

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF



THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY	
DATE: 27 JUL 2023	DAY: Thursday
TABLED BY: ON	Hon. Naomi Wago, mp Deputy Majority Whip
CLERK AT THE TABLE:	Enlaysia Muriuki

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - GATUNDU NORTH CONSTITUENCY

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



GATUNDU NORTH CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

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

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

***Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022***

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

**Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022**

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 Gatundu 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	MR Joseph K.N.Rotich.
2.	Sub-County Accountant	MR Boniface Mugambi
3.	Chairman NGCDFC	MR John Kirori Ngaruiya
4.	Member NGCDFC	MRS Jane Wanjiru

(d) Fiduciary Oversight Arrangements

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

(e) Gatundu North Constituency NGCDF Headquarters

P.O. Box 201- 01004 Kanjuku
GATUNDU NORTH NG-CDF OFFICE,
GATUNDU NORTH DCC COMPOUND
KAMWANGI, KENYA

(f) NGCDF Gatundu North Constituency Contacts

Telephone: (254)0722-864244
E-mail: cdfgatundunorth@ngcdf.go.ke
Website: www.ngcdfgo.ke

(g) NG-CDF Gatundu North Constituency Bankers

Kenya Commercial Bank
Branch-Gatundu
Account Name-GATUNDU NORTH NG-CDF
Account Number-1102763853
Address -518 Gatundu.

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT

:



**NG-CDF C CHAIRMAN John Kirori
Ngaruiya**

Financial Year Budget.

In the financial year 2020/21 the NG-CDF GATUNDU NORTH Constituency was allocated Ksh 137,088,879. and we have received over 99% of the allocation for the financial year 2020/2021 and its utilization has gone well with over 99% of the funds have been utilized effectively. In the Financial year 2021/2022 the Ng-Cdf Gatundu North Constituency was allocated Ksh 137,088,879 the constituency has received 100% of the total funds' allocation. Due the bulk of the project brought forward from 2020/21 and delay occasion by long procurement procedures and the processing of BQs, the NG-CDF-Gatundu North were able to do 83% of the projects that fall under 2021/22 financial year.

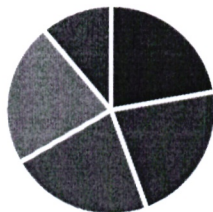
Table summary of Budget Performance for Projects under Financial year 2021/2022

PROJECT	STATUS IN %
Gichuka Primary School	100%
Njatha ini Primary School	100%
Mataara Primary School	100%
Kamwangi Primary School	100%
Muchakai Primary School	100%

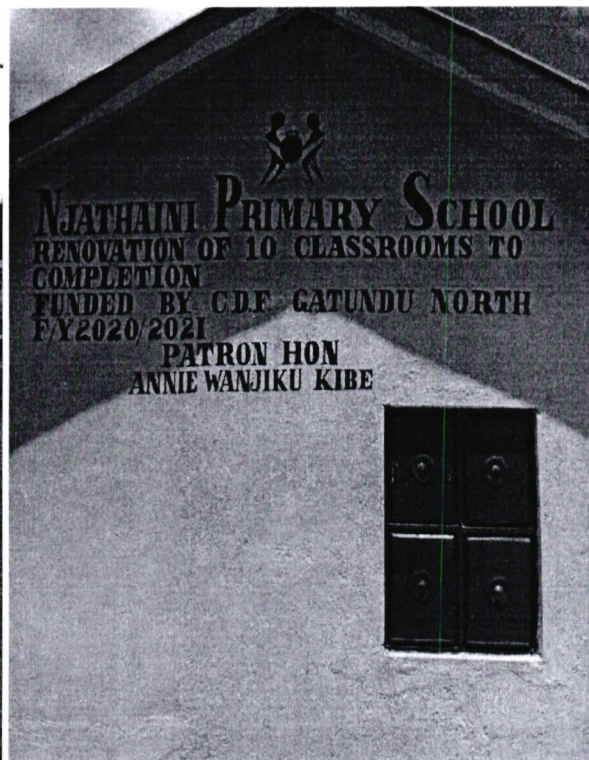
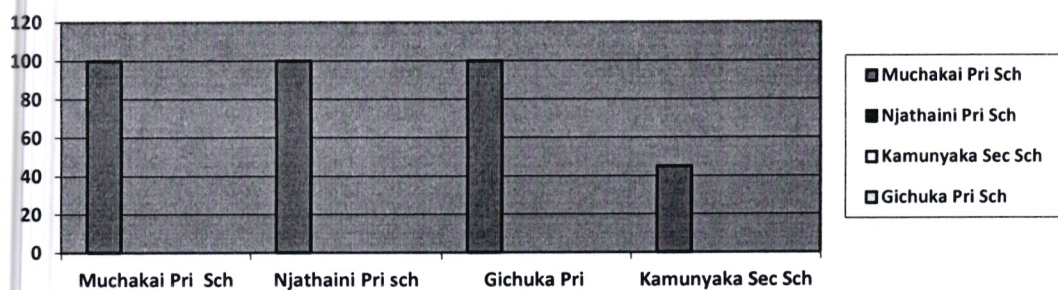
Key Achievements.

Due the bulk of the project brought forward from 2020/21 and delay occasion by long procurement procedures and the processing of BQs, the NG-CDF-Gatundu North were able to do the following project—Kiriko primary school, Kamwangi primary school, and Mukuyu-ini, Kaibere Primary just but to list a few primary schools, the projects that fall under 2021/22 financial year are 83% complete.

