategic plan to ensure priority projects are funded and implemented to completion.

Finally, we appreciate the role NG-CDF is playing in our development and it is my hope that it will be retained to continue serving as a vehicle for economic development of our country

Signature



2/9/2021

CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES

Introduction

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

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

- a) To be among the top performing constituencies in both academic and co-curriculum performance at all levels of education.
- b) To increase the transition rates from primary all the way to tertiary levels.
- c) To improve infrastructure in all schools to a modern and child/student friendly learning environment.
- d) To create awareness on drug and substance abuse.
- e) To sensitize constituents on the importance of boy child education.
- f) Create sustainable support mechanisms for schools.
- g) To have a sporty constituency with improved sporting environment.
- h) To have improved partnerships with sporting bodies and national clubs so as to professionally train the youth.
- i) To have morally upright and economically engaged youths.
- j) To ensure gender equality, youth representation, and consideration for persons living with disability in all facets of development.
- k) To improve use of ICT in communication amongst the constituents
- l) Promote computer literacy in the constituency
- m) To curb insecurity within the constituency
- n) To train constituents on water harvesting technologies and management

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 2020/21 -we increased number of classrooms, dormitories and laboratories - Bursary beneficiaries at all levels were as per the attached

Bumula Constituency

National Government Constituencies Development Fund (NGCDF)

Reports and Financial Statements for The Year Ended June 30, 2021

Constituency Program	Objective	Outcome	Indicator	Performance
			- number of bursary beneficiaries at all levels	schedules
Education	To be among the top performing constituencies in both academic and co-curriculum performance at all levels of education.	Improved scores in the national examinations and excellence in sports and other extra curricula activities	number of students transiting from primary to secondary schools and from secondary schools to higher institutions of learning	-In 2020-21 F/Y we completed the construction of 28 classrooms in 10 schools and renovation of 13 classrooms in 4 schools and completion of 1 administration block in 1 school.
	To increase the transition rates from primary all the way to tertiary levels	Increase in the number of students graduating from tertiary institutions	number of students transiting from primary to secondary schools and from secondary schools to higher institutions of learning	-In 2020-21 F/Y we completed the construction of 28 classrooms in 10 schools and renovation of 13 classrooms in 4 schools and completion of 1 administration block in 1 school.
	To improve infrastructure in all schools to a modern and child/student friendly learning environment.	Increase in number of modern structures in schools across the constituency	Number of modern learning blocks	-In 2020-21 F/Y we completed the construction of 28 classrooms in 10 schools and renovation of 13 classrooms in 4 schools and completion of 1 administration block in 1 school. Amongst them werw modern tuition blocks at Nakhwana primary, Wacholi primary and Nangata primary
Security	To curb insecurity within the constituency	Decrease in number of insecurity cases reported in the constituency	Construction of police houses and offices and public administration offices	In 2020-21 F/Y we completed construction of 11 residential houses in 2 security units
Environment	To train constituents on	Increase in the number of	Installation of water harvesting	In 2020-21 we did mapping of 10

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Constituency Program	Objective	Outcome	Indicator	Performance
	water harvesting technologies and management	public institutions with enough clean water	facilities	public institutions for installation of water harvesting equipment
Sports	To have a sporty constituency with improved sporting environment.	Increase in the number of youths participating in sports events	Increased number of youths participating in sporting activities	In 2020-21 we set aside funds for purchase of uniforms and balls for the youth
Disaster Management	To create awareness on drug and substance abuse	Decrease in number of constituents abusing drugs and substances	Decrease in number of constituents abusing drugs and substances	In 2020-21 F/Y we sensitized the public on the effects of drugs and substances abuse during our public barazas

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.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Bumula 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 Bumula NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Bumula 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 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

The organisation partakes in environmental sustainability by installation of water harvesting equipment in public institutions.

3. Employee welfare

We invest in providing the best working environment for our employees. The 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. Bumula 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-

Bumula 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 interests

5. Community Engagements-

Bumula 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

Bumula Constituency

National Government Constituencies Development Fund (NGCDF)

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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.

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

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.

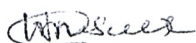
The Accounting Officer in charge of the NGCDF-Bumula Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. 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-Bumula 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, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Bumula 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.

The Accounting Officer in charge of the NGCDF Bumula 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- Bumula Constituency financial statements were approved and signed by the Accounting Officer on 02/09/2021.



Chairman NGCDF Committee

Name: William Namasalo



Fund Account Manager

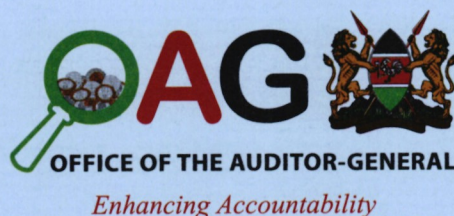
Name: Joyce Wanjira

NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND
FUND ACCOUNT MANAGER

Date.....Sign:.....

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - BUMULA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

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 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 - Bumula Constituency set out on pages 18 to 52,

which comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Bumula Constituency as at 30 June, 2021, 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. Variances in Employee Costs

The statement of receipts and payments reflects employee costs amount of Kshs.3,404,388 as disclosed in Note 4 to the financial statements. Included is Kshs.1,988,910 and Kshs.1,066,158 in respect of basic staff salary and gratuity to contractual employees respectively. However, review of the corresponding supporting schedules revealed amounts of Kshs.2,274,828 and Kshs.863,040 respectively, resulting to an unexplained and unreconciled variance of Kshs.285,918 and Kshs.202,748 respectively.

In the circumstances, the accuracy and completeness of employee costs amount of Kshs.3,404,388 could not be confirmed.

2. Transfers to Other Government Units

2.1 Variance in Transfers to Primary Schools

The statement of receipts and payments reflects transfers to other government units amount of Kshs.87,298,886 as disclosed in Note 6 to the financial statements. Included is transfers to primary schools amount of Kshs.57,500,000. However, supporting schedules provided for audit reflected an amount of Kshs.52,800,000 resulting to an unreconciled and unexplained variance of Kshs.4,700,000.

