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REPORT

OF

THE AUDITOR-GENERAL

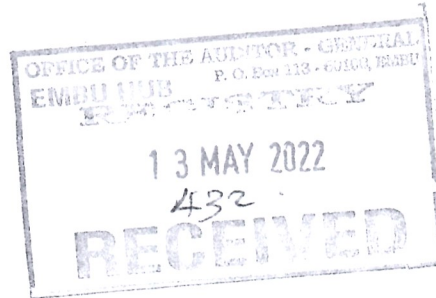
ON

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

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



THE NATIONAL ASSEMBLY
DATE: 23 NOV 2022
Day: Wednesday
Majority Whip
Modo



MAARA 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)

***Maara 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

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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 MaaraConstituencyNGCDF 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	Anthony Muchangi Kariuki
2.	Sub-County Accountant	Rodah K. Kirera
3.	Chairman NGCDFC	Jasper Kiambi M'Rithaa
4.	Member NGCDFC	Mercy Gaceri Mate

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of MaaraConstituency 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) MaaraConstituency NGCDF Headquarters

P.O. Box 301-60401
Youth Empowerment Centre
Kieganguru Kiraro Road
Chogoria, KENYA

(f) Maara Constituency NGCDF Contacts

E-mail: cdfmaara@ngcdf.go.ke

(g) Maara Constituency NGCDF Bankers

Family bank
Chuka branch
A/C NO 054000005611

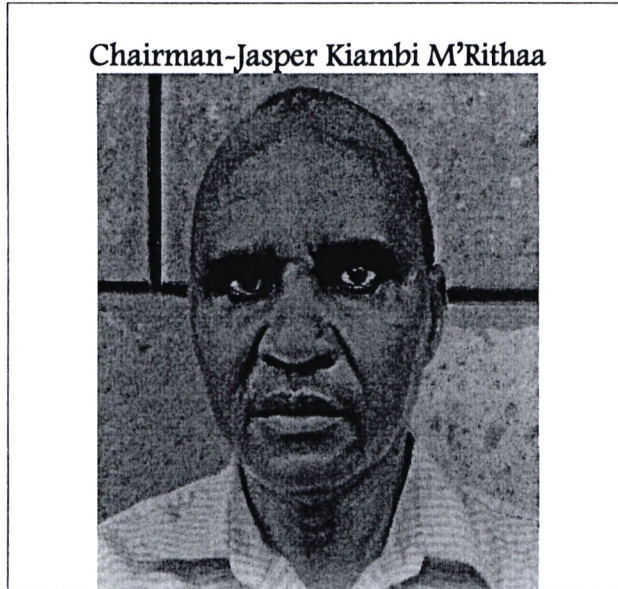
(h) Independent Auditors

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

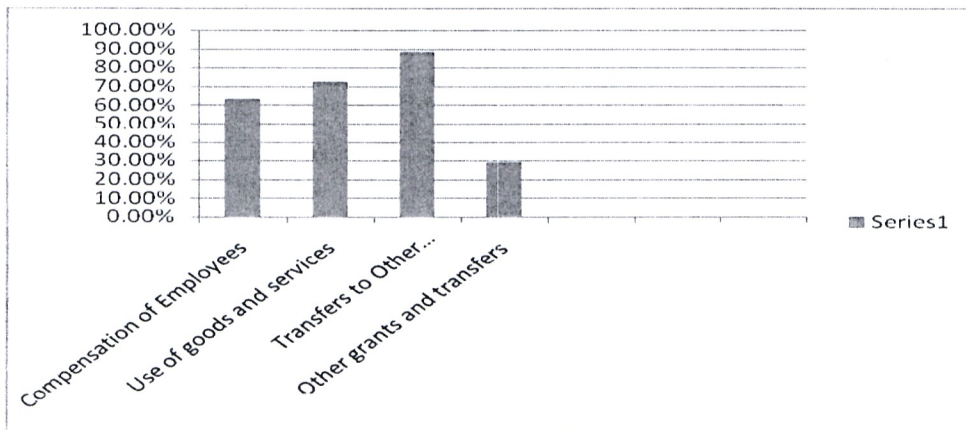
(i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT



During the financial year Maara NG-CDF utilised Kshs 125,780,866 out of kshs 216,773,573 available for utilisation representing 58% absorption rate. This comprised compensation of employees at 63.2%, use of goods and services 72.2%, transfer to other government units 88.1%, other grants and transfers 29.3% .



The constituency has greatly benefitted from NG-CDF notably in the sectors of Education, sports, environment conservation and security.

During implementation of the projects, the constituency has encountered numerous challenges including: lack of proper planning by project management committees, lengthy and cumbersome procurement procedures as well as the corona virus pandemic.

To address these challenges we recommend that: more funds be set aside for monitoring and evaluation to enable NG-CDFC train project management committees on project planning, the NG-CDF Board ensures the employment of procurement officers and works officers atleast at county levels.

Signature

A handwritten signature in black ink, appearing to read 'Hantu', written over a horizontal line.

CHAIRMAN NGCDFCOMMITTEE

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 *Maara Constituency 2018-2022* plan are to:

- a) To improve access to quality education
- b) To harness youth talent and empower them
- c) To cater for any unforeseen occurrences in the constituency
- d) To promote environmental sustainability in the constituency
- e) To enhance security in the constituency
- f) To improve tracking of implementation NG-CDF programmes
- g) To promote performance management and smooth running of the NG-CDF office

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
Access to quality education	To improve access to quality education	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 beneficiaries at all levels	-A total of 2,000 students benefited from bursary - various primary schools renovated and latrines done
Youth and Sports	To harness youth talent and empower them	Increase in youth talents in use and number of empowered youths	- number of forums held - number of sports initiatives supported	Purchase of sports uniforms bought.
Emergency Support	To cater for any unforeseen occurrences in the constituency	-reduced cases of closed learning institutions	-number of institutions receiving emergency	12 institutions received funding

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			funding	
Environment	To promote environmental sustainability in the constituency	- increased forest coverage	% of coverage achieved	
Security	To enhance security in the constituency	-reduced cases of insecurity -increase in number of offices done	- number of usable physical infrastructure build for security department	12 security offices funded

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITYREPORTING

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

- a. **Education and Training:** Maara 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

- *Maara NG-CDF has set aside funds for tree planting in about ten schools and only awaits the rainy season to undertake the planting activity. Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *Maara NG-CDF has sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*
- *MaaraNG-CDF staff Have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.*

3. Employee welfare

We invest in providing the best working environment for our employees. Xxx constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Maara 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-

Maara 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-

Maara 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.

