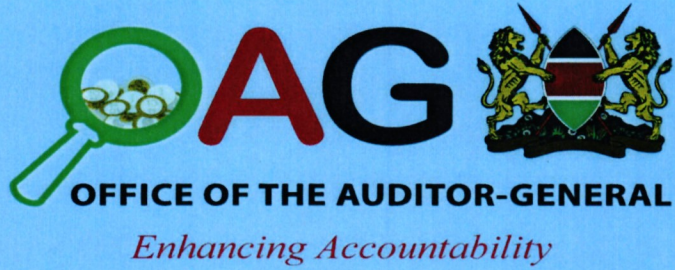


REPUBLIC OF KENYA



REPORT

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ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – SOUTH MUGIRANGO CONSTITUENCY**

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

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	01 DEC 2022 DAY: Thursday
TABLED BY:	LOAL
CLERK-AT THE TABLE:	Tracy Chebet



SOUTH MUGIRANGO 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)



SOUTH MUGIRANGO
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

*South Mugirango Constituency
National Government Constituencies Development Fund (NGCDF)
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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 South Mugirango NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Francis Ogutu Onyango
2.	Sub-County Accountant	Lucas Atinda
3.	Chairman NGCDFC	Teresa Mose Bochere
4.	Member NGCDFC	Ezekiel Mogere Ombaso

(d) Fiduciary Oversight Arrangements

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

P.O. Box 991
Cdf Office Complex
Behind Nduru Level 4 Hospital
Nyamarambe, Kenya

(f) South Mugirango NGCDF Contacts

Telephone: (254) 725912723
E-mail: cdfsouthmugirango@ngcdf.go.ke
Website: www.go.ke

(g) South Mugirango NGCDF Bankers

Cooperative Bank (specify the constituency account banker details)
Rongo
P.o Box
xxx

(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

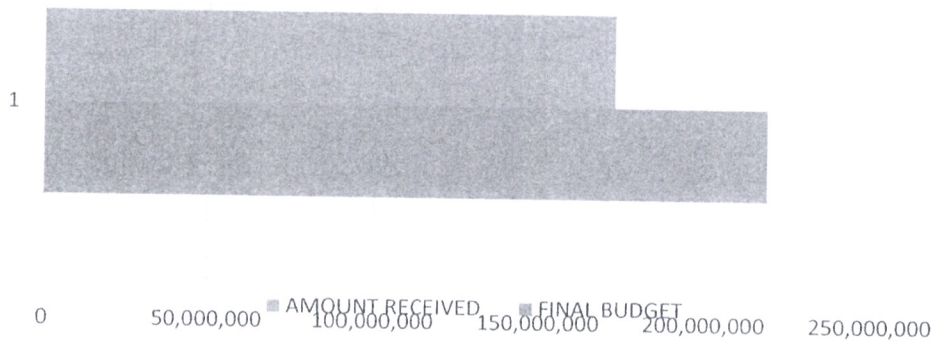
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

II. NG-CDFC CHAIRMAN'S REPORT



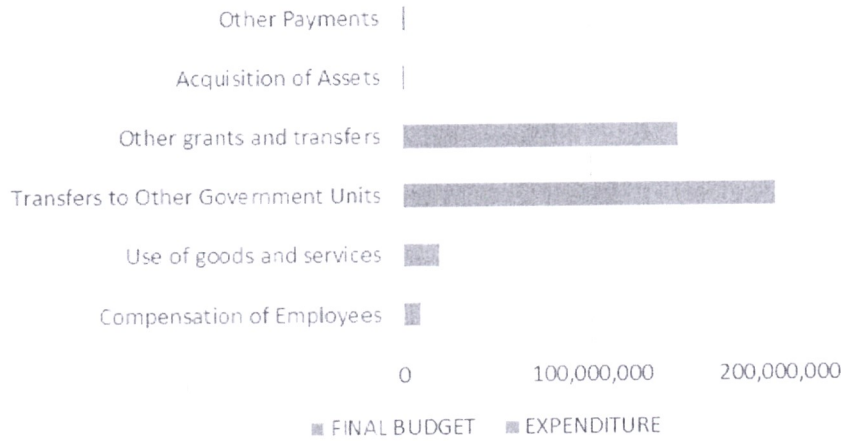
It is my pleasure to present to you South Mugirango NG-CDF's annual report and financial statements for the financial year 2020-2021.
In the financial year 2020-2021, South Mugirango had a Final budget of Ksh.218,944,211 however the availed/available funds for use was Ksh. 172,755,332. See below:

BUDGET FINANCING CHART



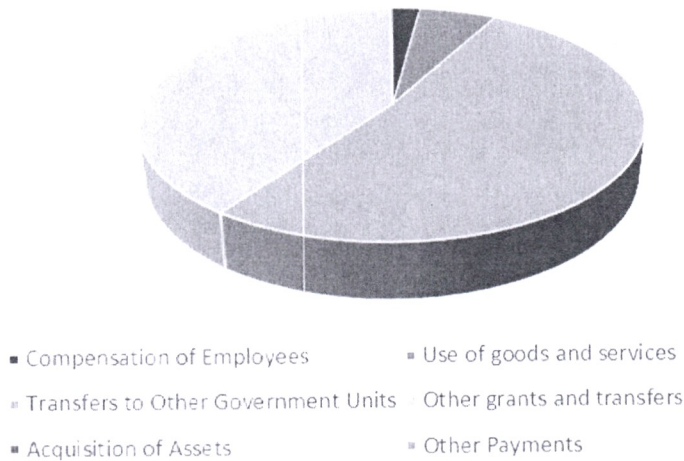
The actual amounts utilised by the constituency in its various expense items were less than 100% of its budget allocation, this was occasioned by under disbursement of the budgeted funds from the NGCDF BOARD. See below:

FINAL BUDGET VS EXPENDITURE



Most expenditure was on primary and secondary school project (transfer to other government units) and security, emergency, sports, environment projects and bursary (other grants and transfers). See below:

EXPENDITURE SUMMARY



The targeted achievement of 100% could also not been achieved due the Covid-19 pandemic causing the taxman to achieve their revenue collection target thus impacting negatively on fund disbursements to the committee.

