

REPUBLIC OF KENYA

PARLIAMENT
OF KENYA
LIBRARY



OAG



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 FEB 2022	DAY: Wed
REPORT BY:	The Majority Whip Hon. E. Wangwe, MP.
CLERK-AT THE TABLE:	Benson Inzofu

REPORT

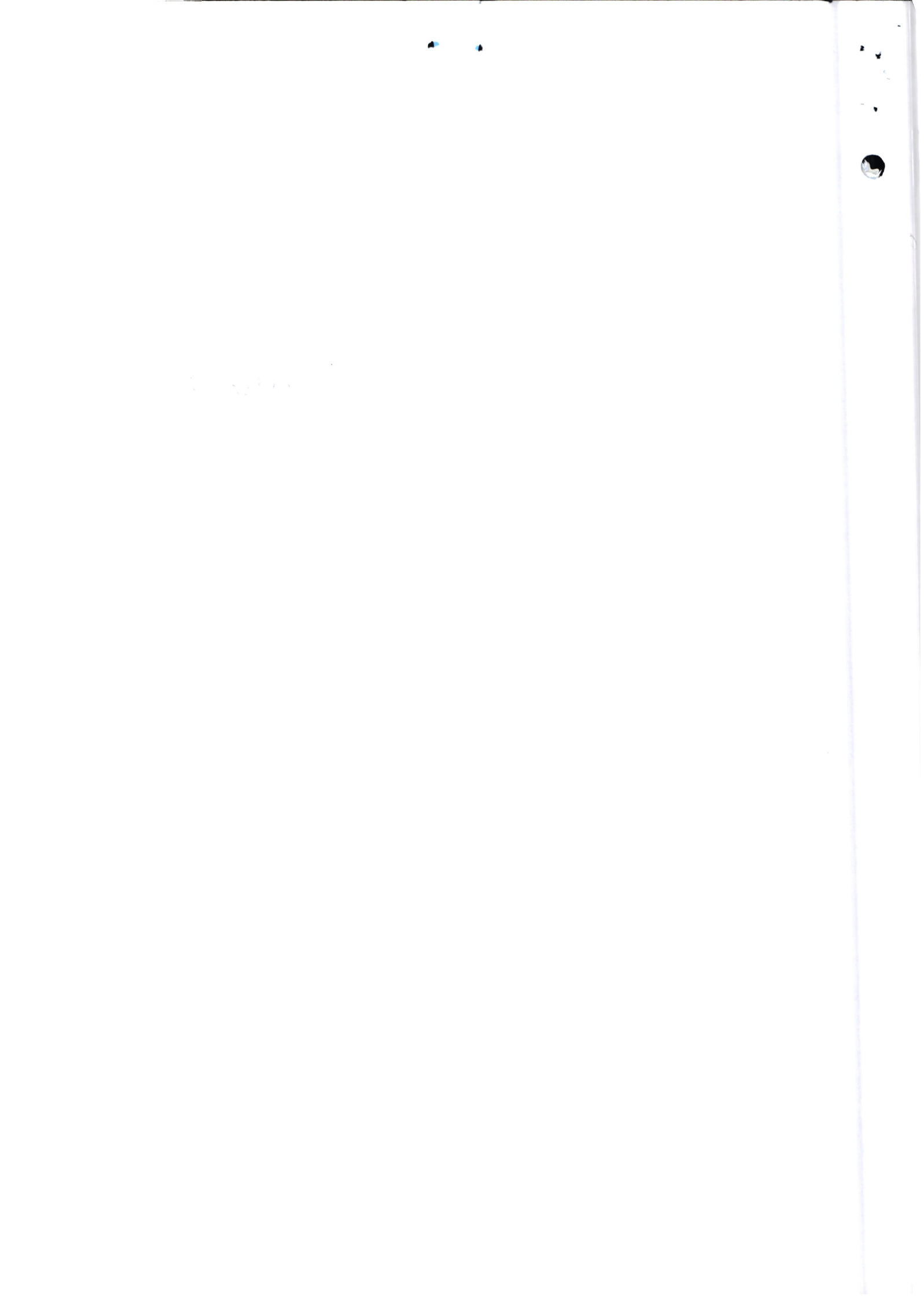
OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2020**



