

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

DATE: 24 NOV 2022

TABLED BY:

LoM

OF

E. Njirya

PARLIAMENT
OF KENYA
LIBRARY

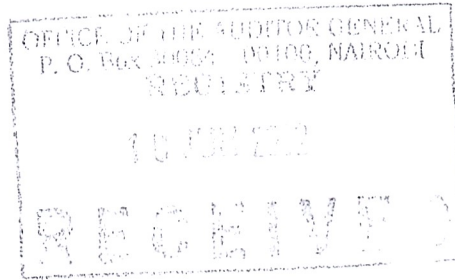
THE NATIONAL ASSEMBLY
DATE: 24 NOV 2022
Tabled by: LoM
E. Njirya

THE AUDITOR-GENERAL

ON

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

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



**KAMUKUNJI 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 (IPAS)

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

***Kamukunji 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 Kamukunji Constituency NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Farah Gabane Keinan
2.	Sub-County Accountant	Stephen Mugo Mbugua
3.	Chairman NGCDFC	Dickens Okode Otieno
4.	Member NGCDFC	Hamida Hussein Roba

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Kamukunji Constituency NG-CDF . The reports and recommendation of ARMC when adopted by the NG-CDF 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) Kamukunji Constituency NG-CDF Headquarters

P.O. Box 6403-00300
Nairobi, KENYA

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(f) Kamukunji Constituency NGCDF Contacts

Telephone: (020) 2616403
E-mail: cdfkamukunjil@cdf.go.ke / fkeinan@cdf.go.ke
Website: www.kamukunjicdf.go.ke

(g) Kamukunji Constituency NGCDF Bankers

Equity Bank, Gikomba Branch
Account number 0430262662557
P.O. Box 52222-00100, Nairobi

(h) Independent Auditors

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
G.P.O 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



**Dickens Okode Otieno
Chairman NG-CDF Kamukunji**

The Kamukunji Constituency NG-CDF total allocation for the financial year 2020/2021 was Kshs 137,246,879.31. This was decline from Kshs 137,367,724 allocated in financial year 2019/2020

Our key focus during the year was completing Kamukunji Technical and Vocational College which is located at Airbase ward. The project was funded by MOE inconjunction with NG-CDF Kamukunji. However, the project was only operational in the financial year under review. The Project was completed and the first 600 students been admitted in January 2021. The first 200 students were sponsored by the CDFC Bursary in-order to students from the informal. Also we had to complete other projects in wards in Kamukunji Constituency

1. Table 1.1 showing allocation on comparative Basis

Financial Year	Allocation	Disbursement Within the year
2019/2020	137,367,724	137,367,724
2020/2021	137,246,879	127,367,724
Decrease	120,845	

Key Achievements

- We were able to complete various project during the financial year and other are still ongoing.
- Construction of new classrooms at Kamukunji Sec School and OLM Girls Sec School
- We managed to disburse bursaries to 5,000 students who are bright and needy.
- Rehabilitation of Eastleigh Airport Primary School.
- Construction of boundary wall at Muthurwa Primary School.

Challenges

- Some project may require along span of implementation creating difference between initial budget and the actual cost during implementation.
- Limited fund against competing needs from different institutions.
- High number of vulnerable population.
- Covid 19 Pandemic has slowed everything naturally and internationally.

Solution

- NG-CDF board need to be flexible in fund disbursements for the projects implementation considering project with longer lifespan
- Public participation in project implementation be conducted regularly ➤ Collaboration with other government institutions where possible.

Emerging Issues

- Pandemic such as Covid 19 causing go slow in the projects implementation.
- Shortage of land to implement new projects such as school, police camp and chief camp.
- High level of unemployment's leading to high dependence levels, the government should consider increasing the NGCDF kitty to gap the unemployment.
- The continuous state of campaign moods causing uncertainty. PHOTO GALLERY



Completion of Kamukunji Technical and Vocational College

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Construction of classrooms and toilets at Kamukunji Secondary School

Signature *[Handwritten Signature]*
P.O. BOX 6403 - 06300, NAIROBI - KENYA
TEL: 020 - 261 6403
CHAIRMAN NGCDF COMMITTEE

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 *Kamukunji Constituency 2018-2022* plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

- To improve education outcomes at all levels of learning.
- To empower constituents of Kamukunji Constituency socially and economically.
- To enhance security for the constituents through improving infrastructure for security provision and strengthen community policing mechanisms.
- To address environmental challenges and reduce the impact of disaster risks.
- To improve efficiency and effectiveness through streamlining funds processes and system

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels	In the financial year 2020/2021 -we increased number of classrooms, dormitories, laboratories etc from 100 to 130 in the following schools/institutions - 5,000 Bursary beneficiaries at all levels.
Security	Construct and rehabilitate physical infrastructure in the police stations and posts.	State of physical facilities in the police station improved. Improved security and	No of housing units for the police constructed. No of security lights installed. No of	In the financial year 2020/2021 we constructed a perimeter wall at California police station and Shauri

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	Establish additional and construct houses /offices for the security officers. Support construction of offices for national Administration. Install security lights in crime hot spots and public places.	units for the safety for all. Housing for the police officers improved. Improved access to administrative services by the public.	new police posts established. No of police station rehabilitated.	Moyo Police sub-county Headquarters.
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IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** Kamukunji 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; NG-CDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with

intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels the financial year 2020/2021 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

To address environmental challenges and reduce the impact of disaster risks

Strategies to be used

- Improve environment and sanitation
- Strengthen disaster responsiveness and management
- Build community resilience to disaster risks
- Sensitize and capacity build the public on disaster response and management

3. Employee welfare

We invest in providing the best working environment for our employees. Kamukunji constituency recruitment is guided by Employment Act, NG-CDF 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. Kamukunji constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

Kamukunji 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.