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

Key achievements;

The increased spending from Ksh 161,454,828.00 to Ksh 120,342,162.00 has affected positively transfer to government entities which has improved infrastructure in schools in terms of increased classrooms, science laboratories, and dormitories, this has improved the school learning atmosphere and increased students and pupil enrolments.

The NG-CDF bursary has helped retain students from low income families in various learning institutions.

The committee has successfully procured four 54 seater school buses, a first for the constituency to four schools.

The management is however not devoid of the following implementation challenges,

- i. Inadequate and well training staff this
- ii. Lack of uniform, standard and approved monitoring tool to assist in project monitoring
- iii. Inadequate technical staff to assist in implementation of projects.
- iv. Delay in project implementation due inadequate technical staff

The management has however continued to invest on.

- i. Competitive recruitment of qualified staff coupled with frequent capacity building on the existing and new staff.
- ii. Pressurising the board to issue uniform, standard and approved monitoring tool to assist in project monitoring.
- iii. Inadequate technical staff to assist in implementation of projects has been an issue since the management has no control on the same, however the management has recruited a technical staff whose works still need approval from the inadequate technical staff.



Signature

A handwritten signature in cursive script, appearing to read "Bochen".

CHAIRMAN NGCDF COMMITTEE

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

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 NGCDF-South Mugirango Constituency's 2018-2022 plans are to:

- a) Improve the quality of education and management of public learning institutions
- b) Improving local security and administration
- c) Initiating value addition programs for agricultural produce
- d) Protection of environment and natural resources
- e) Promotion of sports and sports education
- f) Expanding social protection
- g) Creating Strategic partnership to enhance service delivery.

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - Increased allocation of funds to Improved physical infrastructure in primary, secondary, and tertiary institutions - Increased bursary allocation to beneficiaries at all levels 	In FY under review The increased expenditure from Ksh 78,852,101,771 to transfer to government units to Ksh 83,887,843 has also seen the increased allocation and expenditure in the following - Bursary allocation being the biggest beneficiary at Ksh 43,907,408 from Ksh 14,802,057.00.

*South Mugirango Constituency
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Security	Constructing modern accommodation facilities for security officers	Improved security and increased security patrols.	Number of Accommodation facilities and administration offices constructed	In the financial year under review we completed an assistant chiefs office in Boikanga ward
Environment	Collection, protection and supply of clean water	Improved and access to clean and protected water	Number of collection water points	In the financial year under review the management supplied and installed twelve ten thousand water tanks in various schools.
Sports	Organizing annual constituency sports event	Engaging every category in active sporting within and outside the constituency.	Number sports events organized within the constituency	In the financial year under review we held one soccer event in all six wards within the constituency and one final to determine the overall champion.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITYREPORTING

South Mugirango 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 South Mugirango Constituency NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** South Mugirango Constituency 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.

*South Mugirango Constituency
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Reports and Financial Statements for The Year Ended June 30, 2021*

- 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. Employee welfare

We invest in providing the best working environment for our employees. South Mugirango 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. South Mugirango invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues. South Mugirango also has bursary programs aligned to the NG-CDF Act for employees seeking to further their education or advance themselves through formal programs relating to their current or prospective jobs.

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.

3. Market place practices-

South Mugirango 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

4. **Community Engagements-**

South Mugirango NG-CDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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

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

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.

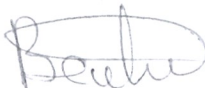
The Accounting Officer in charge of the NGCDF-South Mugirango is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. This 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-South Mugirango accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-South Mugirango 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 NGCDFSouth Mugirango 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.

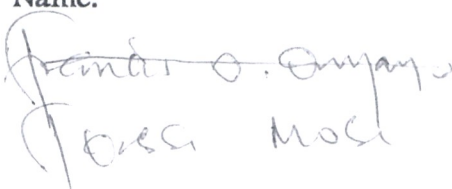
Approval of the financial statements

The NGCDF-South Mugirango financial statements were approved and signed by the Accounting Officer on 30/6 2021.



Chairman NGCDF Committee

Name:

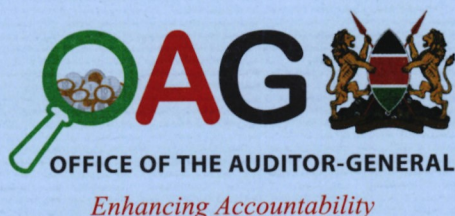


Fund Account Manager

Name:



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 – SOUTH MUGIRANGO CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - South Mugirango Constituency set out on pages 15 to 49, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and

Report of the Auditor-General on National Government Constituencies Development Fund – South Mugirango Constituency for the year ended 30 June, 2021

statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund – South Mugirango Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of receipts and payments reflects transfers to other Government entities of Kshs.84,660,900 while Note 6 to the financial statements reflects Kshs.83,887,843 resulting to an unexplained variance of Kshs.773,057. Further Note 7 to the financial statements reflects other grants and other payments comparative balance of Kshs.30,381,491 whereas the prior year audited balance was Kshs.29,608,434 resulting to an unexplained variance of Kshs.773,057.

In addition, the statement of receipts and payments and as disclosed in Note 4 to the financial statements reflects compensation of employee totalling to Kshs.3,494,650. However, the supporting schedules provided reflected an amount of Kshs.3,925,480 resulting to an unexplained variance of Kshs.430,830.