SCH PROJECTS IMPLEMENTATION



■ NJATHAINI -INI PRI ■ GICHUKA PRI SCH ■ KAMWANGI PRI SCH
■ MATAARA PRI SCH ■ MUCHAKAI PRI SCH



Njatha Ini Primary School Renovation of 10No Classrooms F/Y 2021 2022

We have completed all projects brought forward from the previous financial year 2021/2022



CHANIA WARD: KAMWANGI PRIMARY SCHOOL. F/Y 2021/2022

RENOVATION OF 5NO CLASSROOMS TO COMPLETION.



CHANIA WARD, KANJUKU PRIMARY SCHOOL: RENOVATION OF 9NO CLASSROOMS TO COMPLETION. F/Y 2021/2022

MANGU WARD: MUKURWE PRIMARY SCHOOL: RENOVATION OF 12NO CLASSROOMS TO COMPLETION. F/Y 2020/2021

Challenges and Emerging Issues.

Gatundu North constituency has many old schools and scarce land to build new schools. Much of what NG-CDF can do is always overhaul renovations in most of the schools. The preferred mode of expansion is to build upwards. This method of construction is very expensive.

The other challenge in Education sector is a huge population of needy students from very humble families, who are in need of support through the inadequate bursary fund which is never enough due very low percentage budget allocation

Solution:

The challenge of long procurement procedures and processing of BQs is a problem that is long overdue. The government should consider employing more of these staffs so that delivery of their services is enhance and projects executed on a timely basis. NG-CDF is currently depending on the county government works officers who are only available when they are free from the county works.

Signature

CHAIRMAN NGCDF COMMITTEE
John Kirori Ngaruiya

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

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

- a) Promotion of education and training
- b) Promotion of sports and creative talents
- c) Enhance administration and security
- d) Protection of the environment
- e) Institutional strengthening
- f) Enhance administration of services to the society

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Number of usable physical infrastructure build in primary, secondary, and tertiary institutions Number of bursary's beneficiaries at all levels	In FY 20/22 -we increased number of classrooms, laboratories etc schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules
Security	To have Police Post within each every ward this will enhance high level of surveillance thereby resulting to security of Pupils, community.	Increased enhanced law and order and investment	Expansion of Business enterprises	In FY 21/22 more police post have been launched. 1.) Kamwangi Police Station 2.) Kawira Police Post. 3) Makwa Primary School

Environment	To ensure we provide enabling conducive environment for the pupils, teachers and the society	We have been able to accomplish as resulting to more enrolment in public schools	We have built pit latrines in various schools and retaining walls to curb Soil erosion. E.g	We have built pavements and pit latrines in various schools e.g 1) Mukurwe Primary School 2) Njatha-ini Primary 8NO Doors Etc
Emergency	To Ensure we provide conducive and safe environment of study for pupils and staff.	We have been able to have clean safe sanitation facilities as per public health regulations.	Decline in sickness in schools as the pupils have maintained clean compound.	We have facilitated provision of ablution block for pupils as theirs had collapsed at Kieni Primary School ,South Kanyoni Primary school

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** Gatundu North 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

- *NG-CDF Gatundu north have participated often on support of our environment by facilitating planting of tree through corroboration with our local institutions and financial institutions within our locality. Moreso we supported the Kamwangi DCC compound where our offices are located to provide dustbin Cans to facilitate clean environment.*
- *NG-CDF Gatundu north through community participation meeting the Youth and Entire community have been sensitized on ways of curbing drug abuse. They have often recommended our support on construction of police Post within the affected areas whereby we have built, Kamwangi Police Station. Underway is purchase of land to construct Kawira Police Post*
- *NG-CDF have often supported sports activities within the Constituency however we have been delayed to effect for a tournament due to prolonged covid -19.*
- *NG-CDF Gatundu North have currently sensitized on soil conservation by construction of Pavements to reduce soil erosion, this have been affected at Mukurwe, Ndekei Primary School, etc.*

3. Employee welfare

We invest in providing the best working environment for our employees. Gatundu 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 are based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme.

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-

Gatundu North 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-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

Gatundu North 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.

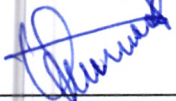
The Accounting Officer in charge of the NGCDF-Gatundu North Constituency is responsible for the preparation and presentation of the constituency financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June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

The Accounting Officer in charge of the NGCDF-Gatundu North Constituency accepts responsibility for the Constituency's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Gatundu North 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 Gatundu North 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 Gatundu North Constituency financial statements were approved and signed by the Accounting Officer on 30th June 2022.



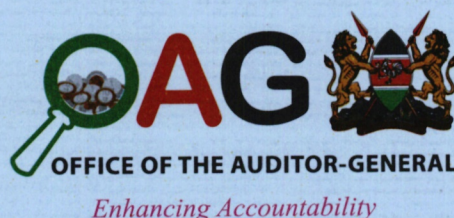
Chairman NGCDF Committee
Name: John Kirori Ngaruiya



Fund Account Manager
Name: Joseph K.N Rotich

REPUBLIC OF KENYA

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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Gatundu North Constituency set out on pages

1 to 42, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the summary statement of appropriation, statement of cash flows and statement of comparison of budget and actual amounts 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 - Gatundu North Constituency as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements revealed the following anomalies:

- i. The statement of assets and liabilities reflects a balance in respect of gratuity of Kshs.977,835 relating to prior year, while the prior year audited reports and financial statement reflects Nil balance on gratuity, resulting to unexplained variance of Kshs.977,835.
- ii. The summary statement of appropriation reflects total payments of Kshs.27,958,972 which when recalculated amount to Kshs.21,158,972.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2. Unsupported Payments on Use of Goods and Services

The statement of receipts and payments and Note 5 to the financial statements reflect payments totalling to Kshs.8,638,635 in respect of Use of Goods and Services. Included in these payments is Kshs.2,727,165 whose supporting documents were not provided for audit.