OFFICE OF THE AUDITOR GENERAL
P. O. Box 95202, MOMBASA

Revised Template 30th June 2020



01 MAR 2021

RECEIVED
COAST HUB

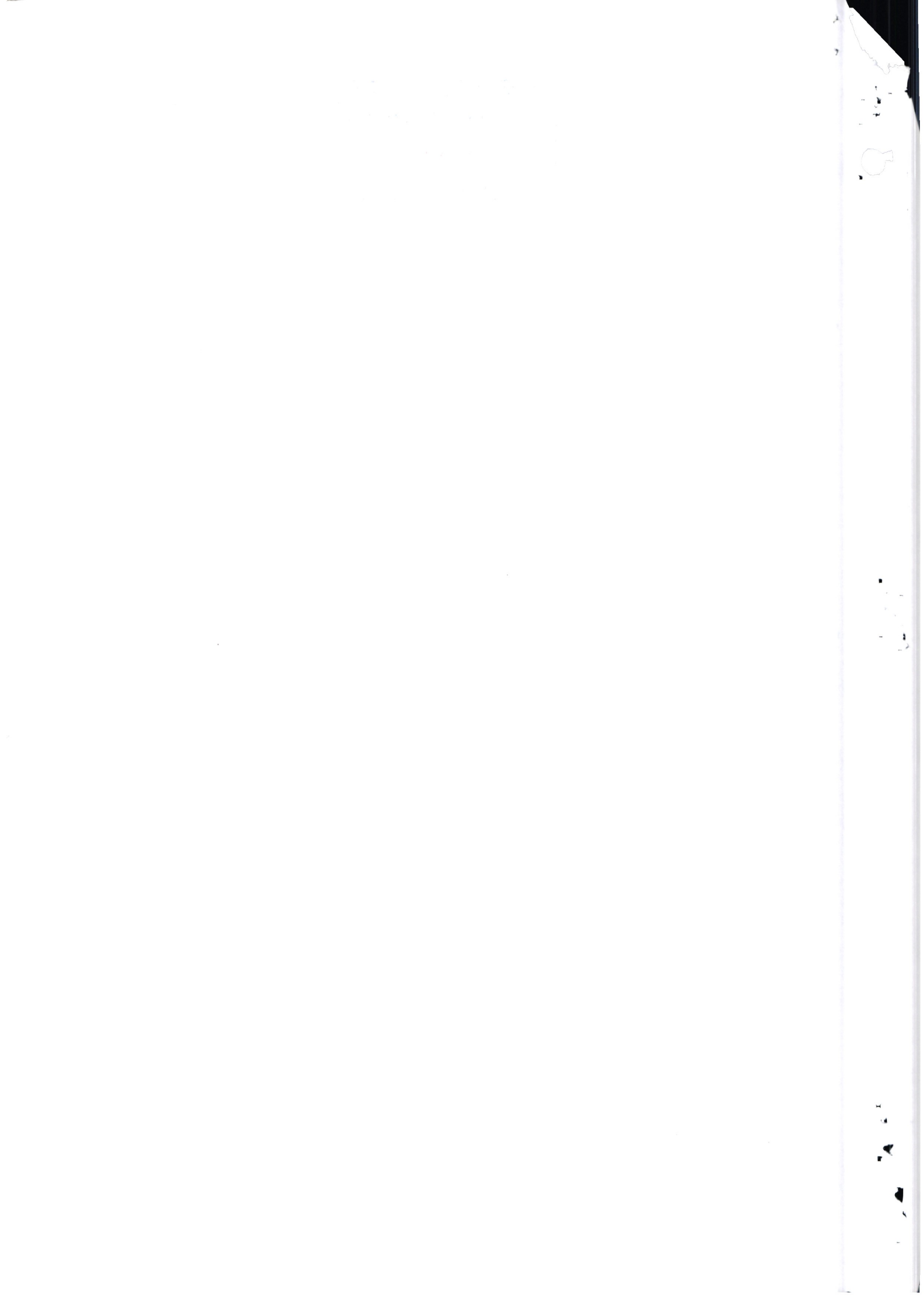


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
MWATATE CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....	1
II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE.....	4
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES.....	6
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING.....	8
V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES.....	9
VI. REPORT OF THE INDEPENDENT AUDITORS ON THE NGCDF - MWATATE CONSTITUENCY.....	10
VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 TH JUNE 2020.....	11
VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 TH JUNE 2020.....	12
IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 TH JUNE 2020....	13
X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE YEAR ENDED 30 TH JUNE 2020.....	14
XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES FOR THE YEAR ENDED 30 TH JUNE 2020.....	15
XII. SIGNIFICANT ACCOUNTING POLICIES.....	22
XIII. NOTES TO THE FINANCIAL STATEMENTS.....	26
ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE.....	34
ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES.....	35
ANNEX 3 – UNUTILIZED FUND.....	36
ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER.....	37
ANNEX 5 –PMC BANK BALANCES AS AT 30 TH JUNE 2019.....	38
PROGRESS ON FOLLOW UP OF AUDITOR.....	41

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

**Reports and Financial Statements
For the year ended June 30, 2020**

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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



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

Reports and Financial Statements

For the year ended June 30, 2020

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.

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2020 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	AMINA ALI
2.	Sub-County Accountant	ELIJAH MWAZO
3.	Chairman NGCDFC	HANNAH SAU
4.	Member NGCDFC	PHOEBE RONGOMA

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF MWATATE Constituency Headquarters

Mwatate Mult-purpose Hall
P.O. Box 75-80305
Mwatate

(f) NGCDF MWATATE Constituency Contacts

Telephone: (254) 0710-325222

E-mail: mwatate@ngcdf.go.ke

Website: www.ngcdf.go.ke

(g) NGCDF MWATATE Constituency Bankers

Kenya Commercial Bank

Wundanyi -branch

P.O. Box 1067-80304

Wundanyi, Taita Taveta, Kenya

(h) Independent Auditors

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

II. FOREWARD BY THE CHAIRMAN NGCDF COMMITTEE

It gives me great pleasure to thank the people of Mwatate Constituency for giving me the opportunity to serve them in this transformative, people driven and Nation building position. It is great with great joy that I present to you the unaudited accounts and collaborative annual report for the year ended 30th June, 2020.

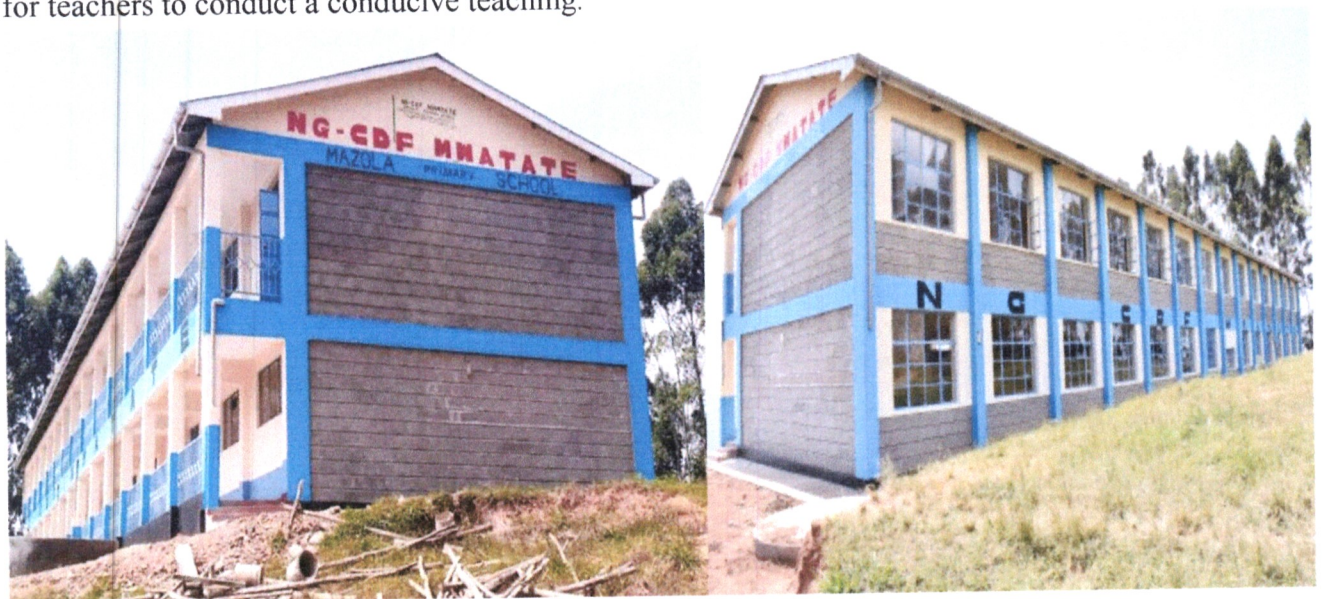
I take this opportunity on behalf of the NGCDF Mwatate to highlight on achievements, challenges and my opinion on the way forward on better utilization of this fund and delivery of service to my constituents. We have received funds from the Ng CDF Board and have utilized the funds efficiently.

ACHIEVEMENTS

The NG CDF Mwatate committee is fully involved in the identification and implementation of projects. This means that we have been able to disburse funds to project accounts immediately we receive and this has helped speed the implementation of projects within the required time this translates to increase in service delivery.