In the circumstances, the accuracy of the compensation of employees balance of Kshs.3,494,650 could not be confirmed.

2. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.11,300,503. However, review of the bank reconciliation statements revealed unrepresented cheques totalling Kshs.22,497,289 which included stale cheques totalling to Kshs.220,067 which were not payable and had not been reversed in the cash book as at 30 June, 2021. In addition, Note 10 to the financial statements reflects cash book comparative balance of Kshs.11,971,608 whereas the prior year audited balance was Kshs.12,715,187 resulting to an unexplained variance of Kshs.743,579.

In the circumstances, accuracy and completeness of the cash and cash equivalents balance of Kshs.11,300,503 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 – South Mugirango 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 a comparable basis of Kshs.219,717,268 and Kshs.173,528,389 respectively, resulting to an under-funding of Kshs.46,188,879 or 21% of the budget. Similarly, the Fund expended Kshs.162,227,885 against an approved budget of Kshs.219,717,268 resulting to an under-expenditure of Kshs.57,489,383 or 26% of the budget.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Incomplete and Stalled Projects

Review of documents revealed that an amount of Kshs.2,626,046 was disbursed to Ndonyo Secondary Schools for construction of a 500 student capacity multipurpose hall to completion. However, physical verification of the project revealed that only the walls and foundation works had been done and the building was incomplete and had stalled.

Further, an amount of Kshs.3,000,000 was disbursed to Manywanda Girls Secondary Schools for construction of a 4 Storey classroom. The scope of works involved slabbing first floor and fitting of steel doors and windows of ground floor, plastering and painting to completion. However, physical verification of the project revealed that the walling and foundation for the classroom were done by bricks and the building was incomplete and it had stalled.

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

2. Irregular Purchase of School Buses

The statement of receipts and payments reflects transfers and other payments of Kshs.84,660,000. The expenditure includes an amount of Kshs.17,800,000 that was disbursed to three (3) secondary schools for purchase of school buses. However,

the Fund used direct procurement which is contrary to Section 104 of the Public Procurement and Asset Disposal Act, 2015 which states that a procuring entity may use direct procurement if the goods, works or services are available only from a particular supplier or contractor, or a particular supplier or contractor has exclusive rights in respect of the goods, works or services, and no reasonable alternative or substitute exists. In addition, the contract documents were not provided for audit review.

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

3. Delayed Project's Completion

Review of the project implementation's status reports for the financial years 2017/2018 and 2018/2019 revealed that six (6) projects funded at a cost of Kshs.6,700,000 over the years remained incomplete/ongoing and were at various stages of implementation against the provisions of the Section 46(2) of the NG-CDF Act, 2015 and Regulation 11(1) of the NG-CDF Regulation, 2016 requiring that ongoing projects to be given preference in funding to ensure that they are completed within three years.

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

4. Environmental Projects

The statements of receipts of receipts and payments reflects an amount of Kshs.64,275,332 for other grants and other payments out of which an amount of Kshs.3,934,300 was utilised on environmental projects. Included in the expenditure is an amount of Kshs.1,632,000 which was incurred on supply of macadamia and avocado seedlings at three schools. However, physical inspection of the project revealed that all macadamia and avocado seedlings in one of the schools dried up due to poor management. In the second school, twenty (20), out of four hundred (400) trees of avocado had germinated and the macadamia plantation had not been weeded. In the third school, seven (7), out of four hundred (400) trees of avocado germinated and all the macadamia seedlings failed.

Management did not involve the county department in charge of the environment to provide technical advice contrary to Section 36(1) of the National Government - Constituency Development Act, 2015 which states that: "Projects under this Act shall be implemented by the project management committee appointed in accordance with the regulations made under Section 57, with the assistance of the relevant department of Government and all payments through cheques or otherwise shall be processed and effected in accordance with government regulations for the time being in force".

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

5. Irregular Bursary Disbursements

Review of the Subcommittee expenditure documents revealed that Kshs.43,907,408 was issued as bursary to tertiary Institutions. However, Management did not provide documentation to confirm that the Subcommittee as constituted co-opted two members, one of whom must be the area education officer or representative of the of Ministry of Education. This is contrary to the CDF Board circular reference VOL1/111,

dated 13 September, 2010 which requires formation of a Subcommittee of Constituency Development Fund to manage the bursary scheme including two co-opted members one of whom must be an education officer or an officer seconded from the Ministry of Education.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls 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 controls would not necessarily disclose all matters in the internal controls 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 controls 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 scepticism throughout the audit. I also:


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide

a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

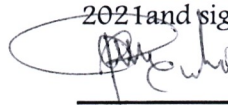
23 September, 2022

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

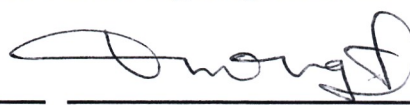
VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2020-2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	160,767,724	123,040,878
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	16,000	168,882
TOTAL RECEIPTS		160,783,724	123,209,760
PAYMENTS			
Compensation of employees	4	3,494,650	2,685,918
Use of goods and services	5	9,546,003	7,681,652
Transfers to Other Government Units	6	84,660,900	78,852,101
Other grants and transfers	7	64,275,332	30,381,491
Acquisition of Assets	8	251,000	741,000
Other Payments	9	-	-
TOTAL PAYMENTS		162,227,885	120,342,162
SURPLUS/DEFICIT		(1,444,161)	2,867,598

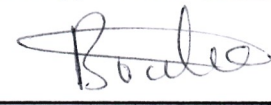
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-South Mugirango financial statements were approved on 30/6/22 2021 and signed by:



Fund Account Manager
Name: Francis O. Ojny



National Sub-County Accountant
Name: LUCEA ASTINDA
ICPAK M/No: 15302



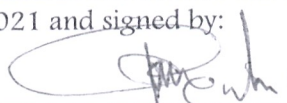
Chairman NG-CDF Committee
Name: Joseph Mace

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

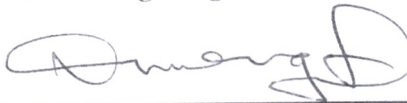
VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	11,300,504	12,744,665
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		11,300,504	12,744,665
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		11,300,504	12,744,665
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		11,300,504	12,744,665
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	12,744,665	9,104,010
Prior year adjustments	14	-	
Surplus/Deficit for the year		(1,444,161)	3,640,655.00
NET FINANCIAL POSITION		11,300,504	12,744,665

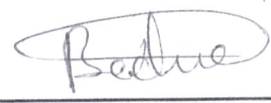
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-South Mugirango financial statements were approved on 30/6/21 2021 and signed by:



Fund Account Manager
Name:
Francis O. Omyy



National Sub-County
Accountant
Name: WCAI ATINDA
ICPAK M/No: 15302



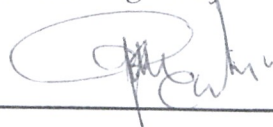
Chairman NG-CDF Committee
Name: Rose Mose

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

IX. Statement of Cashflow for the year ended 30 June 2021

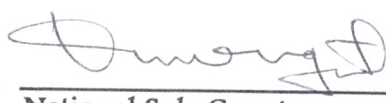
	Notes	2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	160,767,724	123,040,878
Other Receipts	3	16,000	168,882
		160,783,724	123,209,760
Payments for operating activities			
Compensation of Employees	4	3,494,650	2,685,918
Use of goods and services	5	9,546,003	7,681,652
Transfers to Other Government Units	6	84,660,900	78,852,101
Other grants and transfers	7	64,275,332	30,381,491
Other Payments	9	-	-
		161,976,885	119,601,162
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(1,193,161)	3,608,598
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	251,000	741,000
Net cash flows from Investing Activities		(251,000)	(741,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		(1,444,161)	3,640,655
Cash and cash equivalent at BEGINNING of the year	10	12,744,665	9,104,010
Cash and cash equivalent at END of the year		11,300,504	12,744,665

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-South Mugirango financial statements were approved on 30/6/21 2021 and signed by:



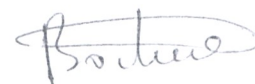
Fund Account Manager
Name:

Francis O. Ouyang



**National Sub-County
Accountant**

Name: *LUCAS ATINDA*
ICPAK M/No: *15302*



Chairman NG-CDF Committee

Name: *Joseph Mose*

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

X. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference e=c-d	% of Utilization f=d/c %
	a	b	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	c=a+b	D	e=c-d	f=d/c %		
RECEIPTS										
	2020/2021				2020/2021	30/06/2021				
		Kshs		Kshs	Kshs	Kshs			Kshs	
Transfers from NGCDF Board	137,088,879		12,744,665	69,867,724	219,701,268	173,512,389		46,188,879		79.0%
Proceeds from Sale of Assets					0	-		-		0.0%
Other Receipts		16,000			16,000	16,000		-		100.0%
TOTALS	137,088,879	12,760,665	12,760,665	69,867,724	219,717,268	173,528,389		46,188,879		79.0%
PAYMENTS										
Compensation of Employees	3,690,000		1,478,238	0	5,168,238	3,494,650		1,673,588		67.6%
Use of goods and services	8,412,624		776,576	510,001	9,699,202	9,546,003		153,199		98.4%
Transfers to Other Government Units	70,693,210		0	43,645,874	114,339,084	84,660,900		30,451,241		74.0%
Other grants and transfers	48,751,787		9,317,544	25,211,849	83,281,181	64,275,332		18,232,791		77.9%
Acquisition of Assets	541,257		0	0	541,257	251,000		290,257		46.4%
Other Payments	0	1,172,307		500,000	1,672,307	-		1,672,307		0.0%
Funds pending approval**	5,000,000	16,000		0	5,016,000	-		5,016,000		0.0%
TOTALS	137,088,879	12,760,665	12,760,665	69,867,724	219,717,268	162,227,885		57,489,383		73.8%

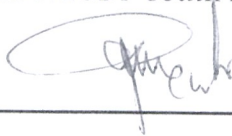
**Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.

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


- (a) The under utilization was due to late receipt of funds to finance the budget. As at the closure of the year Ksh 57,489, 383. was still outstanding and pending approval hence the underutilization.
- (b) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.
- (c) Below is a reconciliation summary

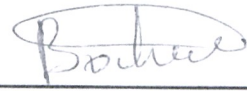

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	57,489,383
Less undisbursed funds receivable from the Board as at 30th June 2021	46,188,879
	11,300,504
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 202021	11,300,504

The NGCDF-South Mugirango financial statements were approved on 30/6/21 2021 and signed by:


 Fund Account Manager
 Name:




 National Sub-County
 Accountant
 Name: LUCAS ATINDA
 ICPAK M/No: 11302


 Chairman NG-CDF Committee
 Name: 