In the circumstances, the accuracy and completeness of use of goods and services expenditure amount of Kshs.2,727,165 could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities and Note 10A to the financial statements reflect bank balance of Kshs.29,090,437. However, the balance was not supported by a board of survey report and the Management did not provide explanation for the omission. Review of the bank reconciliation statements revealed unrepresented cheques amounting to Kshs.4,541,677 out of which, cheques amounting to Kshs.789,884 were stale and had

not been reversed in the cash book. In addition, receipts in the bank statements not in the cash book amounted to Kshs.1,000,000. The failure to update the cash book was not explained.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.29,090,437 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 - Gatundu North 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 audit 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.

Emphasis of Matter

Unconfirmed Project Management Committee Balances

Annex 5 to the Financial Statements reflects Project Management Committee unutilized fund balance of Kshs.14,622,616, which includes fifty (50) Project Management Committee (PMC) accounts balances of which forty-nine (49) were held at Equity Bank and one (1) was held at Kenya Commercial Bank (KCB). However, the certificates of bank balances, cash books and bank reconciliation statements for the PMC accounts were not provided for audit.

My opinion is not qualified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Unconfirmed Reporting on Emergency Payments

The statement of receipts and payments and Note 7 to the financial statements reflect other grants and transfers amounting to Kshs.58,370,402, which includes payments in respect of emergency projects totalling to Kshs.8,277,400. However, no documentary

evidence was provided indicating that the Management had reported the emergency expenditure to the Board using the prescribed format and within thirty days. This was contrary to Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which states that utilization of the emergency reserves shall be reported to the Board within thirty (30) days of the occurrence of the emergency in the format prescribed by the Board.

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

2. Transfers to Other Government Units

The statement of receipts and payments and Note 6 to the financial statements reflect transfer to other Government units amounting to Kshs.113,128,592. Review of records provided for audit revealed the following anomalies;

2.1 Irregular Procurement of Computer Tables and Chairs

Included in the payments on transfers to other Government entities is a payment of Kshs.1,000,000 in respect of purchase of computer desks and chairs for Mangu Resources Centre and Ngorongo Social Hall. However, several unsatisfactory matters were observed as indicated below:

- a) Management did not maintain a procurement file for the two (2) projects.
- b) PMC records and documentations were not provided for audit review.
- c) No requisition for the items was attached to the payment vouchers.
- d) The payment vouchers did not indicate the number of computer desks and chairs which were paid for.
- e) The local purchase orders (LPOs), delivery notes and invoices were not provided for audit review.

In the absence of the accounting documents referred to above, it was not possible to confirm the legality on the Kshs.1,000,000, incurred on purchase of computer desks and chairs and value for money on this expenditure could not be confirmed.

2.2 Irregular Procurement of Renovation and Construction Works

Included in the payments on transfers to other Government entities were payments totalling to Kshs.2,950,000 in respect of renovation works for six (6) classrooms at Kshs.2,400,000 and construction of ablution block at Kshs.550,000 at St. Francis Primary School. The tenders were awarded to two (2) local contractors. Review of records revealed anomalies, as listed below;

- a) The contract did not state the project duration.
- b) Management did not issue regret letters to the unsuccessful bidders as required by the Public Procurement and Asset Disposal Act, 2015.

- c) Procurement records for the construction of ablution block were not provided for audit review.

In the circumstances, it was not possible to confirm the regularity and authenticity of the payments made. Further, the 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 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 so as to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are

in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the 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 control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and 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 Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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

Nairobi

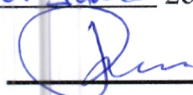
10 July, 2023

Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022

VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	185,088,879	153,367,724
Proceeds from Sale of Assets	2	0.00	0.00
Other Receipts	3	0.00	0.00
TOTAL RECEIPTS		185,088,879	153,367,724
PAYMENTS			
Compensation of employees	4	2,819,785	2,137,428
Use of goods and services	5	8,638,635	6,727,815
Transfers to Other Government Units	6	113,128,592	146,500,000
Other grants and transfers	7	58,370,402	39,168,475
Acquisition of Assets	8	0.00	0.00
Other Payments	9	1,000,000	0.00
TOTAL PAYMENTS		183,957,414	194,533,717
SURPLUS/(DEFICIT)		<u>1,131,465</u>	<u>(41,165,993)</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Gatundu North Constituency financial statements were approved on 30TH JUNE 2022 and signed by:



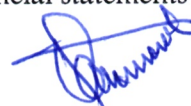
Fund Account Manager

Name: Joseph K.N Rotich



**National Sub-County
Accountant**

Name: Boniface Mugambi
ICPAK M/No: 17394



**Chairman NG-CDF
Committee**

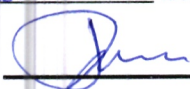
Name: John Kirori Ngaruiya

**Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022**

VIII. STATEMENT OF ASSETS AND LIABILITIES

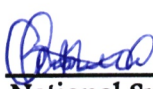
	Note	2021-2022	2020-2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	29,090,437	27,958,972
Cash Balances (cash at hand)	10B	0.00	0.00
Total Cash and Cash Equivalents		29,090,437	27,958,972
Accounts Receivable			
Outstanding Imprests	11	0.00	0.00
			0.00
TOTAL FINANCIAL ASSETS		29,090,437	27,958,972
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	0.00	0.00
Gratuity	12B	939,095	977,835
TOTAL FINANCIAL LIABILITIES		939,095	977,835
NET FINANCIAL ASSETS		29,090,437	27,958,972
REPRESENTED BY			
Fund balance b/fwd	13	<u>27,958,972</u>	69,124,965
Prior year adjustments	14	0.00	
Surplus/Deficit for the year		<u>1,131,465</u>	(41,165,993)
NET FINANCIAL POSITION		29,090,972.00	27,958,972

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Gatundu North Constituency financial statements were approved on 30th JUNE 2022 and signed by:



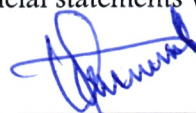
Fund Account Manager

Name: Joseph.K.N Rotich



**National Sub-County
Accountant**

Name: Boniface Mugambi
ICPAK M/No: 17396



**Chairman NG-CDF
Committee**

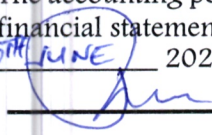
Name: John Kirori Ngaruiya

Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022

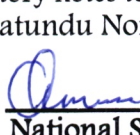
IX STATEMENT OF CASHFLOW

		2021 - 2022	2020 - 2021
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	185,088,879	153,367,724
Other Receipts	3	0.00	0.00
Total receipts		185,088,879	153,367,724
Payments for operating activities			
Compensation of Employees	4	2,819,785	2,137,428
Use of goods and services	5	8,638,635	6,727,815
Transfers to Other Government Units	6	113,128,592	146,500,000
Other grants and transfers	7	58,370,402	39,168,475
Other Payments	9	1,000,000	
Total payments		183,957,414	194,533,717
Total Receipts Less Total Payments			
Adjusted for:		<u>1,131,465</u>	(41,165,993).00
Decrease/(Increase) in Accounts receivable: (Outstanding imprest)	15	0.00	
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	0.00	0.00
Prior year adjustments	14	0.00	0.00
			0.00
Net cash flow from operating activities		<u>1,131,465</u>	(41,165,993)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0.00	0.00
Acquisition of Assets	9	0.00	0.00
Net cash flows from Investing Activities		0.00	0.00
			0.00
NET INCREASE IN CASH AND CASH EQUIVALENT		<u>1,131,465</u>	(41,165,993)
Cash and cash equivalent at BEGINNING of the year	10	27,958,972	69,124,965
Cash and cash equivalent at END of the year		29,090,437	27,958,972

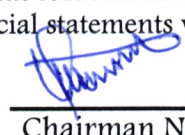
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Gatundu North Constituency financial statements were approved on 30th JUNE 2022 and signed by:


Fund Account Manager

Name: Joseph Kirori Ngaruiya


**National Sub-County
Accountant**

Name: Boniface Mugambi
ICPAK M/No: 17394


**Chairman NG-CDF
Committee**

Name: John Kirori Ngaruiya

Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022

IX. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
RECEIPTS	2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2021/2022	30/06/2022		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	27,958,972	56,088,879	221,136,730	213,047,851	8,088,879	96.3%
Proceeds from Sale of Assets							
Other Receipts							
TOTALS	137,088,879	27,958,972	56,088,879	221,136,730	213,047,851	8,088,879	96.3%
PAYMENTS							
Compensation of Employees	2,840,000	1,051,589.00	1,228,895.00	5,120,484	2,819,785	2,300,699	55.1%
Use of goods and services	10,766,741	6,392,257.00	6,709,103.00	23,868,101	8,638,635	15,229,466	36.2%
Transfers to Other Government Units	82,432,207	8,900,000.00	36,200,000.00	127,532,207	113,128,592	14,403,615	88.7%
Other grants and transfers	41,049,931	1,615,126.00	6,200,881.00	58,865,938	58,370,402	495,536	99.2%
Acquisition of Assets							
Other Payments		3,200,000	3,200,000	3,200,000			
Funds pending approval**			2,550,000	2,550,000	1,000,000	1,550,000	39.2%
TOTALS	137,088,879	27,958,972	56,088,879	221,136,730	183,957,414	37,179,316	83.2%

***Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.*

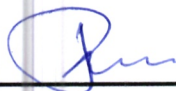
**Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022**

Commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)

- I. On the transfer of and Other Grants, there have been high demand on application of Bursary from Needy Students resulting to efficient utilisation of the allocation.
- II. The challenge here is underutilization of funds which was occasion by long time take by processing of BQs by works officer who in most cases are engaged with county work and also lengthy procurement process.
- III. Gatundu North started the financial year with the bulk of projects carried forward from the previous financial year 2019/20
- IV. Delay of funds from the NG -CDF board has also attributed to some extend the underutilization of funds

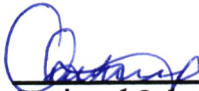
Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	37,179,316
Less undisbursed funds receivable from the Board as at 30 th June 2022	8,088,879
Add Accounts payable	0.00
Less Accounts Receivable	0.00
Add/Less Prior Year Adjustments	0.00
Cash and Cash Equivalents at the end of the FY 2021/2022	29,090,437