MAZOLA PRIMARY SCHOOL

The project construction of 8no classroom storey building was commenced in the financial year 2018/2019 and completed in the fiscal year 2019/2020 so as to face lift the bad state of the school which was constructed during the colonial era 1952 .the school being in a poor state walls being at their verge of collapsing downs, roofs toned out and some even leaking during rain periods thus hindering effective and conducive learning environment to the pupil. The new face of the school will provide a conducive learning environment to the expected beneficiary (pupils of class 1 to class 8).each classroom has a capacity to hold 40number of students per each class thus making it easier for teachers to conduct a conducive teaching.



GODOMA CHIEF'S OFFICE

The construction of Godoma chief's office was initiated to promote security issue and to benefit the entire Mwakitau location as there was no chiefs office in the entire location .prior to construction of the office the chief had to use a temporary structure built by the residents thus posing threats to loss of confidential government documents and information. The newly constructed office will ensure and promote improved, timely and effective service delivery to the residents.



MLUGHI PRIMARY SCHOOL

The project construction of 8no classroom storey building was commenced in the financial year 2018/2019 and completed in the fiscal year 2019/2020 so as to face lift the bad state of the school which was constructed during the colonial era 1952 .the school being in a poor state walls being at their verge of collapsing downs, roofs toned out and some even leaking during rain periods thus hindering effective and conducive learning environment to the pupil. The new face of the school will provide a conducive learning environment to the expected beneficiary (pupils of class 1 to class 8).each classroom has a capacity to hold 40number of students per each class thus making it easier for teachers to conduct a conducive teaching.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

MWATATE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020



BEFORE



AFTER

Sign

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

Name: Hannah Sau

CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES

Introduction

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

The key development objectives of NGCDF- MWATATE Constituency's *2018-2022* Plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

- 1) To improve access to education and training
- 2) To improve learning environment
- 3) To improve the working environment of security and interior personnel
- 4) To enhance environmental conservation
- 5) To build youth talents and skills in sports
- 6) To improve access to ICT infrastructure

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To improve access to education and training	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - Increased number of students accessing education - Increased number of schools with adequate facilities and equipment - Improved performance in national examinations - Increased number of schools with adequate sanitation facilities 	In FY 19/20 -we increased number of useable classrooms by 66 through renovations and constructed 14 new ones for students and added new secondary 2 schools and 1 tertiary institution 3000 students benefited from Bursary

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

MWATATE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Constituency Program	Objective	Outcome	Indicator	Performance
Security	To improve the working and living conditions of security personnel in the Constituency	Increase and Improve the conditions of police stations within the constituency	- Increased number of housing units and offices for security personnel	In FY 2019/20 we worked on completion of 3 Chief's offices and fenced other two offices
Environment	To promote environmental conservation in the Constituency	Increase in knowledge, skills and passion for sustainable environment practices	- Increased number of institutions with adequate sanitation facilities and water storage facilities and increase afforestation	In FY 2019/20 we invested in water harvesting program in 30 schools by providing 10,000 litres water tanks, water harvesting gutters for hygiene and improved sanitation
Sports	To build and enhance youth skills through sports interventions	Promotion of youth initiatives in building and nurturing their talents and skills in sports	- Increased sports activities through annual sports tournaments, Building more facilities in schools, provision of equipment and sports kits	In FY 2019/20 we rehabilitated two Mwangea Secondary Sports fields by grading, compacting and putting up a drainage system
Disaster Management	To establish risk register for the constituency	Reduction in Risk Levels/Increased Risk and disaster preparedness	- Improved Constituency Internal Control System - Reduced level of complaints; resolved past cases and reduced reporting of present cases - Securing the services of a security firm	In the FY 2019/20 We improved internal control system through checks and Strengthening corporate governance by inculcating a culture of best practices on NG-CDF mandate Installed fire extinguishers and bought sanitizers, face masks, thermos-guns, detergents, fumigation chemicals and water tanks for fight against COVID19 global pandemic Maintained an open door policy of feed- back and respecting criticism while taking corrective measures and drawing valuable lessons learnt from reported complaints
ICT	To improve access to ICT infrastructure and innovation	Increase online and internet business opportunities for the youth	Establish ICT hubs in the Constituency and resource centers	In the FY 2019/20 we established 1 ICT HUBS At NG-CDF Office.

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

Reports and Financial Statements

For the year ended June 30, 2020

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – Mwatate Constituency 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 -

The aspiration of the people of Mwatate constituency as captured in this strategic plan forms the basis and justification for its implementation. This Strategic Plan focuses on providing Mwatate Constituency with a roadmap towards the delivery of quality services. The plan was prepared through a participatory approach that ensured consultations and involvement of the people of Mwatate, their leaders and external stakeholders at all stages. It has set out its vision, mission, core values, goals and strategic objectives as well as strategies. The implementation of the plan will ensure Sustainable development and social economic transformation in Mwatate constituency. The plan provides a review of past performance, a situation status analysis and further identifies strategic gaps to be filled by the implementation of this strategic plan.

2. Environmental performance

Uncontrolled environmental degradation and effects of climate change negatively impact on the socio-economic development of the constituency. Major contributors to environmental degradation are human activity. These activities include deforestation through illegal logging, charcoal burning, forest clearing for agricultural activities, overstocking and subsequent overgrazing, illegal quarrying and water pollution through waste disposal. The depletion of mangrove forest reduces reproduction of marine life, deforestation and overgrazing leads to desertification and reduce rainfall and water sources, water pollution leads to water borne diseases while climate change has increased the frequency of high tide flooding.

Mwatate Constituency depends heavily on wood fuel for domestic use. Forest resources contribute heavily towards household budget through the burn and sell of charcoal. Widespread poverty, unemployment and climate change are the major driving forces to environmental degradation in the constituency.

3. Employee welfare

The NGCDFC ensures recruitment of competent staff is done in compliance with the Employment Act and other laws governing recruitment of employees. The Constituency has staff 9: 6 Male and 3 Female, the all cover the 6 Wards within the Constituency.

Employees have been employed on contract basis of 3 years and they are renewable based on performance. They NHIF scheme and also considered on NSSF retirement plan.

We have continuously improved the capacity of our staff by ensuring we recruited skilled employees, continuous coaching and mentoring, participation in various conferences including NGCDF trainings, on-the-job training by delegation of duties and job rotation of staff regardless of the roles and duties as prescribed in their job descriptions.

4. Market place practices-

After the development of the strategic plan, the NGCDFC has become more visible and competitive within the communities in the Constituency. In terms of management of resources, we have noted reduced operation cost and all the complaints from the community, both past and present, have either been resolved fully or it's been handled amicably by the management. We have built very strong internal control systems which have reduced wastage and corruption in the constituency.