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

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget		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			
1.1 Compensation of employees	3,390,000		1,358,598	-	4,748,598	3,160,610	1,587,988
1.2 Committee allowances	2,044,529		18,665	-	2,063,194	1,928,035	135,159
1.3 Use of goods and services	2,247,064		303,809	510,001	3,060,874	3,147,834	(86,960)
1.4 Nssf	150,000		119,640	-	269,640	269,640	-
1.5 Nhif	150,000		-	-	150,000	64,400	85,600
Total	7,981,593		1,800,712	510,001	10,292,306	8,570,519	1,721,787
2.0 Monitoring and evaluation							
2.1 Capacity building	2,321,032		322,182	-	2,643,213	2,643,213	0
2.2 Committee allowances	800,000		-	-	800,000	800,000	-
2.3 Use of goods and services	1,000,000		131,921	-	1,131,921	1,026,921	105,000
Total	4,121,032		454,102	-	4,575,134	4,470,134	105,000
3.0 Emergency							
3.1 Omingo Magara Bridge	184,717		6,424,407	-	6,609,124	6,609,124	-
3.2 Secondary schools	-		-	-	-	-	-
3.3 Tertiary institutions	-		-	-	-	-	-
3.4 Security projects	-		-	-	-	-	-
3.5 Unutilised	7,007,490		-	-	7,007,490	-	7,007,490
Total	7,192,207		6,424,407	-	13,616,614	6,609,124	7,007,490
4.0 Bursary and Social Security							
4.1 Secondary Schools	4,000,000		442,487	3,000,000	7,442,487	7,424,500	17,987
4.2 Tertiary Institutions	30,023,458		1,479,664	17,151,336	48,654,458	43,907,408	4,747,050
4.3 Social Security	3,000,000		-	-	3,000,000	-	3,000,000
4.4 Special Needs	-		84,000	100,000	184,000	-	184,000

*Umuungano 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			
Total	37,023,458	2,006,151	20,251,336	59,280,945	51,331,908	7,949,037
5.0 Sports						
	1,770,259	113,929	1,560,513	3,444,701	1,400,000	2,044,701
Total	1,770,259	113,929	1,560,513	3,444,701	1,400,000	2,044,701
6.0 Environment						
sae primary school	-	-	200,000	200,000	187,348	12,652
Entanda primary school	-	-	200,000	200,000	187,348	12,652
Nyakembene Primary School	-	-	200,000	200,000	187,348	12,652
Etago DOK Primary School	-	-	200,000	200,000	187,348	12,652
Ikoba Secondary School	-	-	200,000	200,000	187,348	12,652
Ndonyo Secondary School	-	-	200,000	200,000	187,348	12,652
Moticho Girls Secondary school	-	-	200,000	200,000	187,348	12,652
Nyakeyo Secondary	-	-	200,000	200,000	187,348	12,652
Etago DOK Primary School	-	-	200,000	200,000	187,348	12,652
Gekongo Primary School	-	-	200,000	200,000	187,348	12,652
Nyabigena girls Secondary School	-	-	200,000	200,000	187,348	12,652
Nduru Girls High school	-	-	200,000	200,000	187,348	12,652
MarongoFAG.Primary School	100,000	-	-	100,000	93,674	6,326
Kiogosi Primary School	100,000	-	-	100,000	93,674	6,326
Tabaka Boys Primary School	100,000	-	-	100,000	93,674	6,326
Rigena Primary School	100,000	-	-	100,000	93,674	6,326
Nyabitwabine Primary School	100,000	-	-	100,000	93,674	6,326
Nyatwoni Primary School	100,000	-	-	100,000	93,674	6,326
Ayora Primary School	100,000	-	-	100,000	93,674	6,326

*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			
Kiendege Primary School	100,000	-	-	100,000	93,674	6,326
MarooEsinde Primary School	100,000	-	-	100,000	93,674	6,326
Ergeti Primary School	100,000	-	-	100,000	93,674	6,326
Mariwa primary School	100,000	-	-	100,000	93,674	6,326
Kiomabundu Primary School	100,000	-	-	100,000	93,674	6,326
Nduru Girls High school	100,000	-	-	100,000	93,674	6,326
Nduru Boys High school	100,000	-	-	100,000	93,674	6,326
Tabaka Boys High School	100,000	-	-	100,000	93,674	6,326
Nyabera Primary School	100,000	-	-	100,000	93,674	6,326
Moticho Girls High school	100,000	-	-	100,000	93,674	6,326
Mogumo Primary School	100,000	-	-	100,000	93,674	6,326
Total	1,800,000	-	2,400,000	4,200,000	3,934,300	265,700
7.0 Primary Schools Projects						
Kenyoro primary School	1,638,000	-	-	1,638,000	1,638,000	-
Nyabisase primary School	1,300,000	-	-	1,300,000	1,300,000	-
Emesa primary School	1,638,000	-	-	1,638,000	1,638,000	-
Ndonyo Primary School	1,638,000	-	-	1,638,000		1,638,000
Murma Primary School	1,638,000	-	-	1,638,000	1,638,000	-
Ekerongo Primary School	1,638,000	-	-	1,638,000	1,638,000	-
Nyabigena Primary School	2,818,600	-	-	2,818,600	2,000,000	818,600
Karungu Primary School	936,900	-	-	936,900	936,900	-
Nduru Primary school	1,950,776	-	-	1,950,776	1,950,776	-
Otendo primary School	1,000,000	-	-	1,000,000	1,000,000	-
Engou Primary School	879,000	-	-	879,000	879,000	-
Manywanda B Primary School	1,000,000	-	-	1,000,000		1,000,000