In the circumstances, the completeness, validity and accuracy of transfers to primary schools amounting to Kshs.57,500,000 could not be ascertained.

2.2 Unsupported Transfers to Schools

The statement of financial performance reflects transfers to other Government units amount of Kshs.87,298,886 as disclosed in Note 6 to the financial statements, comprising of Kshs.57,500,000 and Kshs.29,798,886 being transfers to primary and secondary

schools respectively. Included in the amount of Kshs.57,500,000 transferred to secondary schools is Kshs.1,000,000 disbursed to Tulukuyi School while the amount of Kshs.29,798,886 transferred to primary schools is a total amount of Kshs.1,200,000 disbursed to Masumo Primary School and Kimatuni SA Primary School respectively. However, the disbursed amounts to these schools were not supported by procurement documents, contract agreements, Project Management Committee (PMC) records and minutes and bills of quantities.

Further physical inspection conducted in the month of April, 2022 at Tulukuyi Secondary School revealed that the contractor was not on site and there was no signboard to direct to the project. Further, at Kimatuni SA Primary School the workmanship was poor as the roof was leaking and the floors were damaged.

In the circumstances, the validity, completeness and accuracy of the expenditure amounting to Kshs.2,200,000 on the projects could not be confirmed.

3. Un supported Expenditure on Emergency Projects

The statement of receipts and payments reflects other grants and transfers amount of Kshs.44,684,748 as disclosed in Note 7 to the financial statements. Included is emergency projects expenditure of Kshs.4,821,886. However, out of this amount, only Kshs.3,821,886 was supported leaving an amount of Kshs.1,000,000 unsupported.

In the circumstances, the accuracy of the expenditure of Kshs.4,821,886 on emergency projects 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 - Bumula Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on a comparable basis of Kshs.209,591,093 and Kshs.164,502,214, respectively resulting to an under-funding of Kshs.45,088,879 or 22 % of the budget. Similarly, the Fund spent Kshs.147,213,651 against an approved budget of Kshs.209,591,093 resulting to an under-expenditure of Kshs.62,377,442 or 30% of the budget.

The under-funding and under-expenditure affected the planned activities of and may have impacted negatively on service delivery to the public.

2. Projects Implementation Status

Review of the project implementation status report, revealed that out of the fifty eight (58) projects initiated by the Fund at a total cost of Kshs.117,034,203 only thirty four (34) projects were completed, while nineteen (19) were ongoing and five (5) projects had not started.

Delay in project implementation affected the planned activities of the Fund and may have impacted negatively on service delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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. Incomplete Construction of Classrooms

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects transfers to other government entities expenditure of Kshs.87,298,886. Included is transfers to secondary schools amount of Kshs.57,500,000 out of which Kshs.2,000,000 was disbursed to St. Kizito Masielo Secondary School for construction of three (3) classrooms. Although physical inspection conducted in the month of April, 2022 revealed that the project was complete and already in use, no completion and handing over certificates were provided for audit and in addition, the floor was already worn out indicating poor workmanship. This was contrary to Section 150(1) of the Public Procurement and Assets Disposal Act, 2015, which provides that an accounting officer be responsible for ensuring that goods, works and services are of the right quality and quantity.

In the circumstances, Management was in breach of the law and value for money on the project could not be confirmed.

2. Irregular Award of Contract

During the year under review, two firms were awarded contracts for construction of pit latrines and urinals for Constituency offices and Bumula Police Station at a total cost of Kshs.1,321,318. Inspection conducted in the month of April, 2022 revealed that the facilities were in use, no drawings, bills of quantities for works, quotations, letter of award, contract agreement and Project Management Committee handing over report were provided for audit contrary to Regulation 15 (2) of the Constituencies Development Fund Regulations, 2016.

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

30 September, 2022

*Bumula Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

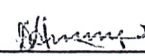
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	161,367,724	68,000,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	83,000
TOTAL RECEIPTS		161,367,724	68,083,000
PAYMENTS			
Compensation of employees	4	3,404,388	3,414,423
Use of goods and services	5	11,825,629	12,652,230
Transfers to Other Government Units	6	87,298,886	52,200,000
Other grants and transfers	7	44,684,748	47,302,168
Acquisition of Assets	8	-	260,000
Other Payments	9	-	-
TOTAL PAYMENTS		147,213,651	115,828,821
SURPLUS/DEFICIT		14,154,073	(47,745,821)

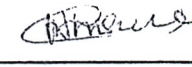
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Bumula Constituency financial statements were approved on 02/09/2021 and signed by:



Fund Account Manager
Name: JOYCE WANJIRA



National Accountant BUMULA
Name: SUSAM SIMIYU
ICPAK M/No: _____



Chairman NG-CDF Committee
Name: William Namasale


NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND
FUND ACCOUNTANT

Date.....Sign.....


VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	20,265,735	3,134,490
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		20,265,735	3,134,490
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		20,265,735	3,134,490
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		20,265,735	3,134,490
NET FINANCIAL ASSETS			
REPRESENTED BY			
Fund balance b/fwd		3,134,490	1,623,856
Prior year adjustments	14	2,977,172	49,256,455
Surplus/Deficit for the year		14,154,073	(47,745,821)
NET FINANCIAL POSITION		20,265,735	3,134,490

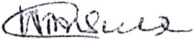
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Bumula Constituency financial statements were approved on 02/09/2021 and signed by:



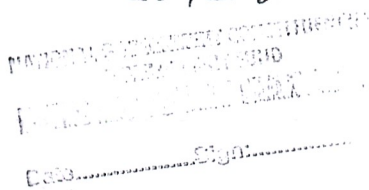
Fund Account Manager
 Name: JOYCE WANSAA



National Sub-County
Accountant BUMULA
 Name: SUSAN SIMBU
 ICPAK M/No:



Chairman NG-CDF Committee
 Name: William Namasaka



 Date: _____

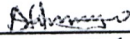
Bumula Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