Our Management best practices involve:

- a) There's a clear communication of our vision, mission and strategy;
- b) The Committee and staff have shown exemplary leadership by example;
- c) Through the SP 2017-2022, we have set demanding but realistic targets;
- d) The Fund Account Manager has ensured an open and communicative management style;
- e) Our Objectives as defined in our strategic plan are SMART.
- f)

5. Community Engagements-

We are proud of the positive economic impact we have on our communities, from job creation to sustainable development projects, improvement of security and education sector. As NGCDF Mwatate, we have a deep commitment in ensuring full support on community engagement especially in Social Corporate Responsibility, especially at this period where the world is facing a pandemic

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

MWATATE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

V.STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 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-MWATATE 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, 2020. 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-MWATATE Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-MWATATE Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

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

Reports and Financial Statements

For the year ended June 30, 2020

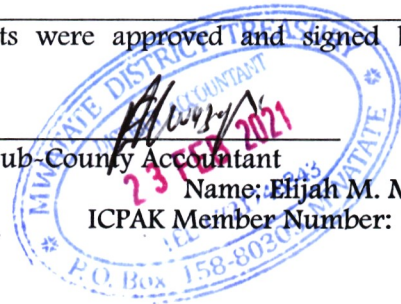
The NGCDF-MWATATE Constituency financial statements were approved and signed by the Accounting Officer on _____ 2020.

Fund Account Manager

Name: Amina Ali

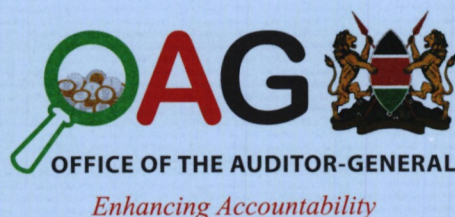
Sub-County Accountant

Name: Elijah M. Mwazo
ICPAK Member Number: 11808



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 - MWATATE CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Mwatate Constituency set out on pages 13 to 41, which comprise the statement of assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation-recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Mwatate Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1.0 Use of Goods and Services

The statement of receipts and payments reflects Kshs.16,886,316 in respect to use of goods and services as disclosed in Note 5 to the financial statements. The following unsatisfactory observations were made in regard to use of goods and services:

1.1 Unsupported Committee Allowances

Note 5 to the financial statements reflects Kshs.14,650,000 in respect to committee allowances. However, schedules provided in support of the expenditure amounted to Kshs.14,510,000 resulting to unexplained and unreconciled variance of Kshs.140,000.

Further, included in the Kshs.14,650,000 balance is Kshs.5,650,000 incurred in respect to allowances paid to committee members while undertaking project inspection, monitoring and evaluation activities. However, evidence of attendance, travel to project sites, list of projects inspected and monitoring and evaluation reports were not provided for audit review.

In addition, included in the Kshs.14,650,000 balance is Kshs.5,067,800 in respect to allowances paid during ward forum proposal collection and bursary forums. However, evidence of travel to and from the venue and minutes or reports of deliberations were not provided for audit review.

In the circumstances, the accuracy, propriety and validity of committee allowance balance of Kshs.14,650,000 for the year ended 30 June, 2020 could not be confirmed.

1.2 Unsupported Fuel, Oil and Lubricants

Note 5 to the financial statements reflects Kshs.200,000 in respect to fuel, oil and lubricants out of which fuel worth Kshs.102,513 was consumed by motor vehicles not owned by the Fund. However, evidence to confirm that the vehicles were being used on activities related to the Fund was not provided for audit verification.

Consequently, the propriety of fuel, oil and lubricants amounting to Kshs.102,513 for the year ended 30 June, 2020 could not be confirmed.

2.0 Transfers to Other Government Units

Note 6 to the financial statements reflects Kshs.75,877,586 in respect to transfers to other government units which includes Kshs.67,577,586 in respect to transfers to primary schools out of which Kshs.19,350,000 was transferred to Dembwa Primary School. However, budget execution by programmes and sub-programmes for the year ended 30 June, 2020 reflects actual expenditure of Kshs.18,350,000 in respect to Dembwa Primary School, resulting to unexplained variance of Kshs.1,000,000.

Consequently, the accuracy of transfers to primary schools of Kshs.19,350,000 for the year ended 30 June, 2020 could not be confirmed.

3.0 Other grants and other payments

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects Kshs.26,471,780 in respect to other grants and other payments which includes Kshs.12,460,588 and Kshs.2,581,270 relating to bursaries to secondary schools and tertiary institutions respectively. Review of documents provided for audit review revealed the following regarding the bursaries:

- i. Fifty-three (53) students in national secondary schools were awarded bursaries amounting to Kshs.2,490,000. However, details of how the Fund Management identified, vetted and awarded the bursaries were not provided for audit review.

- ii. Further, the students were awarded different bursary amounts, however, the criteria used and bursary applications register showing applicants' names, identification details, schools/colleges attended and the criteria used for vetting and awarding the bursary were not provided for audit review. This is contrary to the Constituencies Development Fund Board Circular/VOL1/111 dated 13 September, 2010 which requires the bursary committee to vet, identify and categorise needy students according to established criteria.
- iii. In addition, bursaries totalling to Kshs.9,489,695 was not supported with acknowledgment receipts from the beneficiary institutions.
- iv. Moreover, bursaries amounting to Kshs.11,620,604 awarded to three hundred and seventy-nine (379) beneficiaries but whose admission numbers were not availed for audit review.

Consequently, the accuracy, completeness, propriety, validity of bursaries amounting to Kshs.15,041,858 for the year ended 30 June, 2020 could not be confirmed.

4.0 Bank Reconciliation Inaccuracies

The statement of assets and liabilities reflects Kshs.1,618,167 in respect to bank balance. Audit review of the respective bank reconciliation statement for June, 2020 indicated payments in cash book not in bank statement (un-presented cheques) of Kshs.1,532,449, out of which cheques amounting to Kshs.28,604 had been outstanding for more than six (6) months and were, therefore, stale. However, no explanation was provided as to why the stale cheques had not been reversed.

Consequently, the accuracy of cash and cash equivalents balance of Kshs.1,618,167 as at 30 June, 2020 could not be confirmed.

5.0 Unutilized Funds

Note 17.3 to the financial statements reflects Kshs.68,785,891 in respect to unutilized funds as at 30 June, 2020. However, Annex 3 does not provide details of the approved budget items whose funds had not been utilized with a brief description as required by the Public Sector Accounting Standards Board reporting format.

Under the circumstances, the accuracy and completeness of unutilized funds balance of Kshs.68,785,891 as at 30 June, 2020 could not be confirmed.

6.0 Summary of Fixed Assets

Annex 4 to the financial statements reflects summary of fixed assets historical cost of Kshs.4,875,964. However, detailed assets register schedule availed for audit review indicated a total historical cost of Kshs.4,670,350 resulting to a variance of Kshs.205,614 which has not been explained and/or reconciled.

Further, detailed fixed assets schedule provided for audit review reflected Kshs.3,105,500 in respect to old and not in use assets. However, Fund Management did not provide evidence that a disposal committee had been formed to dispose of the assets as required by Section 163(1) of the Public Procurement and Assets Disposal Act, 2015 which states that, 'An accounting officer shall establish a disposal committee as and when prescribed for the purpose of disposal of unserviceable, obsolete, obsolescent, or surplus stores, equipment or assets". The obsolete and unserviceable assets continue depreciating, resulting in losses to the Fund.