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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.

MaaraNG-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-Maara 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-Maara 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 in charge of the NGCDF-Maara 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-Maara 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-Maara Constituency financial statements were approved and signed by the Accounting Officer on 11th August 2021.



Chairman NGCDF Committee

Name: Jasper Kiambi M'Rithaa



Fund Account Manager

Name: Anthony Muchangi Kariuki

REPUBLIC OF KENYA



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

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MAARA 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 control, 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 - Maara Constituency set out on pages 14 to 61, which

comprise the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows, summary statement of appropriation and Budget execution by sectors and projects 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 - Maara Constituency as at 30 June, 2021, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and 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.

Basis for Qualified Opinion

The following balances reflected in the financial statements were not supported with sufficient appropriate records:

1. Cash and Cash Equivalents

1.1 Unreconciled Bank Account

The statement of assets and liabilities reflects cash and cash equivalents totalling Kshs.45,303,828, as further disclosed in Note 10A to the financial statements. However, the bank reconciliation statement as at 30 June, 2021 reflected unrepresented cheques totalling to Kshs.6,657,755 which included stale cheques totalling Kshs.330,481. In view of the stale cheques, the cash and cash equivalents balance was understated by Kshs.330,481.

In addition, the bank reconciliation statement reflected payments in the bank not entered in the cashbook totalling Kshs.2,040 and therefore overstated the cash and cash equivalents by the same amount.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance totalling Kshs.45,303,828 could not be confirmed.

1.2 Project Management Committee (PMC) Bank Balances

Note 6 and Note 7 to the financial statements reflect Kshs.88,348,451 and Kshs.24,230,954 in respect of transfers to other Government entities and other grants and other transfers respectively or Kshs.112,579,405 in aggregate. The balance includes Kshs.37,489,909 reflected at Note 17.4 and Annex 5 as Project Management Committee (PMC) bank balances, being unspent project funds held by various PMCs as at 30 June, 2021. However, cashbooks, bank certificates and bank reconciliation statements

in respect to 126 projects holding balances totalling Kshs.33,836,285 as at 30 June, 2021 were not provided for audit review.

In the absence of these records, the existence and accuracy of the Kshs.33,836,285 PMC bank balances could not be confirmed. In addition, the Fund Management is in breach of the law.

2. Other Grants and Other Payments

The statement of receipts and payments reflects other grants and transfers totalling Kshs.24,230,954, as further disclosed in Note 7 to the financial statements. The balance includes bursaries totalling Kshs.1,219,600, Kshs.3,447,000 and Kshs.7,000 disbursed to secondary schools, tertiary institutions and special schools respectively, all totalling to Kshs.4,673,600. However, receipt voucher acknowledgements provided for audit were for bursaries totalling Kshs.2,870,000 only. As a result, receipt of bursaries totalling Kshs.1,803,600 by beneficiary institutions could not be confirmed.

In the absence of sufficient records the accuracy, and propriety of bursaries expenditure totalling to Kshs.4,673,600 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 - Maara 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. Except for the matter(s) described in the Basis for Qualified Opinion section, there were no key audit matters to report in the year under review.

Other Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis totalling Kshs.216,728,573 and Kshs.171,084,694 respectively resulting to a revenue shortfall of Kshs.45,643,879 or 21% of the budget. Similarly, the actual expenditure totalled Kshs.126,580,865 against an approved budget of Kshs.216,773,571 resulting to under-expenditure of Kshs.90,192,706 or 42% of the budget.

In the circumstances, the revenue shortfall and under-expenditure constrained execution of planned activities and may have impacted negatively on the capacity of the Fund to deliver projects and services planned for the residents of Maara Constituency.

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. Failure to Disburse Bursary Allocations

Examination of budget records indicated that the approved budget for bursaries was Kshs.34,272,219. In addition, allocations totalling Kshs.8,341,931 for the previous year (2019/2020) were received during the year under review. Therefore, total bursaries available for distribution in the year under review amounted to Kshs.42,614,150. However, as indicated elsewhere in this report, Management only disbursed Kshs.4,673,600 or 11% of the budgeted funds. This was a significant decrease from the previous year's disbursement totalling Kshs.26,721,500. It was not clear why Management retained the funds instead of disbursing them to needy students in the Constituency.

In view of the anomaly, the needy students may have been denied education services and therefore the objectives for the year under review may not have been attained.

2. Unsatisfactory Implementation of School Renovation Projects

Examination of records on transfers to other Government entities indicated that disbursements totalling Kshs.62,624,676 were made to primary schools in the year under review. In three schools included in the audit sample, the renovations were not done in a satisfactory way.

The records indicated that Kshs.3,200,000 was disbursed to Kariakomo Primary School for renovation of seventeen classrooms and the staffroom. Similarly, Kshs.1,500,000 was transferred to Egakiramba Primary School for the renovation of nine classrooms. The records further indicated that Kshs.1,150,000 was transferred to Maguma Primary School for the Renovation of nine classrooms. The renovations entailed fixing floors, windows, doors, verandahs, reroofing, painting and plastering to completion. However, audit inspections at the three schools revealed that the projects were not executed as expected.

At Kariakomo Primary School, the audit inspection revealed that although the School had received all the funds, floors for five classrooms had not been fixed. In addition, the project was not labeled, contrary to Regulation 11(1)(c) of the National Government Constituencies Development Fund (Regulations), 2016. The provision requires each Constituency Committee to label projects in accordance with the guidelines issued by the Board.

At Egakiramba Primary School, floors for five classrooms were not done to completion, and veranda floors the classrooms were not renovated. Further, windows for six classrooms were not fitted, and doors for two classrooms fell off after they were fixed. At Maguma Primary School, the floors were not done to completion, and painting and plastering of the classrooms was not completed.

In the circumstances, the projects were not implemented as intended and value for money may not have been attained on the expenditure totalling Kshs.5,850,000 incurred thereof.

3. Lack of Records on Expenditures on Environment Projects

Examination of expenditure records on other grants and transfers indicated that the Fund spent Kshs.2,300,000 on environmental projects in the year under review. The balance included Kshs.1,900,000 disbursed for implementation of fourteen (14) environmental projects. However, the respective work plans, expenditure returns and projects' files were not provided for audit review contrary to Regulation15(1) of the National Government Constituencies Development Fund Regulations, 2016. The provision requires Project Management Committee to maintain proper records on implemented projects.

In the absence of sufficient records regularity and value for money on the expenditure totaling Kshs.1,900,000 could not be confirmed.