sonu mugungu Consimency
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 90/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Egetonto primary School	1,000,000	-	-	1,000,000	1,000,000	-
Gesonso Primary School	1,500,000	-	-	1,500,000	1,500,000	-
Matangamano Primary school	830,800	-	-	830,800	830,800	-
Rianyamari Primary School	1,006,034	-	-	1,006,034	1,000,000	6,034
Nyachenge primary School	975,388	-	-	975,388	975,388	-
Bokimai Primary School	955,838	-	-	955,838	955,838	-
Kiorori Primary School	975,388	-	-	975,388	975,388	-
Nyabigege Primary School	1,806,188	-	-	1,806,188	1,303,969	502,219
NyabiosiMaranatha Primary School	975,388	-	-	975,388	975,388	-
Fogichoncho Primary School	1,000,000	-	-	1,000,000	1,000,000	-
Nyabera Primary School	975,388	-	-	975,388	975,388	-
Nyabiosi SDA Primry School	975,388	-	-	975,388	975,388	-
Bomware Primary School	975,388	-	-	975,388	975,388	-
Metaburo Primary School	5,311,000	-	-	975,388	975,388	975,388
Monianku primary school	-	-	-	5,311,000	5,311,000	-
Sae primary school	-	-	1,000,000	1,000,000	1,000,000	-
Nyakembene primary school	-	-	1,000,000	1,000,000	1,000,000	-
Nyachenge primary school	-	-	1,000,000	1,000,000	1,000,000	-
Mesocho primary school	-	-	700,000	700,000	700,000	-
Mesaria primary school	-	-	700,000	700,000	700,000	-
St Mark Ritaro primary school	-	-	600,000	600,000	600,000	-
Tabaka Girls Boarding primary school	-	-	500,000	500,000	500,000	-
Nyakorere primary school	-	-	500,000	500,000	500,000	-
Manywanda 'B' primary school	-	-	2,000,000	2,000,000	2,000,000	-
Ebinyinyi primary school	-	-	345,874	345,874	345,874	-
	-	-	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			
Ensoko primary school	-	-	1,000,000	1,000,000	1,000,000	-
Kabonyo primary school	-	-	1,000,000	1,000,000	1,000,000	-
KimaiEnkora primary school	-	-	1,200,000	1,200,000	1,200,000	-
St Johns Gosere primary school	-	-	1,000,000	1,000,000	1,000,000	-
Manywanda 'A' Primary school	-	-	1,000,000	1,000,000	1,000,000	-
Mosache primary school	-	-	1,500,000	1,500,000	1,500,000	-
Total	37,337,464	-	16,045,874	53,383,338	43,132,097	10,251,241
8.0 Secondary Schools Projects						
Karungu Secondary School	1,206,500	-	-	1,206,500	1,206,500	-
Kiasobera Secondary School	1,000,000	-	-	1,000,000	1,000,000	-
Nyakeyo Secondary School	1,261,600	-	-	1,261,600	1,261,600	-
Nyacherge Secondary School	1,461,600	-	-	1,461,600	1,461,600	-
Tabaka Township Secondary School	1,000,000	-	-	1,000,000	1,000,000	-
Emesa Secondary School	1,200,000	-	-	1,200,000	1,200,000	-
Ndonyo Secondary School	2,626,046	-	-	2,626,046	2,626,046	-
Nyatwoni Secondary School	2,000,000	-	-	2,000,000	2,000,000	-
Omobiri Secondary School	7,200,000	-	-	7,200,000	-	7,200,000
Nyamondo Secondary School	7,200,000	-	-	7,200,000	3,400,000	3,800,000
Nduru Girls Secondary School	7,200,000	-	-	7,200,000	-	7,200,000
Nyamonia secondary school	-	-	2,000,000	2,000,000	2,000,000	-
Riagumo Secondary school	-	-	2,500,000	2,500,000	2,500,000	-
Muma Secondary school	-	-	1,000,000	1,000,000	1,000,000	-
Proposed Manywanda Girls Secondary school	-	-	3,000,000	3,000,000	3,000,000	-
Kiendege Secondary school	-	-	1,000,000	1,000,000	1,000,000	-
Mariwa Secondary school	-	-	700,000	700,000	700,000	-

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			
Nyatwoni secondary school	-	-	2,000,000	2,000,000	-	2,000,000
Nyasasa Secondary school	-	-	1,000,000	1,000,000	1,000,000	-
Bogichoncho Secondary school	-	-	7,200,000	7,200,000	7,200,000	-
Kiabigoria/Elek secondary school	-	-	7,200,000	7,200,000	7,200,000	-
Total	33,355,746	-	27,600,000	60,955,746	40,755,746	20,200,000
9.0 Tertiary institutions Projects						
Total	-	-	-	-	-	-
10.0 Security Projects						
Nyasore Ass. Chiefs office	-	-	1,000,000	1,000,000	1,000,000	-
Nyamondo Chiefs Office	965,864	-	-	965,864	-	965,864
Total	965,864	-	1,000,000	1,965,864	1,000,000	965,864
11.0 Acquisition of assets						
11.1 Motor Vehicles	-	-	-	-	-	-
Purchase of Bicycles & Motorcycles	290,257	-	-	290,257	-	290,257
11.2 Construction of CDF office	-	-	-	-	-	-
11.3 Purchase of furniture and equipment	-	-	-	-	-	-
11.4 Purchase of computers	251,000	-	-	251,000	251,000	-
Total	541,257	-	-	541,257	251,000	290,257
12.0 Other payments						
audit	-	-	500,000	500,000	-	500,000
ict	-	1,172,307	-	1,172,307	-	1,172,307
Total	-	1,172,307	500,000	1,672,307	-	1,672,307
13.0 unallocated fund						
AIA	-	16,000	-	16,000	-	16,000
PMC	-	-	-	-	-	-

**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			
funds not yet approved	5,000,000	-	-	5,000,000	-	5,000,000
Total	5,000,000	16,000	-	5,016,000	-	5,016,000
	137,088,879	11,987,608	69,867,724	218,944,211	161,454,828	57,489,383