In addition, the detailed fixed assets register indicated a historical cost of Kshs.750,000 in respect of the one storeyed NG-CDF Mwatate Constituency office. However, the Fund Management did not provide the construction contract and a schedule of payments as evidence to support this cost.

Consequently, the accuracy and completeness of summary of fixed assets register balance of Kshs.4,875,964 as at 30 June, 2020 could not be confirmed.

7.0 Unsupported Project Management Committee Bank Balances

Annex 5 to the financial statements reflects Kshs.7,790,186 in respect to sixty-six Project Management Committee bank balances of as at 30 June, 2020. However, the supporting certificates of bank balances were not provided for audit review.

Further, the following observations were made;

- i) Regulations 15(10)(b) of the National Government Constituencies Development Fund Regulations, 2016 requires the Fund Manager to table a quarterly report to Constituency Committee on the status of the Project Management Committee. However, quarterly reports prepared and tabled before the Constituency Committee in accordance with Regulation 15(10)(b) were not provided for audit review.
- ii) Eight (8) projects with nil bank balances as at 30 June, 2020 related to completed projects. However, no evidence of closure of the bank accounts and handing over of the projects to the Constituency Committee was provided for audit review.
- iii) Five (5) Projects Management Committee bank accounts were duplicated with different closing balances as indicated below:

No.	Project Name	Bank	Account	Balance 1 (Kshs.)	Balance 2
1	Kishau Primary School	KCB	1135939071	374	-
2	Manoa Primary School	KCB	1176836714	6,425	-
3	Mazola Primary School	KCB	1208555154	398,542	-
4	Mrughua Primary School	KCB	1118978234	2,174	-
5	Mwawache Primary School	KCB	1134778813	1,298,313	-

- iv) One project had two bank accounts, one in Kenya Commercial Bank and the other in Cooperative Bank of Kenya. However, bank statements to confirm existence of the Cooperative Bank of Kenya account were not provided for audit review.

Consequently, the accuracy and completeness of the Project Management Committee bank accounts balances of Kshs.7,790,186 as at 30 June, 2020 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 - Mwatate Constituency Management, in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.192,195,955 and Kshs.123,410,064 respectively resulting to an under-funding of Kshs.68,785,891 or 36% of the budget. Similarly, the Fund expended Kshs.123,410,064 against an approved budget of Kshs.192,195,955 resulting to an under-expenditure of Kshs.68,785,891 or 36% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the residents of Mwatate 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

1.0 Projects Implementation

The Fund's projects implementation status report as at 30 June, 2020 availed for audit review reflected budget allocations of Kshs.96,745,912 to thirty (30) projects. Audit review of the projects implementation status report revealed the following:

Project Status	Count	Budgeted Cost (Kshs.)	Disbursement (Kshs.)
Complete and in use	18	74,411,089	74,411,089
On-going	4	20,276,112	20,276,112
Not Started	1	11,200,000	0
Total	17	83,716,033	29,937,346

However, three (3) of the ongoing projects with a disbursement of Kshs.6,606,588 were indicated as requiring extra funding for completion. However, details of the extra amount required and evidence of request for the funding was not provided for audit review.

Further, two (2) projects with a cumulative disbursement of Kshs.1,550,000 did not have implementation status indicated.

Failure to implement projects on time and as planned may have negatively affected delivery of the desired development projects to the residents of Mwatate Constituency.

2.0 Projects Verification

Physical verification of projects in February, 2021 revealed that construction of Assistant County Commissioner's Office was awarded at a contract sum of Kshs.2,906,588. As at the time of the audit, the project was complete but not in use and the building plan indicated that the office block was supposed to have an armory. However, the armory constructed did not have a reinforced security door and shelves as provided for in the bill of quantities(BOQs). Further, original BOQs provided for tiled floor finishing while screed floors were done and louvered window was replaced by casement while mortice locks had not been installed.

Under the circumstances, the value for money, propriety and lawfulness of Kshs.2,906,588 spent on the project during the year ended 30 June, 2020 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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

Auditor-General's Responsibilities for the Audit

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

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of Fund's financial statements, a compliance review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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

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

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


- Identify and assess the risks of material misstatement of the Fund's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of 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 entity to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

10 February, 2022

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2020

	Note	2019-2020	2018-2019
		Kshs.	Kshs.
RECEIPTS			
Transfers from Other Government Entities	1	121,409,241	65,379,310
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	
TOTAL RECEIPTS		121,409,241	65,379,310
PAYMENTS			
Compensation of Employees	4	2,837,882	1,347,336
Use of goods and services	5	16,886,316	18,150,903
Transfers to Other Government Units	6	75,877,586	22,150,000
Other grants and transfers	7	26,471,780	34,328,809
Acquisition of Assets	8	421,750	
Other Payments	9	914,750	
TOTAL PAYMENTS		123,410,064	75,977,048
SURPLUS/(DEFICIT)		(2,000,823)	(10,597,738)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MWATATE Constituency financial statements were approved on _____ 2020 and signed by:

Fund Account Manager
Name: Amina Ali

Sub-County Accountant
Name: Elijah M. Mwazo
ICPAK Member Number: 11808



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

**Reports and Financial Statements
For the year ended June 30, 2020**

VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2020

	Note	2019-2020 Kshs	2018-2019 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	1,618,167	3,618,990
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		1,618,167	3,618,990
Current receivables- Sale of Tender		--	--
Outstanding Imprests	11	--	--
TOTAL FINANCIAL ASSETS		1,618,167	3,618,990
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	--	
Deposits (Gratuity)	12B		--
TOTAL FINANCIAL LIABILITES			
NET FINANCIAL ASSETS		1,618,167	3,618,990
REPRESENTED BY			
Fund balance b/fwd	13	3,618,990	14,216,728
Prior year adjustments	14	--	--
Surplus/Deficit for the year		(2,000,823)	(10,597,738)
NET FINANCIAL POSITION		<u>1,618,167</u>	<u>3,618,990</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MWATATE Constituency financial statements were approved on _____ 2020 and signed by:

Fund Account Manager
Name: Amina Ali



Sub-County Accountant
Name: Elijah M. Mwazo
ICPAK Member Number: 11808
P.O. Box 158-80305, MWATATE


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30TH JUNE 2020

	Note	2019 - 2020 Kshs	2018 - 2019 Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	121,409,241	65,379,310
Other Receipts	3	-	-
Total receipts		121,409,241	65,379,310
Payments for operating expenses			
Compensation of Employees	4	2,837,882	1,347,336
Use of goods and services	5	16,886,316	18,150,903
Transfers to Other Government Units	6	75,877,586	22,150,000
Other grants and transfers	7	26,471,780	34,328,809
Acquisition of Assets	8	421,750	
Other Payments	9	914,750	
Total payments		123,410,064	75,977,048
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 Adjustment			
Net cash flow from operating activities		(2,000,823)	(10,597,738)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	--	--
Acquisition of Assets		--	--
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		(2,000,823)	(10,597,738)
Cash and cash equivalent at BEGINNING of the year	13	3,618,990	14,216,728
Cash and cash equivalent at END of the year		1,618,167	3,618,990