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

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

Basis for Conclusion

Incomplete Fixed Assets Register

Annex 4 to the financial statements contains the summary of the Fund's fixed asset register as at 30 June, 2021 which reflects assets with a historical cost of Kshs.5,930,689. However, review of the main register and physical verification of the assets indicated that contrary to Section 139(1) of the Public Finance Management (National Government) Regulations, 2015, the Fund's assets were not tagged for ease of identification and tracking. The Regulation requires each Accounting Officer of a National Government entity to maintain proper control systems for assets and establish

preventative means to eliminate theft, security threats, losses, wastage and misuse of the assets.

Further, the assets were not insured as required by Section 36(3) of the National Government Constituencies Development Fund Act, 2015. The law provides that all fixed and movable assets, including equipment bought under the Act for use by a Constituency Committee are property of the Board and should be insured accordingly.

In view of these omissions Management was in breach of the law and as a result, safe custody of the fixed assets valued at Kshs.5,930,689 could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability 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 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 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 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 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, CBS
AUDITOR-GENERAL

Nairobi

22 September, 2022

*Maara 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	160,767,724	77,786,207
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	45,000	-
TOTAL RECEIPTS		160,812,724	77,786,207
PAYMENTS			
Compensation of employees	4	2,029,400	2,077,800
Use of goods and services	5	10,372,060	8,166,280
Transfers to Other Government Units	6	88,348,451	39,577,027
Other grants and transfers	7	24,230,954	30,701,500
Acquisition of Assets	8	800,000	-
Other Payments	9	-	-
TOTAL PAYMENTS		125,780,866	80,522,607
SURPLUS/(DEFICIT)		35,031,858	(2,736,400)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Maara Constituency financial statements were approved on 11th August 2021 and signed by:



Fund Account Manager
Name: Anthony Muchangi
kariuki



**National Sub-County
Accountant**
Name: Rodah K. Kirera

ICPAK M/No:




Chairman NG-CDF Committee
Name: Jasper Kiambi M'Rithaa


Maara Constituency
National Government Constituencies Development Fund (NGCDF)
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VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020-2021	2019-2020
		Kshs*	Ksh
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	45,303,828	10,271,970
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		45,303,828	10,271,970
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		45,303,828	10,271,970
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		45,303,828	10,271,970
NET FINANCIAL ASSETS			
REPRESENTED BY			
Fund balance b/fwd		10,271,970	13,008,370
Prior year adjustments	14	-	-
Surplus/Deficit for the year		35,031,858	(2,736,)
NET FINANCIAL POSITION		45,303,828	10,271,970

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Maara Constituency financial statements were approved on 11th August 2021 and signed by:


 Fund Account Manager
 Name: Anthony Muchangi
 kariuki


 National Sub-County
 Accountant
 Name: Rodah K. Kirera
 ICPAK M/No:


 Chairman NG-CDF Committee
 Name: Jasper Kiambi M'Rithaa

**Maara Constituency
National Government Constituencies Development Fund (NGCDF)
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
IX STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	160,767,724	77,786,207
Other Receipts	3	45,000	-
Total receipts		160,812,724	77,786,207
Payments for operating activities			
Compensation of Employees	4	2,029,400	2,077,800
Use of goods and services	5	10,372,060	8,166,280
Transfers to Other Government Units	6	88,348,451	39,577,027
Other grants and transfers	7	24,230,954	30,701,500
Other Payments	9	-	-
Total payments		124,980,866	80,522,607
Total Receipts Less Total Payments			
Adjusted for:		-	-
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
Net cash flow from operating activities		35,831,858	(2,736,400)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(800,000)	-
Net cash flows from Investing Activities		(800,000)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		35,031,858	(2,736,400)
Cash and cash equivalent at BEGINNING of the year	10	10,271,970	13,008,370
Cash and cash equivalent at END of the year		45,303,828	10,271,970

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Maara Constituency financial statements were approved on 10th August 2021 and signed by:

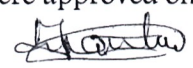


**Fund Account Manager
Name: Anthony Muchangi
kariuki**



**National Sub-County
Accountant
Name: Rodah K. Kirera**

ICPAK M/No:



**Chairman NG-CDF Committee
Name: Jasper Kiambi M'Rithaa**

*Maara Constituency
National Government Constituencies Development Fund (NGCDF)
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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 AIA	Previous Years' Outstanding Disbursements				
RECEIPTS	2020/2021				2020/2021	30/06/2021		
	Kshs				Kshs	Kshs		
Transfers from NGCDF Board	137,088,879	10,271,970	69,367,724		216,728,573	171,039,694	45,688,879	78.9%
Proceeds from Sale of Assets					0	-	-	0.0%
Other Receipts	45000				45,000	45,000	-	100.0%
TOTALS	137,133,879	10,271,970	69,367,724		216,773,573	171,084,694	45,688,879	78.9%
PAYMENTS								
Compensation of Employees	2,137,760	91,852	981,200		3,210,812	2,029,400	1,181,412	63.2%
Use of goods and services	9,000,239	621,959	4,651,641		14,273,839	10,372,060	3,901,779	72.7%
Transfers to Other Government Units	61,021,097		39,247,354		100,268,451	88,348,451	11,920,000	88.1%
Other grants and transfers	55,206,205	3,074,877	24,487,526		82,768,608	24,230,954	58,537,654	29.3%
Acquisition of Assets	1,200,000				1,200,000	800,000	400,000	66.7%
Other Payments	8523579	6483282			15,006,861	-	15,006,861	0.0%
Funds pending approval**	45000				45,000		45,000	
TOTALS	137,133,880	10,271,970	69,367,721		216,773,571	125,780,866	90,992,705	58.0%

Under utilisation is due to the following

i) compensation of employees- balance carried forward from previous financial year.