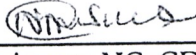
IX. STATEMENT OF CASHFLOW

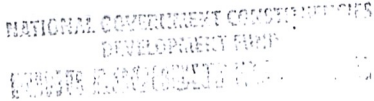
		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,367,724	68,000,000
Other Receipts	3	-	83,000
Total receipts		161,367,724	68,083,000
Payments for operating activities			
Compensation of Employees	4	3,404,388	3,414,423
Use of goods and services	5	11,825,629	12,652,230
Transfers to Other Government Units	6	87,298,886	52,200,000
Other grants and transfers	7	44,684,748	47,302,168
Other Payments	9	-	-
Total payments		147,213,651	115,568,821
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16		
Prior year adjustments	14	2,977,172	50,880,311
Net adjustments		2,977,172	50,880,311
Net cash flow from operating activities		17,131,245	3,394,490
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	260,000
Net cash flows from Investing Activities			(260,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		17,131,245	1,510,634
Cash and cash equivalent at BEGINNING of the year	10	3,134,490	1,623,856
Cash and cash equivalent at END of the year		20,265,735	3,134,490

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Bumula Constituency financial statements were approved on 29/09/2021 and signed by:


Fund Account Manager
Name: Joyce Wanjera


National Accountant
Name: Susan Simiyu
ICPAK M/No:


Chairman NG-CDF Committee
Name: William Nangasaku


 NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
 BUMULA CONSTITUENCY

Date: Sign:

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National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

X. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis D	Budget utilization difference e=c-d	% of Utilization f=d/c %
	a	b	Opening Balance (C/Bk) and ALA	Previous Years' Outstanding Disbursements				
RECEIPTS	2020/2021				2020/2021	30/06/2021		
Transfers from NGCDF Board	Kshs 137,088,879	3,134,490	69,367,724		Kshs 209,591,093	Kshs 164,502,214	Kshs 45,088,879	79%
Proceeds from Sale of Assets	-	-	-		-	-	-	-
Other Receipts	-	-	-		-	-	-	-
TOTALS	137,088,879.31	3,134,490	69,367,724		209,591,093	164,502,214	45,088,879	79%
PAYMENTS								
Compensation of Employees	4,378,560	1,074,708	941,888		6,395,156	3,404,388	2,990,768	53%
Use of goods and services	7,883,909.13	1,976,782	5,533,408		15,394,099	11,825,629	3,568,470	77%
Transfers to Other Government Units	78,950,000	-	51,098,886		130,048,886	87,298,886	42,750,000	67%
Other grants and transfers	45,876,409.87	-	11,793,542		57,669,952	44,684,748	12,985,204	77%
Acquisition of Assets	-	-	-		-	-	-	-
Other Payments	-	-	-		-	-	-	-
Funds pending approval**	-	83,000	-		83,000	-	83,000	-
TOTALS	137,088,879.18	3,134,490	69,367,724		209,591,093	147,213,651	62,377,442	68%

2021
 2021
 2021


Bumula Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

- (a) The unapproved amount of ksh. 83,000 represents AIA for the FY 2019/20
- (b) Commentary on significant underutilization and overutilization.
- i. Figure of underutilization on compensation of employees of 53% includes the gratuity accumulated.
 - ii. Use of goods indicates a % Utilization of 77%, the underutilization is due to the delays in fund disbursement by the board.
 - iii. The underutilization on transfer to other government grants is due to the delays by the NG CDF Board to disburse funds.
 - iv. Transfer to other grants and transfers is underutilized due to the delays by the Board to disburse funds.
 - v. Funds pending approval indicate a utilization percentage of zero because it has not been approved by the board.


Changes in the original and final budget is as a result of the funds meant for the previous financial year being received in the financial year under review

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	62,377,442
Less undisbursed funds receivable from the Board as at 30 th June 2021	45,088,879
	17,288,563
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	2,977,172
Cash and Cash Equivalents at the end of the FY 2020/2021	20,265,735

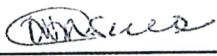
The NGCDF-Bumula Constituency financial statements were approved on 02/09/2021 and signed by:



Fund Account Manager
 Name: JOYCE WANJAU



National Sub-County
Accountant BUMULA
 Name: SUSAN SIMIYU
 ICPAK M/No: _____



Chairman NG-CDF Committee
 Name: William Namasaka

NATIONAL GOVERNMENT CONSTITUENCIES
 DEVELOPMENT FUND
 BUMULA CONSTITUENCY

ICPAK M/No: _____

Date: _____ Sign: _____

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National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual comparable basis(d)	Budget utilization difference (e = c-d)	% Utilisation (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2020/2021			2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	4,378,560	1,074,708	941,888	6,395,156	3,404,388	2,990,768	53
1.2 Committee allowances	2,422,956	250,000	450,000	3,122,956	2,998,194	124,761	96
1.3 Use of goods and services	1,345,797	1,526,782	611,086	3,483,665	3,000,385	483,280	86
Total	8,147,313	2,851,490	2,002,974	13,001,777	9,402,967	3,598,809	
2.0 Monitoring and evaluation							
2.1 Capacity building	1,671,226	-	-	1,671,226	1,500,000	171,226	90
2.2 Committee allowances	1,749,806	200,000	300,000	2,249,806	1,749,806	500,000	78
2.3 Use of goods and services	694,125	-	1,672,322	2,366,447	2,577,244	(210,797)	109
Total	4,115,156	200,000	1,972,322	6,287,478	5,827,050	460,429	
3.0 Emergency							
3.1 Primary Schools	3,000,000			3,000,000	3,000,000	-	100
3.2 Secondary schools	-			-	-	-	-
3.3 Tertiary institutions	200,000			200,000	200,000	-	100
3.4 Security projects	703,286		-	703,286	703,286	-	100
3.5 NG - CDF Offices	918,600			918,600	918,600	-	100
3.6 Unutilised	2,370,321			2,370,321	-	2,370,321	-
Total	7,192,207	-	-	7,192,207	4,821,886	2,370,321	67
4.0 Bursary and Social Security							
4.1 Secondary Schools	13,280,766	-	1,062,000	14,342,766	12,039,000	2,303,766	84
4.2 Tertiary Institutions	14,510,000		3,070,680	17,580,680	16,663,000	917,680	95
4.3 Social Security	600,000		-	600,000	-	600,000	-
4.4 Special Needs	1,200,000		-	1,200,000	-	1,200,000	-