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MWATATE Constituency financial statements were approved on _____ 2020 and signed by:


Fund Account Manager
Name: Amina Ali


Sub-County Accountant
Name: Elijah M. Mwazo
ICPAK Member Number: 11808

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE YEAR ENDED 30TH JUNE 2020

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	137,367,724	54,828,231	192,195,955	123,410,064	68,785,891	64%
Proceeds from Sale of Assets						
Other Receipts						
TOTAL RECEIPTS	137,367,724	54,828,231	192,195,955	123,410,064	68,785,891	64%
PAYMENTS						
Compensation of Employees	3,100,000		3,100,000	2,837,882	262,118	92%
Use of goods and services	9,263,095	7,695,174	16,958,269	16,886,316	71,953	100%
Transfers to Other Government Units	74,000,000	37,027,586	111,027,586	75,877,586	35,150,000	68%
Other grants and transfers	51,004,629	8,605,471	59,610,100	26,471,780	33,138,320	44%
Acquisition of Assets		500,000	500,000	421,750	78,250	84%
Other Payments		1,000,000	1,000,000	914,750	85,250	91%
TOTAL	137,367,724	54,828,231	192,195,955	123,410,064	68,785,891	64%

Notes: The budget utilisation difference for transfer to other government units and other grants and transfers as results of late disbursement of funds from the NG-CDF Board.

The NGCDF-MWATATE Constituency financial statements were approved on 2020 and signed by:



Ali
Fund Account Manager
Name: Armina Ali

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES FOR THE YEAR ENDED 30TH JUNE 2020

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020 Kshs		2019/2020 Kshs		
1.0 Administration and Recurrent					
1.1 Compensation of employees	3,100,000	-	3,100,000	2,830,866	269,134
1.2 Committee allowances	1,800,000	3,000,000	4,800,000	4,800,000	-
1.3 Use of goods and services	321,032	1,206,761	1,527,793	1,237,590	290,203
1.4 Acquisition of assets	-	-	-	-	-
2.0 Monitoring and evaluation					
2.1 Capacity building	2,000,000		2,700,000	2,700,000	-
2.2 Committee allowances	3,342,063	2,100,000	5,442,063	5,442,063	0
2.3 Use of goods and services	1,800,000	1,188,413	2,988,413	2,988,413	-
3.0 Emergency					
3.1 Primary Schools		-			-
MENGO PRIMARY SCHOOL	715,000	-	715,000	715,000	-
RONGE PRIMARY SCHOOL	860,000	-	860,000	860,000	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

XII. BUDGET EXECUTION (CONTINUED)								
MAZOLA PRIMARY SCHOOL	500,000	-	500,000	500,000				
KONGONI PRIMARY SCHOOL								
3.2 Secondary schools	1,000,000	1,000,000	2,000,000	2,000,000				
ZARE SECONDARY SCHOOL								
ZARE SECONDARY SCHOOL	650,000		650,000	650,000				
MWASERE GIRLS SEC SCHOOL								
MWASERE GIRLS SEC SCHOOL	2,000,000	2,000,000	4,000,000	4,000,000				
3.3 Tertiary institutions								
NG-CDF office(water catchment renovation)	1,473,241							
3.4 Security projects			1,473,241	1,038,325				434,916
4.0 Bursary and Social Security								
4.1 Bursary-special schools								
4.2 Secondary Schools	1,000,000		1,000,000					1,000,000
4.3 Tertiary Institutions/Universities	20,000,000		20,000,000	9,250,000				10,750,000
4.4 Universities	13,306,388	998,151	14,304,539	2,998,151				11,306,388
4.5 Social Security								
5.0 Sports								
5.1 Constituency sports Tournament	2,000,000		2,000,000					
6.0 Environment								
								2,000,000

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

BUDGET EXECUTION....(CONTINUED)								
6.1 Mgeno Primary school	180,000	-	180,000	-	-	180,000	-	180,000
6.2 Mali Kumi primary	150,000	-	150,000	-	-	150,000	-	150,000
6.3 Mzwanenyi secondary school	170,000	-	170,000	-	-	170,000	-	170,000
6.4 Mazola Primary school	300,000	-	300,000	-	-	300,000	-	300,000
6.5 Mwakinyungu primary school	300,000	-	300,000	-	-	300,000	-	300,000
6.6 Mlughu Primary school	300,000	-	300,000	-	-	300,000	-	300,000
6.7 Dembwa Primary school	300,000	-	300,000	-	-	300,000	-	300,000
6.8 Mwawache Primary school	300,000	-	300,000	-	-	300,000	-	300,000
7.0 Primary Schools Projects								
7.1 Mazola Primary school	14,000,000	3,000,000	17,000,000			14,000,000		3,000,000
7.2 Dembwa primary school	13,500,000	6,000,000	19,500,000			18,350,000		1,150,000
7.3 Mwakinyungu Primary school	12,500,000	3,000,000	15,500,000			9,000,000		6,500,000
7.4 Mlughu Primary school	12,500,000	6,000,000	18,500,000			12,000,000		6,500,000
7.5 Mwawache primary school	14,000,000	-	14,000,000			2,000,000		12,000,000
7.6 Kighombo primary school	6,000,000	-	6,000,000			-		6,000,000
7.7 Kongoni Primary school	1,500,000	1,500,000	3,000,000			3,000,000		-
BUDGET EXECUTION....(CONTINUED)								
7.8 chunganga pri school		3,000,000	3,000,000			3,000,000		-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

	Kshs	Kshs	Kshs	Kshs	Kshs
11.0 Acquisition of assets					
11.1 Motor Vehicles					
11.2 Construction of CDF office/landscaping					
11.3 Purchase of furniture and equipment		1,000,000		914,750	85,250
11.4 Purchase of computers					
12.0 Others					
12.1 Strategic Plan					
12.2 Innovation Hub		407,320		407,320	
12.3 TIVET					
12.4 Water projects					
12.4.1.Mzima springs Mariwenyi	5,500,000				
TOTALS	137,367,724	54,828,231	192,195,955	123,410,064	68,785,891
			5,500,000		5,500,000

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2020**

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 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-MWATATE Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

External Assistance

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

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

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

During the year ended 30th June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2019 for the period 1st July 2019 to 30th June 2020 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2020.