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Reports and Financial Statements for the year ended June 30, 2021**

- ii) use of goods and services- lack of release of all funding from the NGCDF Board
- iii) transfer to other government units-lack of release of all funding from the NGCDF Board
- iv) other grants and transfers- lack of release of all funding from the NGCDF Board
- v) other payments-dispute on land where NG-CDF offices are to be built

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	90,992,705
Less undisbursed funds receivable from the Board as at 30 th June 2021	45,688,879
Add Accounts payable	45,303,826
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	45,303,826

The NGCDF- Maara Constituency financial statements were approved on 11th August 2021 and signed by:



**Fund Account Manager
Name: Anthony Muchangi kariuki**



**Name: Rodah K. Kirera
ICPAK M/No:**



Chairman NG-CDF Committee

Name: Jasper Kiambi M'Rithaa

*Maara Constituency
National Government Constituencies Development Fund (NGCDF)
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XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget		Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
	2020/2021	Kshs	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
1.0 Administration and Recurrent							
1.1 Compensation of employees	2,137,760		91,852	981,200	3,210,812	2,029,400	1,181,412
1.2 Committee allowances	2,400,000		455,732	400,000	3,255,732	1,853,000	1,402,732
1.3 Use of goods and services	2,487,573		36,641	2,130,611	4,654,825	3,712,310	942,515
Total	7,025,333		584,225	3,511,811	11,121,369	7,594,710	3,526,659
2.0 Monitoring and evaluation							
2.1 Capacity building	1,500,000		21,400	800,000	2,321,400	948,000	1,373,400
2.2 Committee allowances	2,112,666		102,226	821,032	3,035,924	3,118,000	(82,076)
2.3 Use of goods and services	500,000		5,960	500,000	1,005,960	740,750	265,210
Total	4,112,666		129,586	2,121,032	6,363,284	4,806,750	1,556,534
3.0 Emergency							
3.1 Primary Schools							
Ruguta primary school	200,000.00		-		200,000	200,000	-
wiru primary	200,000.00		-		200,000	200,000	-
thigaa primary	200,000.00		-		200,000	200,000	-
Kairuni primary	900,000.00		-		900,000	900,000	-
karimba primary							

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	750,000.00	-		750,000	750,000	-
ST Augustine primary school	840,000.00	-		840,000	840,000	-
Magundu primary	200,000.00	-		200,000	200,000	-
Kanini primary	860,000.00	-		860,000	860,000	-
Giampampo primary school	810,000.00	-		810,000	810,000	-
3.2 Secondary schools				-	-	-
Igangara secondary school	650,000.00	-		650,000	650,000	-
thigaa secondary school	300,000.00	-		300,000	300,000	-
3.3 Tertiary institutions				-	-	-
3.4 Security projects				-	-	-
Deputy county commissioner maara	200,000.00	-		200,000	200,000	-
3.5 Unutilised	1,082,207	1,046,924	5,698,241	7,827,372	-	7,827,372
Total	7,192,207	1,046,924	5,698,241	13,937,372	6,110,000	7,827,372
4.0 Bursary and Social Security						
4.1 Secondary Schools	20,272,220			20,272,220	1,226,600	19,045,620
4.2 Tertiary Institutions	14,000,000	2,027,953	8,341,931	24,369,884	3,447,000	20,922,884

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.3 Social Security				-		
4.4 Special Needs				-		
Total	34,272,220	2,027,953	8,341,931	44,642,104	4,673,600	39,968,504
5.0 Sports						
5.1	2,741,778		2,747,354	5,489,132	2,747,354	2,741,778
Total	2,741,778	-	2,747,354	5,489,132	2,747,354	2,741,778
6.0 Environment						
IGANGARA SECONDARY SCHOOL			300,000.00	300,000	300,000.00	-
NTAKANI PRIMARY SCHOOL			200,000.00	200,000	200,000.00	-
MUKUI PRIMARY SCHOOL			200,000.00	200,000	200,000.00	-
MAKENGI PRIMARY SCHOOL			300,000.00	300,000	300,000.00	-
Ndumbini primaryschool			100,000	100,000	100,000	-
Kamachuku primary school			100,000	100,000	100,000	-
Giampampo primary school			100,000	100,000	100,000	-
Wiru day secondary school			100,000	100,000	100,000	-
Itara day secondary school			100,000	100,000	100,000	-
Gituja day secondary school			100,000	100,000	100,000	-
Kieganguru primary			100,000	100,000	100,000	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.0 Primary Schools Projects						
Kiini primary school			400,000.00	400,000	400,000.00	-
Ikame primary school			900,000.00	900,000	900,000.00	-
Ntakani primary school			300,000.00	300,000	300,000.00	-
Kanoro primary school			400,000.00	400,000	400,000.00	-
Gituja primary school			400,000.00	400,000	400,000.00	-
Iriga DEB primary school			500,000.00	500,000	500,000.00	-
Kajiunduthi primary school			1,000,000.00	1,000,000	1,000,000.00	-
Kagongo primary school			300,000.00	300,000	300,000.00	-
NICA Bishop Ezekiel primary school			600,000.00	600,000	600,000.00	-
Karigini primary school			600,000.00	600,000	600,000.00	-
ntatua primary school			600,000.00	600,000	600,000.00	-
Muraga primary school			300,000.00	300,000	300,000.00	-
gaketha primary school			500,000.00	500,000	500,000.00	-
Kimuchia primary school			300,000.00	300,000	300,000.00	-
St Augustine Majira primary school			300,000.00	300,000	300,000.00	-
Mbogori primary school			600,000.00	600,000	600,000.00	-
Kianjagi primary school			1,000,000.00	1,000,000	1,000,000.00	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Mutindwa primary school			300,000.00	300,000	300,000.00	-
Gitare primary school			300,000.00	300,000	300,000.00	-
Kirumi primary school			300,000.00	300,000	300,000.00	-
Kagira primary school			600,000.00	600,000	600,000.00	-
Ukuruni primary school			500,000.00	500,000	500,000.00	-
Ikumbo primary school			500,000.00	500,000	500,000.00	-
Ntumu Boys Boarding primary school			600,000.00	600,000	600,000.00	-
Murunga primary school			700,000.00	700,000	700,000.00	-
Ngaita primary school			500,000.00	500,000	500,000.00	-
Kiamaogo primary school			400,000.00	400,000	400,000.00	-
Ngeru primary school			500,000.00	500,000	500,000.00	-
St peter Keriani primary school			700,000.00	700,000	700,000.00	-
Kanoa primary school			200,000.00	200,000	200,000.00	-
Kaare primary school			600,000.00	600,000	600,000.00	-
Karumbi primary school			700,000.00	700,000	700,000.00	-
Kabaikubu primary school			700,000.00	700,000	700,000.00	-
Ndintune primary school			600,000.00	600,000	600,000.00	-
Kanini primary school			300,000.00	300,000	300,000.00	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
				300,000		-
Nguruki primary school			400,000.00	400,000	400,000.00	-
Mautini primary school			400,000.00	400,000	400,000.00	-
Iruma primary school			1,000,000.00	1,000,000	1,000,000.00	-
Makengi primary school			300,000.00	300,000	300,000.00	-
Maguma primary school			500,000.00	500,000	500,000.00	-
Iruri primary school			600,000.00	600,000	600,000.00	-
Rugongoni primary school			600,000.00	600,000	600,000.00	-
m/ekorani primary school			400,000.00	400,000	400,000.00	-
Kirindini primary school			400,000.00	400,000	400,000.00	-
Kiraro Primary School			100,000.00	100,000	100,000.00	-
Kabui primary school			500,000.00	500,000	500,000.00	-
Kiini Boarding Primary School	1,000,000			1,000,000	1,000,000	-
Giankanja Primary School	1,000,000			1,000,000	1,000,000	-
Mugona Primary School	1,424,676.06			1,424,676	1,424,676	0
Karimba Primary School	600,000			600,000	600,000	-
Kagongo Gaceke Primary School	1,480,000			1,480,000	1,480,000	-
Muragara Primary School	2,080,000			2,080,000	2,080,000	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kaganjo Primary School	500,000			500,000	500,000	
Kanoro Primary School	900,000			900,000	900,000	
Nkundi Primary School	2,500,000			2,500,000	2,500,000	
Karigini Primary School	1,200,000			1,200,000	1,200,000	
Muraga Day And Boarding Primary School	400,000			400,000	400,000	
Iriga DEB Primary School	740,000			740,000	740,000	
Itara Primary School	400,000			400,000	400,000	
Kairuni Primary School	500,000			500,000	500,000	
Kieganguru Primary School	1,000,000			1,000,000	1,000,000	
Kiraro Primary School	500,000			500,000	500,000	
Nturiri Primary School	1,000,000			1,000,000	1,000,000	
Wuru Primary School	300,000			300,000	300,000	
Munga Primary School	300,000			300,000	300,000	
Gianchuku Primary School	500,000			500,000	500,000	
Makuri Primary School	1,650,000			1,650,000	1,650,000	
Chogoria Girls Boarding Primary School	500,000			500,000	500,000	
Chogoria Complex Primary School	700,000			700,000	700,000	