*Bumula Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)	Actual comparable basis(d)	Budget utilization difference(e = c-d)	% Utilisation (f=d/c %)
Total	29,590,765	-	33,723,445	28,702,000	5,021,445	
5.0 Sports						
5.1 Constituency sports	2,743,438	-	5,490,692	2,747,254	2,743,438	50
Total	2,743,438	-	5,490,692	2,747,254	2,743,438	50
6.0 Environment						
6.1 Constituency Environment	1,650,000		1,650,000	-	1,650,000	-
Total	1,650,000	-	1,650,000	-	1,650,000	-
7.0 Primary Schools Projects						
Biliso primary		1,000,000	1,000,000	1,000,000	-	100
Bumula primary		1,000,000	1,000,000	1,000,000	-	100
Kitingia sa primary		1,000,000	1,000,000	1,000,000	-	100
Mukwa RC primary		1,000,000	1,000,000	1,000,000	-	100
Mwiyenga primary		1,000,000	1,000,000	1,000,000	-	100
Nakhwana primary		500,000	500,000	500,000	-	100
Namuningie primary		500,000	500,000	500,000	-	100
Netima primary		1,000,000	1,000,000	1,000,000	-	100
Sango primary		700,000	700,000	700,000	-	100
Tunya primary		1,000,000	1,000,000	1,000,000	-	100
Mulukoba primary		800,000	800,000	800,000	-	100
Mwiruti primary		500,000	500,000	500,000	-	100
Nakaila primary		1,000,000	1,000,000	1,000,000	-	100
Maraba primary		1,000,000	1,000,000	1,000,000	-	100
Mwomo primary		1,000,000	1,000,000	1,000,000	-	100
Wamumali primary		700,000	700,000	700,000	-	100
Mayanja primary		1,000,000	1,000,000	1,000,000	-	100
Mukuyuni primary		1,000,000	1,000,000	1,000,000	-	100
Nabuyeye primary		700,000	700,000	700,000	-	100
Nakholo primary		1,000,000	1,000,000	1,000,000	-	100

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National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)	Actual comparable basis(d)	Budget utilization difference(e = c-d)	% Utilisation (f=d/c %)
Namanje primary			1,000,000	1,000,000	-	100
Tabuti primary			1,000,000	1,000,000	-	100
Talitia primary			500,000	500,000	-	100
Tulumba primary			1,000,000	1,000,000	-	100
Syombe primary			500,000	500,000	-	100
Bulosi primary			300,000	300,000	-	100
Bunambobi primary			1,000,000	1,000,000	-	100
Kitingia primary	1,000,000	-	1,000,000	1,000,000	-	100
Mwiyaack primary	600,000		600,000	600,000	-	100
Wesimikha primary	1,000,000		1,000,000	500,000	500,000	50
Kisioyi primary school	1,700,000		1,700,000	1,700,000	-	100
Nakhwana primary school	400,000		400,000		400,000	-
Billisore primary school	700,000		700,000	700,000	-	100
Mukhuna primary	1,000,000		1,000,000	1,000,000	-	100
Mungie Pry school	1,000,000		1,000,000	500,000	500,000	50
primary school	1,500,000		1,500,000	600,000	900,000	40
	600,000		600,000	600,000	-	100
	700,000		700,000	700,000	-	100
	700,000		700,000	700,000	-	100
	1,200,000		1,200,000	1,200,000	-	100
	1,000,000		1,000,000		1,000,000	-
	2,400,000		2,400,000	500,000	1,900,000	21
	1,700,000		1,700,000	1,700,000	-	100
	4,500,000		4,500,000	4,500,000	-	100
	1,500,000		1,500,000		1,500,000	-
	1,000,000		1,000,000	500,000	500,000	50
	2,000,000		2,000,000	1,000,000	1,000,000	50
	1,000,000		1,000,000		1,000,000	-

Programme/ Sub-programme
Masielo primary
Burangasi primary

Budget

	Set(a)	Adjustments(b)	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c- d)	% Utilisation (f=d/c %)
	1,500,000		1,500,000	2,000,000	(500,000)	133
	1,000,000		1,000,000	1,000,000	-	100
	1,000,000		1,000,000	1,000,000	1,000,000	-
Avyanga primary	1,000,000		1,000,000	1,000,000	-	100
Kitabisi primary	1,000,000		1,000,000	1,000,000	1,000,000	-
Kibuke primary	1,000,000		1,000,000	1,000,000	1,000,000	-
Ng'oli primary	1,000,000		1,000,000	1,000,000	1,000,000	-
Khasolo primary	1,000,000		1,000,000	1,000,000	-	100
Siloba shine	1,000,000		1,000,000	1,000,000	-	100
Mateka primary	1,000,000		1,000,000	2,000,000	(1,000,000)	200
Miluki primary	1,000,000		1,000,000	1,000,000	-	100
Syoya primary	1,000,000		1,000,000	1,000,000	1,000,000	-
Khelela primary	1,000,000		1,000,000	1,000,000	1,000,000	-
Wekeleka primary	1,000,000		1,000,000	1,000,000	1,000,000	-
Lumoro primary	500,000		500,000	500,000	500,000	-
Naburereya primary	2,100,000		2,100,000	2,100,000	-	100
Masuno primary	1,000,000		1,000,000	1,000,000	1,000,000	-
Bukirimo primary	1,000,000		1,000,000	1,000,000	1,000,000	-
Muanda primary	46,300,000	-	69,000,000	51,800,000	17,200,000	75
Total						
8.0 secondary schools projects			-	-	-	-
Bukirimo sec		1,000,000	1,000,000	1,000,000	-	100
Kabula sec		1,000,000	1,000,000	1,000,000	-	100
Mikokwe sec		1,200,000	1,200,000	1,200,000	-	100
Muanda sec		1,000,000	1,000,000	1,000,000	-	100
Ngoli sec		1,000,000	1,000,000	1,000,000	-	100
Masuno sec		500,000	500,000	500,000	-	100
Bukirimo sec		2,000,000	2,000,000	2,000,000	-	100
Ngoli sec		1,000,000	1,000,000	1,000,000	-	100