The NGCDF-Gatundu North Constituency financial statements were approved on 30th JUNE 2022 and signed by:



Fund Account Manager

Name: Joseph K.N. Rotich



**National Sub-County
Accountant**

Name: Boniface Mugambi
ICPAK M/No: 17394



**Chairman NG-CDF
Committee**

Name: John Nyaruiya

*Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022*

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
	2021/2022	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2021/2022	30/06/2022	
	Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,840,000	1,051,589	1,228,895	5,120,484	2,819,785	2,300,699
1.2 Committee allowances	2,704,302	1,446,420	2,415,557	6,566,279	2,691,000	3,875,279
1.3 Use of goods and services	1,500,000	1,490,971	97,880	3,088,851	847,789	2,241,062
Total	8,225,332	3,988,980	3,742,332	14,775,614	6,358,574	8,417,040
2.0 Monitoring and evaluation						
2.1 Capacity building	1,300,000	1,408,000	1,870,000	4,578,000	-	4,578,000
2.2 Committee allowances	1,721,031	1,903,063	492,666	4,116,760	2,325,000	1,791,760
2.3 Use of goods and services	800,000	143,803	1,833,000	2,776,803	2,774,846	1,957
Total	4,112,666	3,454,866	4,195,666	11,471,563	5,099,846	6,371,717.
	7,192,207	4,502,827	3,459,104	15,154,138	8,277,400	6,876,738
3.0 Emergency						
3.1 Primary Schools						
3.2 Secondary schools						
3.3 Tertiary institutions						
3.4 Security projects						
	7,192,207	4,502,827	3,459,104	15,154,138	8,277,400	6,876,738
4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools	30,000,000	551,145		30,551,145	34,732,000	60,922
4.3 Tertiary Institutions	10,300,000	5,555,178		15,855,178	12,844,000	1,511,178

Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022

Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.4 Universities				-		-
4.5 Social Security	0.00				702,000	47,931
4.6 Special School	749,931			749,931	702,000	47,931
Total	41,049,931	6,106,323		47,156,254	48,278,000	1,620,031
5.0 Sports	2,741,408	1,005,976	2,741,777	6,489,161		3,747,384
5.1						
Total	2,741,408	1,005,976	2,741,777	6,489,161		3,747,384
6.0 Environment						
6.1						
6.2						
6.3						
7.0 Primary Schools Projects (List all the Projects)						
Gikindu Primary school	4,100,000			4,100,000	4,100,000	
Iruri Primary School	1,600,000			1,600,000	1,600,000	
James Njenga Primary School	3,800,000			3,800,000	3,800,000	
Kamunyaka Primary School	4,400,000			4,400,000	4,400,000	
Makwa Primary School	4,200,000			4,200,000	4,200,000	
Mukurwe Primary School	1,730,000			1,730,000	1,730,000	
Kanwangi Primary School	2,250,000			2,250,000	2,250,000	
Kangaita Primary School	3,200,000			3,200,000	3,200,000	
Kanjabi Primary School	1,000,000			1,000,000	1,000,000	
Kanjuku Primary School	4,050,000			4,050,000	4,050,000	

Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kieni Primary School	3,160,000			3,160,000	3,160,000	3,160,000
Mataara Primary School	1,000,000			1,000,000		
Muhindi Primary School	2,700,000			2,700,000	2,700,000	
Mbichi Primary School	1,500,000			1,500,000		
Murata Wa Twana Primary School	2,700,000			2,700,000	2,700,000	
Gakoe Primary School	1,000,000			1,000,000	1,000,000	
Mutuma Primary School	3,200,000			3,200,000	2,948,592	251,408
Mwea Primary School	2,250,000			2,250,000	2,250,000	
Ndekei Primary School	2,700,000			2,700,000	2,700,000	
Nguna Primary School	1,000,000			1,000,000	1,000,000	
Nyamangara Primary School	3,500,000			3,500,000	3,500,000	
Nyamathumbi Primary School	1,900,000			1,900,000	1,900,000	
St Annes Maria ini Primary School	4,000,000			4,000,000	4,000,000	
Iruri primary School				3,500,000	3,500,000	
				2,400,000	2,400,000	
Gichuka Primary School			2,400,000	2,400,000	2,400,000	
Igamba Primary School			1,600,000	1,600,000	1,600,000	
Igamba Primary School			2,400,000	2,400,000	2,400,000	
Ngorogo Social Hall			500,000	500,000	500,000	

*Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022*

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Muchakai Primary School			6,500,000	6,500,000	6,500,000	
Njathaini Primary School			4,200,000	4,200,000	4,200,000	
Mangu Social Hall			500,000	500,000	500,000	
Munyaka Primary School			4,500,000	4,500,000	4,500,000	
Karure Primary School		6,500,000		6,500,000	6,500,000	
Nguna Primary school			2,400,000	2,400,000	2,400,000	
St Francis Primary School			2,950,000	2,950,000	2,950,000	
South Kanyoni primary school			4,600,000	4,600,000	4,600,000	
TOTAL AMOUNT	63,940,000	6,500,000	32,550,000	102,990,000	103,078,592	88,592
8.0 Secondary Schools Projects (List all the Projects)						
Mukurwe Secondary School	3,000,000		3,650,000	3,000,000	3,000,000	
Kiangunu Secondary School	2,000,000			2,000,000	2,000,000	
Kamunyaka Sec School	3,800,000			3,800,000		3,800,000
Mataara Secondary school	1,000,000			1,000,000		1,000,000
Mukurwe Secondary School				3,650,000	3,650,000	
Kaibere Secondary School		2,400,000		2,400,000	2,400,000	
	9,800,000	2,400,000	3,650,000	15,850,000	11,050,000	4,800,000

**Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
9.0 Tertiary institutions Projects (List all the Projects)	2021/2022					
9.1						
10.0 Security Projects						
10.1 Kawira police post	1,500,000					1,500,000
Total	1,500,000					
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office (Renovation)			3,200,000	3,200,000	1,815,002	1,384,998
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						
11.5 Purchase of land						
Total			3,200,000	3,200,000	1,815,002	1,384,998
12.0 Others						
12.1 Strategic Plan						
12.2 Innovation Hub						
12.2						
Funds pending approval**	1,500,000		2,550,000	2,550,000		2,550,000
Total	137,088,879	27,958,972	56,088,879	221,136,730	183,957,414	37,179,316

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-Gatundu North 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 30th June 2020 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.

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2021-2022	2020-2021
		Kshs	Kshs
NGCDF Board	NO	AMOUNT	
Bal b/f			
AIE NO. B 140885	1.	33,000,000	
AIE NO. B 126100	2.	15,000,000	
AIE NO. B 105434	3.	44,000,000	
AIE NO. B 132497	4.	5,000,000	
AIE NO. B 128808	5.	12,000,000	
AIE NO. B 154006	6.	15,000,000	
AIE NO. B 105763	7.	24,000,000	
AIE NO. B 047450	8	37,088,879	
AIE NO. B 096883	1.		3,000,000.00
AIE NO. B 104938	2.		68,367,724.10
AIE NO. B 124765	3.		2,000,000.00
AIE NO. B 124937	4.		10,000,000.00
AIE NO. B 119792	5.		13,000,000.00
AIE NO. B 128082	6.		6,900,000.00
AIE NO. B 128392	7.		10,000,000.00
AIE NO. B 132136	8.		6,000,000.00
AIE NO. B 138805	9.		12,000,000.00
AIE NO. B 126390	10.		14,100,000.00
AIE NO. B 126100	11.		8,000,000.00
TOTAL		185,088,879	153,367,724

2. PROCEEDS FROM SALE OF ASSETS

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of Buildings	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment	0.00	0.00
Receipts from sale of office and general equipment	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	0.00	0.00
	0.00	0.00
Total	0.00	0.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEPTS

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	0.00	0.00
Rents	0.00	0.00
Receipts from sale of tender documents	0.00	0.00
Hire of plant/equipment/facilities	0.00	0.00
Unutilized funds from PMCs	0.00	0.00
Other Receipts Not Classified Elsewhere	0.00	0.00
	0.00	0.00
Total	0.00	0.00

4. COMPENSATION OF EMPLOYEES

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,813,460.00	1,767,555.00
Personal allowances paid as part of salary		
Social Security (NHIF)	39,780	42,350.
Transport Allowance	0.00	0.00
Leave allowance	0.00	0.00
Gratuity to contractual employees	939,095	292,962.
Employer Contributions Compulsory national social security schemes	27,450	34,560.00
Total	2,819,785.00	2,137,427.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2021-2022	2020-2021
	Kshs	Kshs
Utilities, supplies and services	534,000	0.00
Communication, supplies and services	50,000	150,000
Domestic travel and subsistence	0.00	0.00
Printing, advertising and information supplies & services	100,000	414,600
Rentals of produced assets	0.00	0.00
Training expenses	0.00	1,256,000
Hospitality supplies and services	0.00	0.00
Other committee expenses	2,691,000	2,435,000
Committee allowance	2,325,000	885,000
Fuel , oil & lubricants	530,650	600,000
Specialized materials and services	0.00	0.00
Office and general supplies and services	0.00	166,050
Other operating expenses	1,956,989	163,340
Electricity	50,000	86,096
Routine maintenance – vehicles and other transport equipment	400,996	571,279
Routine maintenance – other assets	0.00	0.00
Total	8,638,635	6,727,815

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers to primary schools (see attached list)	102,078,592	134,100,000
Transfers to secondary schools (see attached list)	11,050,000	12,400,000
Transfers to tertiary institutions (see attached list)	0.00	0.00
TOTAL	113,128,592	146,500,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	34,732,000	21,756,125
Bursary – tertiary institutions (see attached list)	12,844,000	9,235,500
Bursary – special schools (see attached list)	702,000	1,117,000
Mock & CAT (see attached list)	0.00	0.00
Social Security programmes (NHIF)	0.00	0.00
Security projects (see attached list)	0.00	2,200,000
Sports projects (see attached list)	0.00	0.00
Other projects (see attached list)	1,815,002	0.00
Emergency projects (see attached list)	8,277,400	4,859,850
Total	58,370,402	39,168,475

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	0.00	0.00
Construction of Buildings	0.00	0.00
Refurbishment of Buildings	0.00	0.00
Purchase of Vehicles and Other Transport Equipment	0.00	0.00
Overhaul of Vehicles and Other Transport Equipment	0.00	0.00
Purchase of Household Furniture and Institutional Equipment	0.00	0.00
Purchase of Office Furniture and General Equipment	0.00	0.00
Purchase of ICT Equipment, Software and Other ICT Assets	0.00	0.00
Purchase of Specialized Plant, Equipment and Machinery	0.00	0.00
Rehabilitation and Renovation of Plant, Machinery and Equip.	0.00	0.00
Acquisition of Land	0.00	0.00
Acquisition of Intangible Assets	0.00	0.00
	0.00	0.00
Total	0.00	0.00