*Maara Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Mutindwa Primary School	700,000			700,000	700,000	-
Kalewa Primary School	1,600,000			1,600,000	1,600,000	-
Kirumi Primary School	1,000,000			1,000,000	1,000,000	-
Kauni Primary School	1,100,000			1,100,000	1,100,000	-
Kagira Primary School	800,000			800,000	800,000	800,000
Ikumbo Primary School	1,100,000			1,100,000	1,100,000	-
Nkangani Primary School	1,320,000			1,320,000		1,320,000
Ngaita Primary School	2,500,000			2,500,000	2,500,000	-
Ngeru Elite Primary School	500,000			500,000	500,000	-
Ndunguri Primary School	600,000			600,000	600,000	-
Kariakomo Primary School	3,200,000			3,200,000	3,200,000	-
Kianjuki Primary School	300,000			300,000	300,000	-
Kieni Primary School	500,000			500,000	500,000	-
Kabaikubu Primary School	500,000			500,000	500,000	-
Jediel Kiraithe Primary School	500,000			500,000	500,000	-
Maguma Primary School	1,150,000			1,150,000	1,150,000	-
Kirindini Primary School	300,000			300,000	300,000	-
Egakiramba Primary School	1,500,000			1,500,000	1,500,000	-

National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kithitu Primary School	500,000			500,000	500,000	-
Kabui Primary School	1,200,000			1,200,000	1,200,000	-
Total	42,044,676	-	23,200,000	65,244,676	62,624,676	2,620,000
8.0 Secondary Schools Projects						
St Bonaventure Mumbuni secondary school			600,000.00	600,000	600,000.00	-
Mutiiguru Day Sec sch secondary school			600,000.00	600,000	600,000.00	-
Itara secondary school			2,000,000.00	2,000,000	2,000,000.00	-
Igangara secondary school			1,000,000.00	1,000,000	1,000,000.00	-
Gituntu Sec secondary school			1,000,000.00	1,000,000	1,000,000.00	-
Karimba Day Sec secondary school			300,000.00	300,000	300,000.00	-
Kiraro day secondary school			1,000,000.00	1,000,000	1,000,000.00	-
Wiru Day secondary school			2,500,000.00	2,500,000	2,500,000.00	-
Gianchuku secondary school			1,000,000.00	1,000,000	1,000,000.00	-
Kianjagi day secondary school			500,000.00	500,000	500,000.00	-
Ikumbo secondary school			747,354.40	747,354	747,354.40	-
Nguruki day secondary school			600,000.00	600,000	600,000.00	-
Kiurani secondary school			1,000,000.00	1,000,000	1,000,000.00	-

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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and ALA	Previous Years' Outstanding Disbursements			
Kiurani Girls secondary school			600,000.00	600,000	600,000.00	-
Igakiramba day secondary school			400,000.00	400,000	400,000.00	-
Munga day secondary school			400,000.00	400,000	400,000.00	-
muthambi girls			600,000.00	600,000	600,000.00	-
Giampampo Day Secondary School	1,500,000			1,500,000	1,500,000	1,500,000
Ruguta Secondary School	1,500,000			1,500,000	1,500,000	-
Kamwangu Day Secondary School	1,000,000			1,000,000	1,000,000	-
St Bonaventure Mumbuni Secondary School	1,000,000			1,000,000	1,000,000	-
Karigini Day Secondary School	1,000,000			1,000,000	1,000,000	-
Gituja Day Secondary School	800,000			800,000	800,000	800,000
Mutiiguru Day Secondary School	800,000			800,000	800,000	-
Kiriani Day Secondary School	776,421			776,421	776,421	-
Nturiri Secondary School	5,000,000			5,000,000	5,000,000	5,000,000
Mutindwa Day Secondary School	700,000			700,000	700,000	-
Kiamaogo Secondary School	700,000			700,000	700,000	-
Nguruki Day Secondary School	700,000			700,000	700,000	-
Ndintune Day Secondary School	500,000			500,000	500,000	-

**National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Iruma Day Secondary School	1,000,000			1,000,000	1,000,000	-
Kiurani Girls Secondary School	2000000			2,000,000		2,000,000
Total	18,976,421	-	14,847,354	33,823,775	24,523,775	9,300,000
9.0 Tertiary institutions Projects				-		-
Muraga TTI			1,200,000.00	1,200,000	1,200,000	
Total		-	1,200,000	1,200,000	1,200,000	-
10.0 Security Projects				-		-
Mwimbi ACCs office			500,000.00	500,000	500,000.00	-
Kiera chiefs office			700,000.00	700,000	700,000.00	-
Ikumbo Assistant chiefs office			200,000.00	200,000	200,000.00	-
Ganga ACC'S office			800,000.00	800,000	800,000.00	-
Gakui Assistant chief office			200,000.00	200,000	200,000.00	-
Muthambi police station			2,000,000.00	2,000,000	2,000,000.00	-
Mitheru ACC'S office			1,000,000.00	1,000,000	1,000,000.00	-
Weru Assistant Chiefs Office	1,000,000			1,000,000		1,000,000
Murugi East Chiefs Office	200,000			200,000	200,000	-
Kithare Assistant Chief Office	1,000,000			1,000,000		1,000,000
Nkangani Assistant Chief Office	1,000,000			1,000,000		1,000,000