B *itutu*
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)	Actual comparable basis(d)	Budget utilization difference(e = c-d)	% Utilisation (f=d/c %)
Tulukuyi sec			1,000,000	1,000,000	-	100
Kabula sec			2,000,000	2,000,000	-	100
Muanda sec			1,000,000	1,000,000	-	100
Nangata sec			300,000	300,000	-	100
Remwa sec			500,000	500,000	-	100
Bunambobi sec			700,000	700,000	-	100
Nakhwana sec			1,500,000	1,500,000	-	100
Bukirimo sec			148,886	148,886	-	100
Ngoli sec			2,000,000	2,000,000	-	100
Kabula sec			1,000,000	1,000,000	-	100
Bisuche sec			1,000,000	1,000,000	-	100
Khayo sec			500,000	500,000	-	100
Mayanja sec			1,000,000	1,000,000	-	100
Kimatuni sec			200,000	200,000	-	100
Mungore sec			500,000	500,000	-	100
Sirende sec			1,000,000	1,000,000	-	100
Wamunyiri sec			350,000	350,000	-	100
Tulukuyi sec school	2,100,000		2,100,000		2,100,000	-
Kabula secondary	10,400,000		10,400,000		10,400,000	-
Ngoli secondary	4,750,000		4,750,000		4,750,000	-
Bukirimo secondary school	6,800,000		6,800,000	3,000,000	3,800,000	44
Nangata sec	2,200,000		2,200,000		2,200,000	-
Mwiyege gils	1,000,000		1,000,000		1,000,000	-
Masuno secondary school	1,500,000		1,500,000	1,500,000	-	100
Netima secondary	900,000		900,000	900,000	-	100
Masielo secondary	2,000,000		2,000,000		2,000,000	-
Nandika secondary	1,000,000		1,000,000	1,000,000	-	100
Total	32,650,000		23,398,886	29,798,886	26,250,000	53

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National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)	Actual comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation (f=d/c %)
9.0 Tertiary institutions Projects			-		-	-
Bumula kmtc	-	5,000,000	5,000,000	5,000,000	-	100
Total	-	5,000,000	5,000,000	5,000,000	-	100
10.0 security projects			-		-	-
Kimaeiti div head quarters		2,000,000	2,000,000	2,000,000	-	100
Kimaeiti div head quarters		2,000,000	2,000,000	2,000,000	-	100
Myanga police post		1,100,000	1,100,000	1,100,000	-	100
Mateka ap camp		700,000	700,000	700,000	-	100
Kimaeiti div head quarters		1,500,000	1,500,000	1,500,000	-	100
Myanga police post		113,608	113,608	113,608	-	100
Mateka ap camp	700,000		700,000	700,000	-	100
Kimaeiti divisional head quarters	3,000,000		3,000,000		3,000,000	-
Myanga polices post	1,000,000		1,000,000	1,000,000	-	100
Total	4,700,000	7,413,608	12,113,608	9,113,608	3,000,000	75
11.0 Acquisition of assets			-		-	-
11.1 motor vehicles	-	-	-	-	-	-
11.2 Construction of CDF office	-	-	-	-	-	-
11.3 Purchase of furniture and equipment	-	-	-	-	-	-
11.4 Purchase of computers	-	-	-	-	-	-
Total	-	-	-	-	-	-
12.0 Other payments			-		-	-
Total	-	-	-	-	-	-
13.0 unallocated fund			-		-	-
Unapproved projects			-		-	-
Aia		83,000	83,000		83,000	-
PMC savings		-	-	-	-	-
Total	-	83,000	83,000	-	83,000	-
GRAND TOTAL	137,088,879	3,134,490	209,591,093	147,213,651	62,377,442	70

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- Bumula 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.

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.

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.

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.

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.

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 2020 to 30th June 2021 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 2021.

14. Errors

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

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

15. Related Party Transactions

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

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National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO B 047377	1		4,000,000
AIE NO B 041446	2		20,000,000
AIE NO B 049240	3		15,000,000
AIE NO B 047865	4		6,000,000
AIE NO B 047590	5		23,000,000
AIE NO B 096939	1	15,000,000	
AIE NO B 104588	2	22,000,000	
AIE NO B 104796	3	32,367,724	
AIE NO B 104997	4	9,000,000	
AIE NO B 124903	5	8,500,000	
AIE NO B 119758	6	13,000,000	
AIE NO B 119748	7	6,900,000	
AIE NO B 128359	8	7,000,000	
AIE NO B 132104	9	6,000,000	
AIE NO B138772	10	13,000,000	
AIE NO B 126336	11	6,600,000	
AIE NO B 126357	12	10,000,000	
AIE NO B 140503	13	12,000,000	
TOTAL		161,367,724	68,000,000

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment		
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

Bumula Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	83,000
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	83,000

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,988,910	2,268,406
Personal allowances paid as part of salary		
House Allowance		-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	1,066,158	1,052,057
Employer Contributions Compulsory national social security schemes	349,320	93,960
Total	3,404,388	3,414,423

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	788,000	-
Utilities, supplies and services	510,629	106,000
Communication, supplies and services	245,000	444,000
Domestic travel and subsistence	440,000	128,000
Printing, advertising and information supplies & services	168,000	282,000
Rentals of produced assets	-	
Training expenses	1,500,000	1,642,000
Hospitality supplies and services	620,000	232,800
Other committee expenses	360,000	-
Committee allowance	4,748,000	7,354,350
Insurance costs		
Specialized materials and services		321,023
Office and general supplies and services	2,055,000	2,048,797
Other operating expenses	212,000	93,260
Routine maintenance – vehicles and other transport equipment		
Routine maintenance – other assets	179,000	
Total	11,825,629	12,652,230