9. OTHER PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	0.00	0.00
ICT Hub	1,000,000	0.00
	1,000,000	0.00

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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	2021-2022	2020-2021
	Kshs	Kshs
Kenya Commercial Bank Branch-Gatundu Account Name-GATUNDU NORTH NG- CDF Account Number-1102763853	29,090,437	27,958,972
Total	29,090,437	27,958,972
	0.00	
10B: CASH IN HAND	0.00	
Location 1	29,090,437	27,958,972
Location 2	0.00	0.00
Location 3	0.00	0.00
Other Locations (<i>specify</i>)	0.00	0.00
Total	29,090,437	27,958,972
<i>[Provide cash count certificates for each]</i>		

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>Nil</i>	<i>dd/mm/yy</i>	0.00	0.00	0.00
<i>Nil</i>	<i>dd/mm/yy</i>	0.00	0.00	0.00
<i>Nil</i>	<i>dd/mm/yy</i>	0.00	0.00	0.00

12A. RETENTION

	2021-2022	2020-2021
	KShs	KShs
Retention as at 1 st July (A)	0.00	0.00
Retention held during the year (B)	0.00	0.00
Retention paid during the Year (C)	0.00	0.00
Closing Retention as at 30 th June D= A+B-C	0.00	0.00

12B. GRATUITY

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	0.00	0.00
Gratuity held during the year (B)		0.00
Gratuity paid during the Year (C)	939,095	977,835
Closing Gratuity as at 30 th June D= A+B-C	939,095	977,835

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13 BALANCES BROUGHT FORWARD

	2021-2022 (1 st July 2022)	2020-2021 (1 st July 2021)
	Kshs	Kshs
Bank accounts	29,090,437	27,958,972
Cash in hand	0.00	0.00
Imprest	0.00	0.00
Total	29,090,437	27,958,972

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2021/2022 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2020/2021
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	0.00	0.00	0.00
Cash in hand	0.00	0.00	0.00
Accounts Payables	0.00	0.00	0.00
Receivables	0.00	0.00	0.00
Others (<i>specify</i>)	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00

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

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST*

	2021-2022	2020-2021
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	0.00	0.00
Imprest issued during the year (B)	0.00	0.00
Imprest surrendered during the Year (C)	0.00	0.00
closing accounts in account receivables D= A+B-C	0.00	0.00

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2021 – 2022	2020 - 2021
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	0.00	0.00
Deposit and Retentions held during the year (B)	0.00	0.00
Deposit and Retentions paid during the Year (C)	0.00	0.00
closing account payables D= A+B-C	0.00	0.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	0.00	0.00
Construction of civil works	0.00	0.00
Supply of goods	0.00	0.00
Supply of services	0.00	0.00
	0.00	0.00

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	0.00	0.00
Others (<i>specify</i>)	0.00	0.00
	0.00	0.00

17.3: UNUTILIZED FUND (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	2,300,699	3,832,229
Use of goods and services	15,229,466	10,446,819
Amounts due to other Government entities (see attached list)	14,403,615	65,775,957
Amounts due to other grants and other transfers (see attached list)	495,536	1,442,846
Acquisition of assets		0.00
Others (<i>specify</i>)		0.00
Funds pending approval	1,550,000	1,550,000
	37,179,316	83,047,851

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	14,622,616.25	3,754,438.57
	14,622,616.25	3,754,438.57

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1.				
Sub-Total			0.00	
Grand Total			0.00	

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/21	Comments
Compensation of employees				
Use of goods & services				
Amounts due to other Government entities				
Sub-Total				
Amounts due to other grants and other transfers				
Sub-Total				
Acquisition of assets				
Others (<i>specify</i>) Ngcdf office renovation				
Sub-Total				
Funds pending approval				
Grand Total				

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2021/22	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land		0.00		
Buildings and structures	5,762,239	0.00	0.00	5,762,239
Transport equipment	13,057,402	0.00	0.00	13,057,402
Office equipment, furniture and fittings	1,209,171	0.00	0.00	1,209,171
ICT Equipment, Software and Other ICT Assets	1,126,634	0.00	0.00	1,126,634
Other Machinery and Equipment	20,880,000	0.00	0.00	20,880,000
Heritage and cultural assets	0	0.00	0.00	0
Intangible assets	0	0.00	0.00	0
Total	42,035,446	0.00	0.00	42,035,446