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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Majira Police Post	2,000,000			2,000,000	2,000,000	-
Muragara Assistant Chief Office	1,000,000			1,000,000		1,000,000
Iruma Assistant Chief Office	300,000			300,000	300,000	-
Ikuu Assistant Chief Office	300,000			300,000	300,000	-
Magutuni Police Post	200,000			200,000	200,000	-
Maara Police Disision	2,000,000			2,000,000		2,000,000
Total	9,000,000	-	5,400,000	14,400,000	8,400,000	6,000,000
11.0 Acquisition of assets						
11.1 Motor Vehicles	-			-	-	-
11.2 Construction of CDF office	8,523,579	6,476,421		15,000,000	-	15,000,000
11.3 Purchase of furniture and equipment	-			-	-	-
11.4 Purchase of computers	1,200,000			1,200,000	800,000	400,000
Total	8,523,579	6,476,421	-	15,000,000	-	15,000,000
12.0 Other payments						
Various Dispensary		6,861		6,861	-	6,861
Total	-	6,861	-	6,861	-	6,861
13.0 unallocated fund						
Unapproved projects						

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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
AIA	45,000			45,000		45,000
FMC savings						
Total	45,000		-	45,000	-	45,000
	137,133,880	10,271,970	69,367,723	216,773,573	125,780,865	90,992,707

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XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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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 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.

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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO B104863	1	69,367,724.10	
AIE NO B124724	2	8,000,000	
AIE NO B119549	3	8,500,000	
AIE NO B119939	4	12,000,000	
AIE NO B128181	5	6,900,000	
AIE NO B128494	6	7,000,000	
AIE NO B132237	7	6,000,000	
AIE NO B138905	8	12,000,000	
AIE NO B126199	9	7,000,000	
AIE NO B126494	10	11,000,000	
AIE NO B140637	11	13,000,000	
AIE NO B0147164	1		9,786,207
AIE NO B041114	2		4,000,000
AIE NO B047602	3		20000000
AIE NO B047961	4		6,000,000.00
AIE NO B049361	5		14,000,000.00
AIE NO B104385	6		15,000,000.00
AIE NO B096600	7		9,000,000.00
TOTAL		160,767,724	77,786,207

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	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	45,000	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
	-	-
Total	45,000	-

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,455,400	1,725,000
Personal allowances paid as part of salary		
House Allowance	200,000	-
Transport Allowance	-	-
Leave allowance	20,000	-
Gratuity to contractual employees	300,000	288,000
Employer Contributions Compulsory national social security schemes	54,000	64,800
Total	2,029,400	2,077,800

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Utilities, supplies and services	0	0
Electricity	0	0
Water & sewerage charges	-	-
Office rent		-
Communication, supplies and services	407,140	305,650
Domestic travel and subsistence	172,800	105,000
Printing, advertising and information supplies & services	140,220	0
Rentals of produced assets		-
Training expenses	948,000	968,000
Hospitality supplies and services	298,160	235,060
Other committee expenses	3,952,200	3,742,100
Committee allowance	846,000	570,000
Insurance costs		-
Specialised materials and services		-
Office and general supplies and services	1,421,265	817,010
Fuel , oil & lubricants	554,945	310,960
Other operating expenses	0	0
Bank service commission and charges	25,840	54,180
Other Operating Expenses	-	-
Security operations		-
Routine maintenance - vehicles and other transport equipment	903,150	495,350
Routine maintenance- other assets	702,340	562,970
TOTAL	10,372,060	8,166,280

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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)	62,624,676	17,477,027
Transfers to secondary schools (see attached list)	24,523,775	12,100,000
Transfers to tertiary institutions (see attached list)	1,200,000	10,000,000
TOTAL	88,348,451	39,577,027

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	1,219,600	17,133,000
Bursary – tertiary institutions (see attached list)	3,447,000	9,480,000
Bursary – special schools (see attached list)	7,000	108,500
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)		
Security projects (see attached list)	8,400,000	-
Sports projects (see attached list)	2,747,354	-
Environment projects (see attached list)	2,300,000	-
Emergency projects (see attached list)	6,110,000	3,980,000
Total	24,230,954	30,701,500

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	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	800,000	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
	-	-
Total	800,000	-

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>Family bank chuka branch A/C 054000005611</i>	45,303,828	10,271,970
	-	-
	-	-
Total	45,303,828	10,271,970
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
	-	-
Total	-	-

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>
NIL				
<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	-	-

[Provide short appropriate explanations as necessary.]

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	300,000	276,000
Gratuity paid during the Year (C)	300,000	276,000
Closing Gratuity as at 30 th June D= A+B-C	-	-

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13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	10,271,970	13,008,370
Cash in hand		
Imprest		
	10,271,970	13,008,370
Total	10,271,970	13,008,370

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
TOTAL	-	-	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST*

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	6,734,420	6,705,100
Imprest surrendered during the Year (C)	6,734,420	6,705,100
closing accounts in account receivables D= A+B-C	-	-

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020– 2019	2018 - 2019
	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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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	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

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	1,181,412	1,073,052
Use of goods and services	4,301,779	4,373,602
Amounts due to other Government entities (see attached list)	11,920,000	39,254,215
Amounts due to other grants and other transfers (see attached list)	58,537,654	34,938,826
Acquisition of assets	-	
Others (<i>specify</i>)	15,006,861	
Funds pending approval	45,000	
	90,992,705	79,639,695

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17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	37,489,909	9,707,506
	37,489,909	9,707,506