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	57,500,000	28,700,000
Transfers to secondary schools (see attached list)	29,798,886	23,500,000
Transfers to tertiary institutions (see attached list)		
TOTAL	87,298,886	52,200,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	12,039,000	13,427,000
Bursary – tertiary institutions (see attached list)	16,663,000	16,529,998
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	8,413,608	10,000,000
Sports projects (see attached list)	2,747,254	-
Environment projects (see attached list)	-	-
Emergency projects (see attached list)	4,821,886	7,345,170
Total	44,684,748	47,302,168

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	205,000
Purchase of ICT Equipment, Software and Other ICT Assets	-	55,000
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	260,000

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Equity Bank, Account No. 0480278524012</i>	20,265,735	3,134,490
<i>Name of Bank, Account No.</i>	-	-
<i>Name of Bank, Account No.</i>	-	-
Total	20,265,735	3,134,490
10B: CASH IN HAND		
Location 1		-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

	2020-2021	2019-2020
	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	-	-

12B. GRATUITY

	2020-2021	2019-2020
	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	-	-

13. BALANCES BROUGHT FORWARD

	2020-2021 (1st July 2020)	2019-2020 (1st July 2019)
	Kshs	Kshs
Bank accounts	3,134,490	1,623,856
Cash in hand	-	-
Imprest	-	-
Total	3,134,490	1,623,856

14. PRIOR YEAR ADJUSTMENTS

Description of the error	Balance b/f FY 2019/2020 as per Audited Financial statements Kshs	Adjustments Kshs	Adjusted Balance** b/f FY 2019/2020 Kshs
Bank account Balances	3,134,490	2,977,172	6,111,662
Cash in hand			-
Accounts Payables	-	-	-
Receivables		-	-
Others (<i>specify</i>)			-
TOTAL	3,134,490	2,977,172	6,111,662

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2020-2021	2019-2020
	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	-	-

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020-2021	2019-2020
	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	-	-

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National Government Constituencies Development Fund (NGCDF)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	-	2,700,000
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	2,700,000

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	2,990,768	2,114,977
Use of goods and services	3,568,470	-
Amounts due to other Government entities (see attached list)	42,750,000	54,312,680
Amounts due to other grants and other transfers (see attached list)	12,985,204	15,081,221
Acquisition of assets	-	200,000
Others (<i>specify</i>)	-	-
Goods pending approval	83,000	-
	62,377,442	71,708,878

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	15,712,036.14	6,324,223.50
	15,712,036.14	6,324,223.50

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AGING ACCOUNTS PAYABLE

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

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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ANNEX 3 – UNUTILIZED FUND				
Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees	Salaries and gratuity for staff	2,990,768	2,114,977	
Use of goods & services	Office operations and committee expenses	1,068,470	(5,002,538)	
Amounts due to other Government entities				
Primary schools				
Wesimikha primary school	Completion of two classrooms	500,000		
Nakhwana primary school	Completion of three classrooms & admn. block	400,000		
Namuningie primary school	Completion of 3 classrooms	500,000	500,000	
Bukuruma primary school	Completion of 3 classrooms	900,000		
Mukwa RC primary school	Renovation of 6 classrooms	1,000,000	1,000,000	
Nasianda Bahai primary school	Renovation of 7 classrooms	1,900,000		
Lunao RC primary	Completion of 3 classrooms	1,500,000		
Lunao FYM primary	Renovation of 2 classrooms	500,000		
Mukhuma primary	Renovation of 4 classrooms	1,000,000		
Kabula primary	Renovation of 2 classrooms	1,000,000		
Masielo primary	Renovation of 3 classrooms	(500,000)		
Myanga primary	Renovation of 2 classrooms	1,000,000		
Kibuke primary	Renovation of 2 classrooms	1,000,000		
Ng'oli primary	Renovation of 2 classrooms	1,000,000		
Khasolo primary	Renovation of 2 classrooms	1,000,000		
Miluki primary	Renovation of 2 classrooms	(1,000,000)		
Khelela primary	Renovation of 2 classrooms	1,000,000		
Wekeleka primary	Construction of one classroom	1,000,000		
Lumoro primary	Construction of one classroom	1,000,000		
Naburereya primary	Construction of 8 door pit	500,000		

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	latrine			
Bukirimo primary	Construction of one classroom	1,000,000		
Muanda primary	Construction of one classroom	1,000,000		
Mwiyenga primary school	Construction of 3 classrooms		1,000,000	
Buloosi primary school	Purchase of ½ acre land		300,000	
Kitingia primary school	Completion of 3 classrooms		1,000,000	
Mwiruti primary school	Renovation of 3 classrooms		500,000	
Namarje primary school	Construction of 4 classrooms		1,000,000	
Biliso RC primary school	Completion of 2 classrooms		1,000,000	
Bumula primary school	Renovation of 2 classrooms		1,000,000	
Bunambobi primary school	Renovation of 2 classrooms		1,000,000	
Miaraba primary school	Construction of one classroom		1,000,000	
Mayarja primary school	Renovation of 4 classrooms		1,000,000	
Mukuyuni primary school	Construction of one classroom		1,000,000	
Mulukoba primary school	Completion of one classroom		800,000	
Mwomo primary school	Renovation of 2 classrooms		1,000,000	
Nabuyefwe primary school	Renovation of 3 classrooms		700,000	
Nakalila primary school	Completion of admn. block		1,000,000	
Nakholo primary school	Construction of one classroom		1,000,000	
Netima RC primary school	Renovation of 2 classrooms		1,000,000	
Sargo primary	Completion of admn block		700,000	
Tabuti primary school	Construction of one classroom		1,000,000	
Talitia primary school	Renovation of one classroom		500,000	
Tulumba primary school	Renovation of two classroom		1,000,000	
Tunya primary school	Renovation of 4 classrooms		1,000,000	
Wamumali primary school	Purchase of one acre land		700,000	
Nasyanda Bahai primary	Completion of 2 classrooms		713,794	