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

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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-South Mugirango . 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, hpire 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 30 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
Normal allocation		Kshs	Kshs
AIE NO.	B 047224		55,040,878
AIE NO.	B 041210		4,000,000
AIE NO.	B 047653		20,000,000
AIE NO.	B 049177		6,000,000
AIE NO.	B 104097		14,000,000
AIE NO.	B 104408		24,000,000
AIE NO.	B104752	20,000,000.00	
AIE NO.	A 823725	34,000,000.00	
AIE NO.	B104841	15,367,724.10	
AIE NO.	B124757	3,000,000.00	
AIE NO.	B119647	8,500,000.00	
AIE NO.	B128279	6,900,000.00	
AIE NO.	B132039	10,000,000.00	
AIE NO.	B128036	12,000,000.00	
AIE NO.	B132333	6,000,000.00	
AIE NO.	B126002	12,000,000.00	
AIE NO.	B126294	9,000,000.00	
AIE NO.	B105089	11,000,000.00	
AIE NO.		13,000,000.00	
TOTAL		160,767,724	123,040,878

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	-	130,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs		-
Other Receipts Not Classified Elsewhere	16,000	38,882
Total	16,000	168,882

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,695,280	1,579,605
Personal allowances paid as part of salary		-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	601,990	892,293
Employer Contributions Compulsory national social security schemes	197,380	214,020
Total	3,494,650	2,685,918

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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	-	-
Electricity	-	6,927
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	201,650	-
Domestic travel and subsistence	1,807,500	450,900
Printing, advertising and information supplies & services	665,756	279,261
Rentals of produced assets	-	-
Training expenses	978,357	862,810
Hospitality supplies and services	-	-
Other committee expenses	513,110	1,423,200
Committee allowance	4,876,000	2,348,000
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	426,350	123,034
Fuel , oil & lubricants	-	115,000
Other operating expenses	-	2,046,573
Bank service commission and charges	77,280	25,947
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	-	-
Routine maintenance- other assets	-	-
Total	9,546,003	7,681,652

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	43,132,097	34,300,000
Transfers to secondary schools (see attached list)	40,755,746	33,900,000
Transfers to tertiary institutions (see attached list)	-	10,652,101
TOTAL	83,887,843	78,852,101

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	7,424,500	2,048,000
Bursary – tertiary institutions (see attached list)	43,907,408	14,802,057
Bursary – special schools (see attached list)	-	16,000
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	1,000,000	1,000,000
Sports projects (see attached list)	1,400,000	3,436,100
Environment projects (see attached list)	3,934,300	2,214,167
Emergency projects (see attached list)	6,609,124	6,865,167
Total	64,275,332	30,381,491

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	-	741,000
Purchase of ICT Equipment, Software and Other ICT Assets	251,000	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	251,000	741,000

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

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>NG-CDF SouthMugirango, Cooperative Bank Rongo, A/C no.01120018205600</i>	11,300,503	11,971,608
	-	-
	-	-
Total	11,300,503	11,971,608
10B: CASH IN HAND		
	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

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

12B. GRATUITY

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

13. BALANCES BROUGHT FORWARD

	2020-2021 (1st July 2020)	2019-2020 (1st July 2019)
	Kshs	Kshs
Bank accounts	11,971,608	9,104,010
Cash in hand	-	-
Imprest	-	-
Total	11,971,608	9,104,010

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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	11,300,503		11,300,503
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
TOTAL	11,300,503		11,300,503

*** The adjusted balances are not carried down on the face of the financial statement.*

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

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

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020– 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 receivables D= A+B-C	-	-

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	1,673,588	1,478,238
Use of goods and services	153,199	1,286,577
Amounts due to other Government entities (see attached list)	30,451,241	43,645,874
Amounts due to other grants and other transfers (see attached list)	18,232,791	33,756,336
Acquisition of assets	290,257	0
Others (<i>specify</i>)	1,672,307	1,672,307
Funds pending approval	5,016,000	16,000
Total	57,489,383	81,855,332

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	34,706,824	0
	34,706,824	0

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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	2019/20
Compensation of employees	payment of staff salaries, Nssf, Nhif, and gratuity	1,673,587.77	3,080,675
Use of goods & services	purchase of office goods and services	153,198.84	763,399
Amounts due to other Government entities			
Ndonyo Primary School	completion of admin office	1,638,000.00	
Nyabigena Primary School	construction of three classrooms	818,600.00	-
Manywanda B Primary School	construction of one classrooms	1,000,000.00	
Rianyamari Primary School	completion of admin office	6,034.48	
Nyabigege Primary School	Renovation of 4 classrooms	502,219.00	
Bomware Primary School	Renovation of 2 classrooms	975,388.00	
Metaburo Primary School	Purchase of school bus	5,311,000.00	
Omobiri Secondary School	Purchase of school bus	7,200,000.00	
Nyamondo Secondary School	Purchase of school bus	3,800,000.00	
Nduru Girls Secondary School	Purchase of school bus	7,200,000.00	
Nyatwoni secondary school	completion of laboratory	2,000,000.00	
Sub-Total		30,451,241.48	
Amounts due to other grants and other transfers			
Emergency	Facilitation of emergencies	7,007,490.00	

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Bursary	School fee to the needy students	7,949,036.95
Sports	Facilitation of sports activities	2,044,700.65
Security	Construction of chief's Admin office	965,863.70
Environment	purchase and supply of tree seedlings	265,700.00
	Sub-Total	18,232,791.30
Acquisition of assets		290257
Others (specify)		
Audit		500,000
Ict	fitting of ictequipments	1,172,307
	Sub-Total	1,962,564
Funds pending approval		5,016,000.00
	Grand Total	57,489,383.29