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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 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		1,181,412	1,073,052	
Use of goods & services		3,901,779	4,373,602	
Amounts due to other Government entities				
Kaganjo Primary School		500,000		
Kagira Primary School		800,000		
Nkangani Primary School		1,320,000		
Giampampo Day Secondary School		1,500,000		
Gituja Day Secondary School		800,000		
Nturiri Secondary School		5,000,000		
Kiurani Girls Secondary School		2000000		
Sub-Total		11,920,000	39,247,356	
Amounts due to other grants and other transfers				
Emergency		7,827,372	7,645,165	
bursary		39,968,504	10,369,884	
sports		2,741,778	2,747,354	
Environment projects				
Kamwangu secondary school		350,000.00		
Iruri primary school		350,000.00		
Kianjuki primary school		200,000		
Karigini Primary school		200,000		
Nkangani primary school		200,000		
kajiethetu primary school		200,000		
kaare primary school		200,000		
Kabaikubu primary school		200,000		
Mbogori primary school		100,000		
Igangara secondary school			300,000.00	
Ntakani primary school			200,000.00	
Mukui primary school			200,000.00	

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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	0			0
Buildings and structures				0
Transport equipment	4,279,939			4,279,939
Office equipment, furniture and fittings	232,950			232,950
ICT Equipment, Software and Other ICT Assets	317,800	800,000		1,117,800
Other Machinery and Equipment				0
Heritage and cultural assets	0			0
Intangible assets	0			0
Total	4,830,689	800,000	0	5,930,689

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 202xx

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
KALEWA DAY SECONDARY SCHOOL	FAMILY	54000005958	1,013	2849.40
KIAMAOGO DAY SECONDARY SCHOOL	FAMILY	54000005963	10,791	6727.20
IRUMA GIRLS SECONDARY SCHOOL	FAMILY	54000005955	1,100	1100
KIURANI SECONDARY SCHOOL	FAMILY	54000005962	1,000,600	600
MUTINDWA DAY SECONDARY SCHOOL	FAMILY	54000006084	198,220	-9.2
KIMUCHIA PRIMARY SCHOOL	FAMILY	54000005959	1,544	-27.2
KIENI PRIMARY SCHOOL	FAMILY	54000006043	107,250	600.6
KIRARO PRYIMARY SCHOOL	FAMILY	54000005960	5,513	271.6
KIEGANGURU PRYIMARY SCHOOL	FAMILY	54000005964	1,100,903	1000281.60
KIAIRUGU PRIMARY SCHOOL	FAMILY	54000005966	2,486	79515.60
IRURI PRIMARY SCHOOL	FAMILY	54000005968	12	350.40
NDUNGURI PRIMARY SCHOOL	FAMILY	54000005967	4,541	4540.80
NKANGANI PRIMARY SCHOOL	FAMILY	54000005969	300	46.40
CHOGORIA COMPLEX BOARDING PRIMARY SCHOOL	FAMILY	54000005950	704,882	992.40
MIKUU PRIMARY SCHOOL	FAMILY	54000005951	573	92
NKURURU PRIMARY SCHOOL	FAMILY	54000005971	37,106	37106
IRUMA PRIMARY SCHOOL	FAMILY	54000005972	1,055,387	142417.40
MAGUNDU PRIMARY SCHOOL	FAMILY	54000006487	175	-232
KAUUNI PRIMARY SCHOOL	FAMILY	54000005996	1,199,581	-418.80
KARIMBA CHIEFS OFFICE	FAMILY	54000005973	88,051	88050.80
MIKUU ASSISTANT CHIEF OFFICE	FAMILY	54000005953	(94)	-93.80
GAKUI ASSISTANT CHEF OFFICE	FAMILY	54000005974	17,116	1009.20
KIANJAGI ASSISTANT CHIEF OFFICE	FAMILY	54000005975	232	231.6
IKUMBO ASSISTANT CHIEF OFFICE	FAMILY	54000005976	200,592	591.60

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
MAARA POLICE DIVISION	FAMILY	54000005954	2,051,437	1558787.40
KANINI PRIMARY SCHOOL	FAMILY	54000006472	109,092	2047
NDAMANI PRIMARY SCHOOL	FAMILY	54000006471	6,121	6120.80
KIANJUKI PRIMARY SCHOOL	FAMILY	54000006479	388,626	15040.80
RUGONGONI PRIMARY SCHOOL	FAMILY	54000006478	82	527.60
KANOA PRIMARY SCHOOL	FAMILY	54000006481	1,019	911.20
ST AUGUSTINE MAJIRA PRIMARY SCHOOL	FAMILY	54000006468	291	6.40
GITARE PRIMARY SCHOOL	FAMILY	54000006475	181	-43.40
KAJIATHETU PRIMARY SCHOOL	FAMILY	54000006719	812	811.60
MUKUI PRIMARY SCHOOL	FAMILY	54000006469	200,025	-218.40
MAATHA PRIMARY SCHOOL	FAMILY	54000006466	172	2249
NTAKANI PRIMARY SCHOOL	FAMILY	54000006467	112,073	37460.80
NDUMBINI PRIMARY SCHOOL	FAMILY	54000006474	114,237	14237.40
GIANKANJA PRIMARY SCHOOL	FAMILY	54000006480	1,000,286	-48.91
MAARA SPORTS	FAMILY	54000006753	394	67.90
MAARA ENVIRONMENTAL GROUP	FAMILY	54000006482	10,424	238.30
ITARA PRIMARY	FAMILY	54000006923	404,251	4250.80
IRUMA ASS CHIEF OFFICE	FAMILY	54000006854	164,250	-198.80
IKUU ASS CHIEF OFFICE	FAMILY	54000006845	301,141	18275.80
KIEGANGURU GIRLS	FAMILY	54000006884	94	94
IRUMA DAY	FAMILY	54000006885	1,100,156	92.40
NDUMBINI DAY	FAMILY	54000006962	20,837	33951.60
MUKUI DAY	FAMILY	54000006832	54,072	1156
ST ANNE GIRLS	FAMILY	54000006892	1,953	402.80
KAMWANGU DAY	FAMILY	54000006997	1,001,472	8931.20