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Secondary schools				
Tulukuyi sec school	Completion of 4 classrooms	2,100,000		
Kabula Secondary	Completion of 14 unit admin block	10,400,000		4,000,000
Ngoli Secondary	Completion of 11 unit admin block	4,750,000		4,000,000
Bukirimo secondary school	Completion of 11 unit admin block	3,800,000		3,148,886
Nangata sec	Completion of 4 classrooms	2,200,000		300,000
Mwiyeenga gils	Construction of one classroom	1,000,000		
Masielo secondary	Completion of 3 classrooms	2,000,000		
Mikokwe secondary school	Completion of 4 classrooms		200,000	
Namanze secondary school	Purchase of land		1,000,000	
St Jude Muanda secondary	Renovation of 4 classrooms		1,500,000	
Bisuche secondary	Construction of one classrooms		1,000,000	
Bunambobi secondary school	Purchase of one acre land		700,000	
Khayo secondary school	Completion of 2 classrooms		500,000	
Kimatuni RC secondary	Purchase of one acre land		200,000	
Masuno secondary school	Completion of 3 classrooms		500,000	
Mayanja secondary school	Completion of dining hall		1,000,000	
Mungore girls secondary school	Installation of water tank		500,000	
Nakhwana secondary school	Completion of one classroom		1,500,000	
Namatotoa secondary school	Completion of twin lab		1,000,000	
Remwa secondary school	Purchase of one acre land		500,000	
Sirende secondary school	Construction of one classroom		1,000,000	
Wamunyiri secondary school	Purchase of one acre land		350,000	
Bumula boys secondary school	Completion of dining hall		500,000	
Kabubero secondary school	Construction of 2 classrooms		2,000,000	
Nandika secondary school	Construction of one classroom		1,500,000	

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Tertiary institutions				
Bumula KMTC	Completion of tuition block			5,000,000
Sub-Total		47,509,238		
Amounts due to other grants and other transfers				
Emergency	Unforeseen occurrences	2,370,321		(577,462)
Bursary Secondary school	Needy students in secondary	2,303,766		1,068,483
Bursary tertiary institutions	Needy students in middle level colleges	917,680		1,187,002
Universities	Needy students in universities			3,089,180
social security	NHIF for healthcare	600,000		1,200,000
Special needs	Bursary for bodaboda and special schools	1,200,000		
Sports	Nurture talents for youths	2,743,438		2,748,339
Environment	Preserving the environment	1,650,000		1,950,000
Security				
Kimaeti divisional H/quarter	Construction of ACC H/Q	3,000,000		5,500,000
Myanga police	Construction of residential houses for police officers			1,213,609
Mateka AP camp	Construction of residential houses for police officers			704,608
Kimaeti location chief's office	Construction of chief's office			1,000,000
Kibuke location chief's office	Construction of chief's office			1,000,000
Sub-Total		14,785,205		20,083,759
Acquisition of assets				200,000
Others (<i>specify</i>)				
Sub-Total				200,000
Funds pending approval	Purchase of official camera	83,000		-
Grand Total		62,977,442		71,708,878

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	12,700,000	-	-	12,700,000
Buildings and structures	-	-	--	-
Transport equipment	-	-	--	-
Office equipment, furniture and fittings	442,500	-	-	442,500
ICT Equipment, Software and Other ICT Assets	660,196	-	-	660,196
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	13,803,696	-	-	13,803,696

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Napara ACK Primary school	National	10224097717800	5,560	5,560
Mayanja primary school	National	01024097765000	18,995	-
St. Anne Wamumali RC	National	01024097772200	9,908	-
Nang'eni Girls Secondary school	KCB	1111953619	-	2,012
St. Teresa's Kabula secondary school	KCB	10224097717800	-	537,762
St Kizito Masielo sec	Equity	1111953620	28,334	17,195
St. Joseph's Bukirimo Secondary	Equity	10224097717800	1,393,541	1,374,453
St. Mary's Ng'oli Secondary	Equity	1111953620	2,320,514	2,800,312
Mukwa RC Primary school	Equity	10224097717800	69,232	83,197
Masuno RC Primary school	Equity	1111953621	37,310	1,154
Sihilila RC Primary school	Equity	10224097717800	688,541	45,319
Naburereya Secondary School	Equity	1111953621	3,280	3,280
Kimaeti Primary School	Equity	10224097717800	66,655	24,569
Machwele DEB Primary school	Equity	1111953622	55,248	22,604
Mwiya Girls High School	Equity	10224097717800	2,740	2,740
Syombe ACK [Primary School	Equity	1111953622	933	21,419
Lunao Primary	Equity	10224097717800	478,374	83,494
St. Jude Syoya Secondary School	Equity	1111953623	4,068	4,580
Mukhuma RC Primary	Equity	480279046291	951,430	-
Tabuti Isudi RC Primary school	Equity	480279850180	500,642	-
St. Kizito Mayanja secondary	Equity	480280138709	1,000,000	-
St. Pauls Nangata secondary	Equity	0480279059422	5,830	-
Miluki RC Primary	Equity	0480280822033	1,001,150	-
Kimaeti Sub County office	Equity	0480279033915	3,666,941	-
Sango RC Primary school	Equity	0480280137322	12,873	-

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Nakhwana Primary School	Co-operative	10224097717800	21,142	17,259
Buloosi RC Primary School	Co-operative	1111953620	2,526	1,006
St. Elizabeth Malinda Secondary	Co-operative	10224097717800	30,325	974,665
Mwiyenga Primary	Co-operative	1111953621	1,011,357	6,343
Chiliba Secondary	Co-operative	10224097717800	6,867	7,347
Lukhuna Primary	Co-operative	1111953621	16,423	22,224
St. Peter's Syekumulo Secondary	Co-operative	10224097717800	5,719	6,199
Tabala RC Primary	Co-operative	1111953622	3,373	3,853
Mateka AP Camp	Co-operative	10224097717800	13,456	21,804
St. Jude Muanda Secondary	Co-operative	1111953622	35,387	4,733
Mukwa Secondary	Co-operative	10224097717800	7,462	7,942
St. Michael Bukumuma Secondary	Co-operative	1111953623	15,270	3,923
Mutua RC Primary School	Co-operative	10224097717800	3,323	3,803
Kitingia SA Primary	Co-operative	1111953623	24,448	20,382
Mikokwe Secondary	Co-operative	10224097717800	906	63,486
Tunya RC Primary	Co-operative	1111953624	14,350	763
Kimatuni SA Primary	Co-operative	10224097717800	20,097	19,176
St. Anthony Tulukuyi Secondary	Co-operative	1111953621	20,239	18,052
St. Elizabeth Wacholi primary School	Co-operative	10224097717800	8,133	8,613
Myanga Police Post	Co-operative	1111953622	1,002,636	5,775
Ksioyi Friends Primary School	Co-operative	10224097717800	29,463	17,699
Namuningie RC Primary School	Co-operative	1111953622	40,865	36,823
Nangata Secondary School	Co-operative	10224097717800	22,224	22,704
Nakhwana secondary school	Cooperative	1139049074500	1,033,953	-
Total			15,712,036	6,324,224