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f/f (Kshs)		Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs)	
	2019/20	2020/21			2020/21	
Land	-	-	-	-	-	-
Buildings and structures	7,281,179	-	-	-	7,281,179	-
Transport equipment	4,378,363	-	-	-	4,378,363	-
Office equipment, furniture and fittings	822,180	-	-	-	822,180	-
ICT Equipment, Software and Other ICT Assets	-	251,000	-	-	251,000	-
Other Machinery and Equipment	280,067	-	-	-	280,067	-
Heritage and cultural assets	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-
Total	12,761,789	251,000	-	-	13,012,789	-

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

PMC	Bank	Account number	Bank Balance 2020/21
Riosiri primary school	Co-operative	1141017180700	120,088.00
Nyakorere primary school	KCB	1204397643	15,967.00
St Mark Ritaro primary	Co-operative	1141423261200	5,106.00
Nyakembene primary	Co-operative	1141617757200	55,267.50
St Johns Gosere primary	KCB	1204295484	1,734,774.50
KimaiEnkora primary	KCB	1265994331	1,300,793.50
Mosache primary school	KCB	1109953771	2,207,507.70
Tabaka Girls Boarding primary	Co-operative	1141017549500	500,124.00
Mesocho primary school	Co-operative	1141618260000	1,029.50
Ebinyinyi primary school	KCB	1147192197	376,803.50
Mesaria primary	Co-operative	1141617924600	36,722.50
Manywanda 'A' primary	KCB	1266681426	65,942.00
BogiseroGetembe primary	KCB	1148963855	2,243.00
Monianku primary	KCB	1279171081	51,157.00
Ensoko primary	KCB	1149334991	5,195.00
Nyachenge primary	KCB	1272009483	734.00
Sae primary	KCB	1279642734	15,695.00
kabonyo primary	KCB	1277045755	1,725,740.50
Manywanda 'B' primary	KCB	1204271275	113,602.05
Riosanta primary school	KCB	1141017525200	4,585.00
Nyabigena DOK primary school	KCB	1287465099	0.00
Eng'ou primary school	Co-operative	1141017527900	1,455.00
Bogichoncho primary school	KCB	1164448358	1,002,044.00
Matangamano primary school	KCB	1181291089	831,679.00
Kenyoro Primary	Co-operative	1141017535000	2,574.00
Emesa DSC primary	KCB	1172081956	4,217.00
Egetonto primary	KCB	1257108786	1,184,053.00
Nyabigege primary	KCB	1285755421	1,200.00
Karungu Primary	KCB	1287580238	936,900.00
Ekerongo primary	Co-operative	1141017530300	80,030.00
Bokimai Primary	KCB	1204140693	990,801.50
Gesonso primary	Co-operative	1141017566400	1,578,956.00
NyabiosiSda primary	Co-operative	1141017464300	975,388.00
Kiorori primary	Co-operative	1141017097300	976,223.00

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Nyabera Primary	Co-operative	1147019706000	1,165.00
Muma SDA Primary	KCB	1265221812	48,693.00
Nyabisase primary	KCB	1257838709	33,543.00
Nduru primary	KCB	1257738380	59,303.00
Mariwa secondary	KCB	1279890622	1,666.00
Riosiri secondary	KCB	1272982335	30,855.00
Riagumo secondary	KCB	1276008686	115,367.00
Nyamonia secondary	KCB	1148983775	301,781.00
Ayora secondary school	Co-operative	1141618747200	337,987.00
Manywanda Girls secondary school	Co-operative	1141618701200	127,133.55
Nyatwoni secondary	Co-operative	01141477936500	105,782.00
Kiendege secondary school	Co-operative	1141618664400	1,051,735.00
Nyakorere secondary school	KCB	1274939496	2,999,269.00
Nyakembene secondary school	Co-operative	01141618744500	34,968.00
Nyagichenche secondary school	KCB	1149210826	136,443.80
Kiabigoria secondary school	KCB	1149106034	3,444.50
Tabaka Township secondary	Co-operative	1141018972400	1,025,065.00
Nyamondo secondary school	Eco bank	6622007385	3,400,000.00
Giasobera Secondary school	KCB	1149260440	1,105,942.30
Nyakeyo Secondary	KCB	1109580908	1,285,030.00
Ndonyo secondary	Co-operative	1141618757800	2,626,046.00
Karungu secondary	KCB	1266444750	1,207,035.00
NyachengeElck mixed secondary	KCB	1172086133	1,713,717.00
(Emesa)Ibrahim Ochoi Secondary	KCB	1286314682	0.00
Nyansore Assistant Chiefs office	Co-operative	1141618832000	50,255.00
			34,706,824

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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)
Ref: 262/OAG/2019-2020	The statement of financial position reflects bank balances figure of Ksh 12,744,665, This figure differs with the balance of Ksh. 11,971,608 reflected in the cash book and bank reconciliation statements. The difference was not explained or reconciled	We have noted the difference with a lot of regret and I wish to state that it has been corrected in the amended financial statements.	Resolved	
	The statements of appropriation reflect other grants and transfers figure of Ksh.22, 743,267. This	The difference of Ksh6,865,167 under emergency when added to Ksh22, 743,267	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)
	<p>figure differs with Ksh. 29,608,434 reflected in the payment schedule.</p> <p>Consequently, the year 2019-2020 financial statements are not fairly stated</p>			
	<p>Note 1 to the financial Statement reflects transfers from other government entities total comparative figure of Ksh. 108,784,483.</p> <p>Though this figure is correctly reflected, a</p>	<p>We regret this omission; however, we would like to state that we relied on the first draft financial statements because the certified financial statements have not been issued by the</p>	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)
	<p>comparative figure of Ksh. 26,784,483 previously disclosed in the financial year 2018/2019 financial statement is not reflected. Further, the comparative figure for the PMCs bank balances was not reflected. Consequently the year 2019/2020 financial statement is not fairly stated</p>	<p>Auditor-General. We have now corrected it in the amended financial statements.</p>		