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
MUMBUNI SECONDARY	FAMILY	54000006903	1,202,671	11171.40
KANORO PRIMARY	FAMILY	54000006882	324,943	472
MUMBUNI PRIMARY	FAMILY	54000006924	1,762	1761.60
KAJIAMPAKI PRIMARY	FAMILY	54000006922	148	148
IKINDU PRIMARY	FAMILY	54000006899	(120)	-120.40
KARIGINI PRIMARY	FAMILY	54000006808	263,327	1726.20
NKUNDI PRIMARY	FAMILY	54000006199	177,806	2639.60
NTATUA PRIMARY	FAMILY	54000006908	9,328	133.80
MARIMA PRIMARY	FAMILY	54000006786	(228)	-228.40
KARIANI PRIMARY	FAMILY	54000006927	4,630	4629.60
MUTHAMBI PRIMARY	FAMILY	54000006822	250	-238
KIANJAGI PRIMARY	FAMILY	54000006919	260,846	398600
GIAMPAMPO PRIMARY	FAMILY	54000006796	100,974	1242.80
MURAGA DAY AND BOARDING PRIMARY	FAMILY	54000006802	74,344	321.80
NDINTUNE SECONDARY	FAMILY	54000006573	502,552	4
MITHERU AP LINE	FAMILY	54000006180	(240)	-240
MAKURI PRIMARY	FAMILY	54000007140	1,650,012	267171.20
THIGAA PRIMARY	FAMILY	54000007128	46	60452.20
KAARE PRIMARY	FAMILY	54000007098	11,264	9146
M'EKORANI PRIMARY	FAMILY		43,923	398600
KITHITU PRIMARY	FAMILY	54000007086	502,482	2060.80
MINUGU PRIMARY	FAMILY	54000007162	472	472.40
KATHANGAWE PRIMARY	FAMILY	54000007031	1,180	66746.40
ST ANSELM BOARDING	FAMILY	54000007167	64	64.20
MUTHIGURU PRIMARY	FAMILY	5400000	203	998600

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
MUTINDWA PRIMARY	FAMILY	54000007160	260,338	504.20
KARIAKOMO PRIMARY	FAMILY	54000006725	1,468	359948.80
KIAMAOGO PRIMARY	FAMILY	54000007036	123,386	155014
NGERU PRIMARY	FAMILY	54000007198	1,829	812.80
NGERU ELITE	FAMILY	54000007040	136,484	719.20
KABAIKUBU PRIMARY	FAMILY	54000007143	609,044	80370.40
MAARA MIXED PRIMARY	FAMILY	54000007055	814	798600
GATUA ASSISTANT CHIEF	FAMILY	54000007080	2,798	198600
GAICHAU ASSISTANT CHIEF	FAMILY	54000007037	1,172	598600
MAKURI ASSISTANT CHIEF	FAMILY	54000007033	71	29136
CHOGORIA ASSISTANT	FAMILY	54000007046	131	18261.40
MURUGI WEST CHIEF OFFICE	FAMILY	54000007017	82	235681.20
IKUMBO PRIMARY	FAMILY	54000007091	1,431,714	298600
WIRU DAY SECONDARY	FAMILY	54000007079	1,746,080	3526.80
KIENI SECONDARY	FAMILY	54000007116	1,134	6277.60
NGERU SECONDARY	FAMILY	54000007081	219,143	1341007.97
ITARA SECONDARY	FAMILY	54000006972	60,869	11740
MITHERU ACC	FAMILY	54000008206	1,126	
MBOGORI PRIMARY SCHOOL	FAMILY	0540000007122	47,638	
CHOGORIA GIRLS BOARDING	FAMILY	54000007191	593,880	
MAJIRA POLICE POST	FAMILY	54000009018	1,071,609	
KIURANI GIRLS	FAMILY	54000007156	340,658	
KIRIANI DAY	FAMILY	0540000007209	357,756	
MUTIIGURU DAY	FAMILY	54000007352	637,540	
GITUJA DAY	FAMILY	54000007271	3,388	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
MAGUMA PRIMARY	FAMILY	54000007280	350,863	
JEDIEL KIRAITHE PRIMARY	FAMILY	54000007043	145,899	
NGAITA PRIMARY	FAMILY	54000007056	1,783,085	
IKUMBO PRIMARY	FAMILY	54000007091	1,431,714	
KAGIRA PRIMARY	FAMILY	54000006477	25,257	
KIRUMI PRIMARY	FAMILY	54000007218	995,996	
KALEWA PRIMARY	FAMILY	54000007168	1,600,485	
WIRU PRIMARY	FAMILY	54000007060	300,561	
KABUI PRIMARY	FAMILY	54000008888	375,856	
IGAKIRAMBA PRIMARY	FAMILY	54000007118	1,572,642	
KAGONGO GACEKE PRIMARY	FAMILY	54000007051	266,492	
KIINI BOARDING	FAMILY	54000007077	165,883	
MURAGARA PRIMARY	FAMILY	54000007133	301	
KAGANJO PRIMARY	FAMILY	54000007132	43,432	
GANGA ACC	FAMILY	54000007421	111,835	
IRIGA DEB	FAMILY	54000007192	792,287	
KAJIUNDUTHI PRIMARY SCHOOL	EQUITY	0210299737217	1,566	1565.75
KIRARO DAY	EQUITY	2.10299E+11	382,712	6031.15
NGURUKI DAY	EQUITY	2.10277E+11	714,843	2860
KABUI SECONDARY SCHOOL	EQUITY	2.10294E+11	235	23455
KAARE POLICE STATION	EQUITY	2.10272E+11	180	180
KARIAKOMO ASSISTANT CHIEF OFFICE	EQUITY	2.10269E+11	1,770	1770
KIRIGUNI ASSISTANT CHIEF	EQUITY	2.10269E+11	30	30
MUGUMANGO LOCATION CHIEFS OFFICE	EQUITY	2.10269E+11	1,754	188937
MUGONA PRIMARY	EQUITY	020272204744	326,954	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
MURAGA TTI	EQUITY	0140262856816	182,836	
IGAKIRAMBA DAY SECONDARY SCHOOL	CO-OP	1.13406E+12	132,790	42800
KAIRUNI PRIMARY	CO-OP	1.13957E+12	2,515	2415
NGURUKI PRIMARY	CO-OP	1.13957E+12	4,897	1717
KAIRUNI MENTALLY SCHOOL	CO-OP	1.13957E+12	1,262	1263
MURUGI EAST CHIEFS CAMP	CO-OP	01134057348400	207,123	
MUNGA DAY SECONDARY	CO-OP	01134058136700	1,696	
TOTAL			37,489,909	9,707,506

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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)
1.0	Project Management committee (PMC) Bank balances/ cashbooks, bank certificates and bank reconciliation statements not provided	<ul style="list-style-type: none"> - Infuture management will ensure that PMC's prepare and submit bank reconciliations and maintain cash books. - The accuracy of the PMC balances figure can be supported from balances provided by respective banks as attached. 	resolved	
2.0	Busaries/only 22% of bursaries were acknowledged	Covid - 19 pandemic affected response from institutions. A number of acknowledgements were later received. Management to ensure proper follow-up in future.	Resolved	

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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)
3.0	Cash and cash equivalents/payments in the bank totalling 1,920 not entered in the cash book.	Amount entered in the caash book	resolved	