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board	B042811		13,000,000
AIE NO	A724489		11,000,000
AIE NO	B005425		13,000,000
AIE NO	B006472		7,000,000
AIE NO	B030037		11,379,310
AIE NO	B030106		10,000,000
AIE NO	B011058	37,937,172	
AIE NO	B047105	13,272,069	
AIE NO	B047336	2,000,000	
AIE NO	B041155	4,000,000	
AIE NO	B041325	18,000,000	
AIE NO	B041362	200,000	
AIE NO	B047743	5,000,000	
AIE NO	B104425	15,000,000	
AIE NO	B049398	15,000,000	
AIE NO	B096627	11,000,000	
AIE NO			
TOTAL		121,409,241	65,379,310

2. PROCEEDS FROM SALE OF ASSETS

	2019-2020	2018-2019
	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	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Basic wages of contractual employees	2,557,754	1,151,066
Basic wages of casual labour		
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance		
Gratuity		
Other personnel payments NHIF	83,600	137,950
Employer contribution to NSSF	196,528	58,320
	-	-
Total	2,837,882	1,347,336

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2019-2020	2018 - 2019
	Kshs	Kshs
Utilities, supplies and services	803,640	2,838,527
Electricity	206,276	192,177
Water & sewerage charges	20,465	31,325
Office rent		
Communication, supplies and services		
Domestic travel and subsistence		
Printing, advertising and information supplies & services		
Rentals of produced assets		
Training expenses		
Hospitality supplies and services		318,600
Other committee expenses		
Committee allowance	14,650,000	14,310,000
Insurance costs		
Specialized materials and services		
Office and general supplies and services		
Fuel , oil & lubricants	200,000	
Other operating expenses		
Bank service commission and charges	45,935	7,485
Security operations	960,000	192,000
Routine maintenance - vehicles and other transport equipment		260,789
Routine maintenance- other assets		
TOTAL	16,886,316	18,150,903

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	67,577,586	15,650,000
Transfers to secondary schools (see attached list)	8,300,000	6,500,000
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	-	-
TOTAL	75,877,586	22,150,000

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	12,460,588	19,457,866
Bursary – tertiary institutions (see attached list)	2,581,270	5,519,500
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	4,200,000	-
Sports projects (see attached list)	311,000	1,349,393
Environment projects (see attached list)	-	500,000
Emergency projects (see attached list)	6,511,602	5,872,770
Strategic plan	407,320	1,629,280
Total	26,471,780	34,328,809

8. ACQUISITION OF ASSETS

Non-Financial Assets	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings/landscaping	-	-
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	209,000	-
Purchase of ICT Equipment, Software and Other ICT Assets	212,750	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
	-	-
Total	421,750	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
ICT HUB	-	-
Office compound land scaping specify	914,750	-
	-	-
TOTAL	914,750	-

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>KCB Wundanyi A/C 1107927838</i>	1,618,167	3,618,990
<i>Name of Bank, Account No.</i>		
<i>Name of Bank, Account No.</i>		
Total	1,618,167	3,618,990

10B: CASH IN HAND

	2019-2020	2018-2019
	Kshs	Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (specify)	-	-
	-	-
Total	-	-

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>
		Kshs	Kshs	Kshs
<i>Name of Officer or Institution</i>		-	-	-
Total				--

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12A. RETENTION

	2019 - 2020	2018-2019
	Kshs	Kshs
Supplier 1	-	-
Supplier 2	-	-
Supplier 3	-	-
	-	-
Total	-	-

[Provision for retention money for emergency project undertaken in FY 2018/19]

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	Kshs	Kshs
Name 1	-	-
Name 2	-	-
Name 3	-	-
Add as appropriate	-	-
Total	-	-

[Provision for staff gratuity at 15% of basic salary]

13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs.	Kshs.
Bank accounts	3,618,990	14,216,728
Cash in hand	-	-
Imprest	-	-
Total	3,618,990	14,216,728

[Unutilised funds at the beginning of the financial years in question]

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July 2019 (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total Amount	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	1,047,072	428,974
Others (<i>specify</i>)	-	-
TOTAL	1,047,072	428,974

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	269,134	2,027,851
Use of goods and services	290,203	200,000
Amounts due to other Government entities (see attached list)	35,150,000	45,600,000
Amounts due to other grants and other transfers (see attached list)	32,991,304	10,832,015
Acquisition of assets	85,250	-
Others (<i>specify</i>)		-
	68,785,891	58,659,866

17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	7,790,186	4,553,016
	7,790,186	4,553,016

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

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					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE CONSTITUENCY

Reports and Financial Statements
For the year ended June 30, 2020

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
		A	B	C	d=a-c	
Senior Management						
1.						
2.						
3.						
Sub-Total						
Middle Management						
4.						
5.						
6.						
Sub-Total						
Unionisable Employees						
7.						
8.						
9.						
Sub-Total						
Others (GRATUITY)						
VIOLET MWAMRIZI	F	136,400	6 September 2018	NIL	136,400	
BROWN TOLI	D	83,920	6 September 2018	NIL	83,920	
FESTUS MWANGOMBE	F	143,513	6 September 2018	NIL	143,513	
TOBIAS MAGHANGA	D	83,920	6 September 2018	NIL	83,920	
BONIFACE MWABONJE	H	143,999	15 October 2018	NIL	143,999	
RAJAB KAFUTA	H	160,550	15 October 2018	NIL	160,550	
DADI SIMON	D	86,223	15 October 2018	NIL	86,223	
MARY WAKESHO WAMBUA	D	86,223	15 October 2018	NIL	86,223	
ANNET MWASHIGHADI	H	122,324	28 February 2019	NIL	122,324	
Sub-Total		1,047,072			1,047,072	
Grand Total						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE CONSTITUENCY

Reports and Financial Statements
For the year ended June 30, 2020

ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance		Comments
		2019/20	2018/19	
Compensation of employees		269,134	2,027,851	
Use of goods & services		290,203		
Amounts due to other Government entities				
primary schools		35,150,000	31,300,000	
secondary school			12,300,000	
Tertiary			2,000,000	
	Sub-Total	35,709,397	47,627,851	
Amounts due to other grants and other transfers				
Security projects			2,846,454	
EMERGENCY		434,916	3,812,356	
ENVIRONMENT		2,000,000	1,765,800	
Bursary		23,056,388	641,586.00	
Sports		2,000,000	1,765,819	
Water project		5,500,000		
	Sub-Total	32,991,304	10,832,015	
Acquisition of assets				
LANDSCAPING		68,700,641	58,459,866	
Others (specify)		85,250		
ICT HUB				
	Sub-Total	68,785,891	58,459,866	
	Grand Total	68,785,891	58,459,866	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE CONSTITUENCY

Reports and Financial Statements
For the year ended June 30, 2020

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land				
Buildings and structures	750,000			750,000
Transport equipment	984,214			984,214
Office equipment, furniture and fittings	2,700,000	209,000		2,909,000
ICT Equipment, Software and Other ICT Assets	20,000	212,750		232,750
Other Machinery and Equipment	-			-
Heritage and cultural assets	-			-
Intangible assets	-			-
Total	4,454,214	421,750		4,875,964