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2022

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
MWEA PRIMARY PMC ACCOUNT	Equity	0660279593505	205,880.50	0.00
JAMES NJENGA PRIMARY SCHOOL	Equity	0660279018948	4,461.00	184,067.00
IGAMBA PRIMARY SCHOOL	Equity	0660279819777	373,743.25	72,340.00
KANGAITA PRIMARY SCHOOL	Equity	0660278680846	209,750.	119,450.00
GICHUKA PRIMARY SCHOOL	Equity	0660173209327	24,190.00	0.00
KANYONI POLICE POST	Equity	0660279819909	78.00	0.00
GAKOE PRIMARY SCHOOL	Equity	0660177778376	160.00	175,690.00
MIIRI PRIMARY SCHOOL	Equity	0660278495571	58,900.00	0.00
IGEGANIA PRIMARY SCHOOL	Equity	0660177713264	36,877.75	0.00
MAKWA PRIMARY SCHOOL	Equity	0660279110182	224,707.00	0.00
ST FRANCIS PRIMARY SCHOOL	Equity	0660279499385	799,818.50	0.00
MANGU PRIMARY SCHOOL	Equity	0066177789236	78.51	78.51
NGOROGO SOCIAL HALL	Equity	0660278711000	338,011.50	0.00
KANJABI PRIMARY SCHOOL	Equity	0660279711756	1,012,214.01	0.00
MUNGAI PRIMARY SCHOOL	Equity	0660279322759	53,930.11	0.00
MUKURWE SECONDARY SCHOOL	Equity	0660278654796	3,249,233.50	0.00
MARIA INI SECONDARY SCHOOL	Equity	0660278487897	100,311.00	0.00
NYAMANGARA PRIMARY SCHOOL	Equity	0660278910379	931,701.00	0.00
MWEA PRIMARY SCHOOL	Equity	0660177804075	53,125.98	0.00
CHANIA PRIMARY SCHOOL	Equity	0660278487808	119,435.00	0.00
MANGU RESOURCES CENTER COMMUNITY	Equity	0660279116323	435,919.50	0.00
MIUGU PRIMARY SCHOOL	Equity	0660278488022	41.47	0.00
KAMWANGI POLICE STATION	K.C.B	1273770862	115,670.00	356,300.00
WANDUI PRIMARY SCHOOL	Equity	0660278458291	11,849.00	0.00
NJATHA INI PRIMARY SCHOOL	Equity	0660278462276	112,339.50	0.00
MUTUMA PRIMARY SCHOOL	Equity	0660278494926	2,962,777.50	0.00

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MUNYAKA PRIMARY SCHOOL	Equity	0660278477461	22,242.80	0.00
MUKUYU INI PRIMARY SCHOOL	Equity	0660278603745	301,227.50	0.00
KANJUKU SECONDARY SCHOOL	Equity	0660278535294	1,022.50	0.00
GACEGE PRIMARY SCHOOL	Equity	0660278597206	33,249.60	0.00
GATEI MIXED SEC SCHOOL	Equity	0660278489406	1,177.50	0.00
MUCHAKAI PRIMARY SCHOOL	Equity	0660278582468	416,685.25	0.00
MAKOHOKOHO PRIMARY SCHOOL	Equity	0660278488208	0.00	0.00
MUIRIGO PRIMARY SCHOOL	Equity	0660278488743	129.65	0.00
NGETHU SECONDARY	Equity	0660177723942	22,380.00	0.00
MUKURWE POLICE POST	Equity	1273162714	50.00	59,030.00
KAMWIRIGI PRIMARY SCHOOL PMC ACCOUNT	Equity	066027848853	3,460.00	149,000
NGETHU PRIMARY SCHOOL PMC ACCOUNT	Equity	0660280595653	299.00	229,843
KANGAITA PRIMARY SCHOOL PMC ACCOUNT	Equity	0660278680846	247,299.00	140,000
NDEKEI PRIMARY SCHOOL PMC ACCOUNT	Equity	0660280198680	181,697.00	200,041
NGUNA PRIMARY SCHOOL PMC ACCOUNT	Equity	0660280756038	261,287.74	149,996
KIRIKO PRIMARY SCHOOL PMC ACCOUNT	Equity	0660279112987	22,819.13	325,000
ST ANNES MARIA -INI PRIMARY SCHOOL	Equity	0660280570745	263,329.00	239,802
KAMWANGI PRIMARY SCHOOL PMC ACCOUNT	Equity	0660280877771	3,460.00	224,840
KAIBERE PRIMARY SCHOOL PMC ACCOUNT	Equity	0660280950214	57,905.00	150,278
KIRIKO SPECIAL SCHOOL PMC ACCOUNT	Equity	0660279112987	9,567.50	80,710
MUHINDI PRIMARY SCHOOL	Equity	0660280051857	1,769,918.00	300,000
GATEI PRIMARY SCHOOL PMC ACCOUNT	Equity	0660279962864	627.50	58,899
IHIGA INI PRIMARY SCHOOL PMC ACCOUNT	Equity	0660280146802	125.00	298,314
MWEA SECONDARY SCHOOL	Equity	0660177804075	0.00	149,800
GAKOE MIXED SEC SCHOOL	Equity	0660280120639	3,373.50	90,960.06
TOTAL			14,622,616.25	3,754,438.57

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)
Ref: CEN/HUB/KBU.C /GATUDU NORTH CDF/12/1B/4	Budget Performance and Analysis- budget underutilisation.	No explanation was availed as to why there was significant underutilization of the budget.	Resolved	Resolved
	Variance between the Statement of Receipts and Payments and Summary Statement of Appropriation	Inaccurate financial statements.	Resolved	Resolved
	Doubtful Bursary Beneficiaries Vetting Procedure and Lack of acknowledgement from some institutions	The NG-CDF office should ensure that a bursary policy is formulated to guide in the award of bursaries. Also, the NG-CDF office, with the assistance of the monitoring and evaluation committee, should seek complete supporting documents (acknowledgements) for the amount awarded and disbursed to confirm accountability on individual beneficiaries	Resolved	Resolved

Gatundu North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2022

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)