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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 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)
4.1 Cash and Equivalents	The statement of the financial assets reflects cash and cash equivalents balance of Kshs. 49,719,975 as supported by the reconciled cashbook. However, the bank reconciliation statements revealed that there were unrepresented cheques totaling Kshs. 2,506,703. In addition to that the bank reconciliation reflects payments in bank statement not recorded in cashbook totaling Kshs. 268,167 which are in respect of bank charges, under-casts and under-payments relating to the period between March 2019 and June 2019. The statement further reflects a receipt in the cash book not reflected in the bank statements amounting to Kshs. 1,000,000.	The NG-CDFC liaised with the sub county treasury and an updated copy of the bank reconciliation was prepared.	Not resolved	December 2021
4.2 Failure to maintain an Imprest Register	There was no imprest register maintained by the management. Thus, we were unable to confirm the management of the imprest and its accountability there on.	The imprest register has been put in place as advised by the audit team	Not resolved	December 2021
4.3 Fixed Assets Register	An analysis of the list of assets of NG-CDF Bumula Constituency availed for audit revealed an unexplained variance of Kshs. 198,454 in the figures in financial statements.	The fixed assets register availed during the time of audit was an updated register that was inclusive of additional assets	Not resolved	December 2021

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		purchased after closure of the financial year and omission of others that were considered consumables.		
4.4 Analysis of the projects implementation	The Projects Implementation Status Report for NG-CDF Bumula Constituency revealed that the management of the Fund had approved plan to implement 65 projects in the year 2018/2019. Out of the 65 projects, 38 projects (58% performance) had been completed. Twenty-five (25) projects were ongoing and funds for two (2) projects had been reallocated as at the time of audit. There is therefore observed delay by the management in completion of the projects	Delay in implementation of projects' activities was occasioned by phased disbursement of funds by the NG-CDF Board. However, Bumula NG-CDF will strive to request for funding on a timely basis.	Not resolved	December 2021
4.5 construction of Administration Block at Kabula Secondary School- KSHs. 4,000,000	The contract sum for the works at KSHs. 19,997,260 and was awarded to Devbees Solutions for a period of 24 weeks (6 months) for the construction of Administration block at Kabula Secondary School. The contract agreement was signed on 03 rd Dec. 2019. As at the time of audit, a total sum of KSHs. 4,695,450 had been channeled to the PMC account for implementation of the project. However, the following issues were noted: <ul style="list-style-type: none"> No detailed inspection report has been attached in file indicating the progress of works. Only photographs which are not even clear are in file. The public works office however raised a certificate which was then paid for. 	The management has written to the contractor requesting them to meet their obligation and to the public works requesting them to avail inspection reports to the office.	Not resolved	December 2021

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<ul style="list-style-type: none"> The project site has not been enclosed as stated in the contract document- No accountability for the KSHs. 150,000 quoted for hoarding. No signage is in place at the project site- KSHs 40,000 The works have only been done to up to the foundation slab and the columns erected awaiting for the suspended slab. Contractor has abandoned the site. 			
4.6 Failure to provide Supporting schedules	The statement of receipts and payments reflects compensation of employees figure of KSHs. 2,481,919 for the year under review. However, scrutiny of the payroll revealed a total figure for compensation of employees of KSHs. 2,328,018 resulting in a difference of KSHs. 153,901 that has not been explained or reconciled.	The management has since prepared schedules used to arrive at the account balances.	Not resolved	December 2021
4.6.1 Compensation of employees	The statement of receipts and payments reflects compensation of employee's figure of KSHs. 2,481,919 for the year under review. However, scrutiny of the payroll revealed a total figure for compensation of employees of KSHs. 2,328,018 resulting in a difference of KSHs. 153,901 that has not been explained or reconciled.	The actual figure for compensation of employees is Kshs. 2,394,372 as per attached copies of payment vouchers. See annex V	Not resolved	December 2021
4.6.2 Use of goods and services	The statement of receipts and payments has use of goods and services figure of KSHs. 11,128,824 which varies with the total of the analysis provided in Note 3 totaling KSHs.	The actual figure for use of goods and services is Kshs. 11,128,824. The actual figure for training expenses	Not resolved	December 2021

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>11,108,000 by KSHs. 20,824. No explanation has been provided for the variance. Further, there were no schedules provided to support the figures as indicated in the notes to the financial statement.</p> <p>In addition, the figure of training expenses as given in the Note 3 is KSHs. 842,000 while the voucher provided to support the expenditure was for KSHs. 892,000 thus giving a difference of KSHs. 50,000 that has not been explained.</p>	<p>is Kshs. 892,000 and Kshs. 842,000 was a result of wrong casting. This has been corrected and a copy of payment voucher attached. See Annex vi. The difference was a result of wrong casting of training expenses.</p>		
4.6.3 Other grants and transfers	<p>Note 7 to the financial statement on other grants and transfers includes KSHs. 13,384,000 and KSHs. 14,844,000 for bursary-secondary schools and bursary-tertiary institutions. However, the supporting schedules for the two items totaled Kshs. 13,274,000 and Kshs. 14,954,000 respectively resulting into un-explained variance for the items.</p>	<p>The actual values for bursary are Kshs. 13,274,000 and Kshs. 14,954,000 for secondary schools and tertiary institutions respectively giving variances of (110,000) and 110,000 respectively which have been appropriately amended in the financial statements</p>	Not resolved	December 2021