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2020**

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2020

	PMC ACCOUNT	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
1.	KISHAMBA PRIMARY SCHOOL	EQUITY	790267168349	535	128,658
2.	KITIVO PRIMARY SCHOOL	KCB	1183979606	3,275	4,340
3.	MARIWENYI PRIMARY SCHOOL	KCB	1207199915	75	740
4.	MWATUNGE PRIMARY SCHOOL	EQUITY	790262611336	24	23
5.	MWAMBOTA PRIMARY SCHOOL	EQUITY	790264750972	2,356	2,686
6.	KIGHOMBO PRIMARY SCHOOL	KCB	1208412043	4,929	5,994
7.	ZARE PRIMARY SCHOOL	KCB	1176597256	9,005	10,196
8.	MRUGHUA PRIMARY SCHOOL	KCB	1118978234	2,174	12,316
9.	MWEMBA PRIMARY SCHOOL	KCB	1176706683	8,815	122,721
10.	MANOA PRIMARY SCHOOL	KCB	1176836714	6,425	116,349
11.	JOSA PRIMARY SCHOOL	KCB	112771000	866	79,514
12.	MAZOLA PRIMARY SCHOOL	KCB	1208555154	398,542	862,166
13.	MWAWACHE PRIMARY SCHOOL	KCB	1134778813	1,298,313	677
14.	MNAMU PRIMARY SCHOOL	EQUITY	7902974333273	5,912	6,186
15.	MGENO PRIMARY SCHOOL	EQUITY	790293408297	16,005	16,809
16.	CHAKALERI PRE SCHOOL	CO- OPERATIVE	1139220307500	1,577	227
17.	MWACHABO PRIMARY SCHOOL	KCB	1109443536	373	1,438
18.	KWATEKA PRIMARY SCHOOL	KCB	1119861888	670	670
19.	CHONGONYI PRE SCHOOL	KCB	1115380397	-	736
20.	KWAMONE PRE SCHOOL	EQUITY	263540409	161	160
21.	KISHAU PRIMARY SCHOOL	KCB	1135939071	374	220
22.	LAGHONYI SECONDARY SCHOOL	EQUITY	790297606691	6,278	6,278
23.	ZARE SECONDARY SCHOOL	CO- OPERATIVE	1139220327700	12,512	12,512
24.	MWEMA SECONDARY SCHOOL	KCB	294686784	59,228	60,293
25.	ST JOSEPHS SECONDARY SCHOOL	KCB	1207666718	-	1,055

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2020**

26.	MWATATE SECONDARY SCHOOL	CO-OPERATIVE	1134220137400	3,562	3,562
27.	KOMBOLIO SECONDARY SCHOOL	CO-OPERATIVE	1134220282000	3,575	3,575
28.	MWAKITAU SECONDARY SCHOOL	KCB	1135306478	114,985	115,185
29.	KITUMA SECONDARY SCHOOL	EQUITY	790299882033	77,932	72,932
30.	MWANDANGO SECONDARY SCHOOL	KCB	223687337	42,364	42,364
31.	MZWANENYI SECONDARY SCHOOL	KCB	294686646	20,383	50,644
32.	MWANYAMBO SECONDARY SCHOOL	CO-OPERATIVE	1139220315300	277,002	49,662
33.	MWATATE TECHNICAL TRAINING INSTITUTE	KCB	1171174055	610	155
34.	MWANDISHA PRIMARY SCHOOL	KCB	1208054562	159,865	3,250
35.	MSISINENYI PRIMARY SCHOOL	KCB	1178731014	24,719	20,281
36.	BAGHAU PRIMARY SCHOOL	KCB	1204877432	23	730
37.	MENGO PRIMARY SCHOOL	KCB	1204810087	1,186,155	86,540
38.	KISHAU PRIMARY SCHOOL	KCB	1135939071	-	220
39.	KIDAYA-SAGHAIGHU PRIMARY	KCB	1201488028	9,265	77,901
40.	MWACHAWAZA PRIMARY SCHOOL	KCB	1135962855	1,531	14,161
41.	MANOA PRIMARY SCHOOL	KCB	1176836714	-	116,349
42.	MWAWACHE PRIMARY SCHOOL	KCB	1134778813	-	677
43.	MAZOLA PRIMARY SCHOOL	KCB	1208555154	-	862,166
44.	MWAVUNYU PRIMARY SCHOOL	KCB	1209006243	10,704	12,013
45.	MRUGHUA PRIMARY SCHOOL	KCB	1118978234	-	12,316
46.	NYOLO PRIMARY SCHOOL	KCB	1131078098	244,241	244,357
47.	MWAKALERI PRIMARY SCHOOL	KCB	117492639	10,929	12,339
48.	CHUNGA UNGA PRIMARY SCHOOL	KCB	1202079466	315,222	118,217
49.	MZWANENYI SEC SCHOOL	KCB	1104854554	-	50,644
50.	ELIJAH MZAE SEC SCHOOL	KCB	1136746285	405	11,585
51.	MWANGOJI SEC SCHOOL	KCB	1104864215	6,511	7,576
52.	NGANGU SECONDARY SCHOOL	KCB	1120851556	32,881	34,061
53.	KITAWI SEC SCHOOL	KCB	1118287215	2,058	2,570

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE
CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

54.	MSORONGO PRIMARY SCHOOL	KCB	1233616781	47,670	17,565
55.	MNENGWA PRIMARY SCHOOL	KCB	1253925917	446,730	87,587
56.	BURA PRIMARY SCHOOL	KCB	1254776370	27,503	46,693
57.	MWAKINYUNGU PRIMARY SCHOOL	KCB	1257535242	11,564	922,175
58.	ZARE SECONDARY SCHOOL	KCB	12631114709	160,764	
59.	RONGE PRIMARY SCHOOL	KCB	1267668423	46,560	
60.	MWATATE PRIMARY SCHOOL	KCB	120896584	1,056	
61.	MWAMBIRWA ACC OFFICE	KCB	1260178943	1,050,255	
62.	MLUGHI PRIMARY SCHOOL	KCB	1261708121	31,055	
63.	MAMBURA PRIMARY SCHOOL	KCB	1133870775	1,965	
64.	KONGONI PRIMARY SCHOOL	KCB	1204954984	5,785	
65.	GODOMA CHIEFS OFFICE	KCB	1266483152	2,538	
66.	DEMBWA PRIMARY SCHOOL	KCB	1263363199	1,573,399	
			TOTAL	7,790,186	4,553,016

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWATATE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
MSA/NGCDF /mwatate/2016/2017	i) PMCs bank account balances not disclosed	The omitted project account balance were availed	Amina ALI FAM	Resolved	August 2019
	ii) Unsupported expenditures	Bill of quantities and minutes, bank statements available.	Amina Ali FAM	Resolved	August, 2019
	iii) Bank reconciliations, payments in cash book not in bank statement	All stale cheques were replaced and some reversed in the cashbook. The cash book has been updated	Amina Ali FAM	Resolved	August 2019
	vi) Un presented cheques	All project cheques have been presented and stale bursary cheques replaced	Amina Ali FAM	Resolved	August, 2019