NG-CDF has put in efforts to ensure:

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- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption.
- b) Good business practice including cordial Supply chain and supplier relations by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interests

5. Community Engagements-

Kamukunji 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 NGCDF Act 2015.

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.

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

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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 NG-CDF-Kamukunji Constituency is responsible for the preparation and presentation of NG-CDF-Kamukunji Constituency's financial statements, which give a true and fair view of the state of affairs of NG-CDF-Kamukunji Constituency 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 NG-CDF-Kamukunji Constituency; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of NG-CDF-Kamukunji Constituency accepts responsibility for NG-CDF-Kamukunji Constituency's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that NG-CDF-Kamukunji Constituency's financial statements give a true and fair view of the state of NG-CDF-Kamukunji Constituency's transactions during the financial year ended June 30, 2021, and of NG-CDF-Kamukunji Constituency's financial position as at that date. The Accounting Officer charge of the NG-CDF Kamukunji Constituency further confirms the completeness of the accounting records maintained for NG-CDF-Kamukunji Constituency, which have been relied upon in the preparation of NG-CDF-Kamukunji Constituency's financial statements as well as the adequacy of the systems of internal financial control.

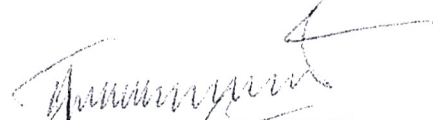
The Accounting Officer in charge of the NG-CDF Kamukunji Constituency confirms that NG-CDF-Kamukunji Constituency has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that NG-CDF-Kamukunji Constituency's funds received during 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 NG-CDF-Kamukunji 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 NG-CDF Kamukunji Constituency financial statements were approved and signed by the Accounting Officer on 10/10/21 2022.



Chairman NGCDF Committee
Name:

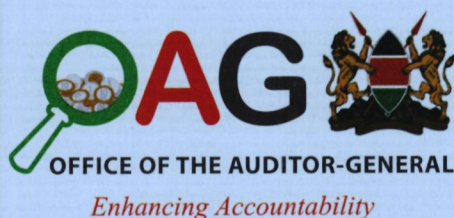


Fund Account Manager
Name:

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HEADQUARTERS
Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KAMUKUNJI 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

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kamukunji Constituency set out on pages 13 to 43,

which comprise of the statement of assets and liabilities as at 30 June, 2021, statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with 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, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kamukunji 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 Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kamukunji 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 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.189,399,926 and Kshs.92,400,000 respectively resulting to an under-funding of Kshs.96,999,926 or 51% of the approved budget. Similarly, the Fund expended Kshs.142,234,783 against an approved budget of Kshs.189,399,926 resulting to an under-expenditure of Kshs.47,165,143 or 25% of the approved 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, I confirm that, nothing 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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain services its, disclosing, as applicable, matters related

to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that

might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


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

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

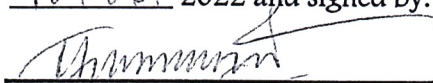
18 July, 2022


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


VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	92,400,000	137,367,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	6,000	76,000
TOTAL RECEIPTS		92,406,000	137,443,724
PAYMENTS			
Compensation of employees	4	2,325,675	1,391,440
Use of goods and services	5	4,168,766	4,611,092
Transfers to Other Government Units	6	95,274,493	88,646,843
Other grants and transfers	7	40,465,849	9,199,063
Acquisition of Assets	8	-	-
Other Payments	9	-	753,543
TOTAL PAYMENTS		142,234,783	104,601,981
SURPLUS/(DEFICIT)			
		(49,828,783)	32,841,743

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Kamukunji Constituency financial statements were approved on 10/06/2022 and signed by:


 Fund Account Manager
 Name: Farah G. Keinan


 National Sub-County
 Accountant
 Name: Stephen Mugo
 ICPAK M/No: 14496


 Chairman NG-CDF Committee
 Name: Dickens Okode

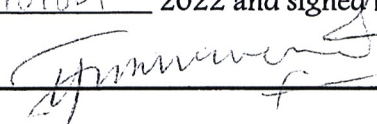
KAMUKUNJI NATIONAL GOVERNMENT
 CONSTITUENCY DEVELOPMENT FUND
 P. O. BOX 6403 - 00300, NAIROBI - KENYA
 TEL: 020 - 261 6403


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

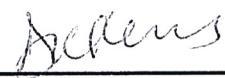
VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020-2021	2019-2020
		Kshs	
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	2,482,264	52,311,047
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		2,482,264	52,311,047
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		2,482,264	52,311,047
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		2,482,264	52,311,047
NET FINANCIAL ASSETS			
REPRESENTED BY			
Fund balance b/fwd	13	52,311,047	19,469,304
Prior year adjustments	14	-	
Surplus/Deficit for the year		(49,828,783)	32,841,743
NET FINANCIAL POSITION		2,482,264	52,311,047

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kamukunji Constituency financial statements were approved on 10/06/2022 and signed by:


 Fund Account Manager
 Name: Farah G. Keinan


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 Accountant
 Name: Stephen Mugo
 ICPAK M/No: 14496


 Chairman NG-CDF Committee
 Name: Dickens Okode


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

IX. STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	92,400,000	137,367,724
Other Receipts	3	6,000	76,000
Total receipts		92,406,000	137,443,724
Payments for operating activities			
Compensation of Employees	4	2,325,675	1,391,440
Use of goods and services	5	4,168,766	4,611,092
Transfers to Other Government Units	6	95,274,493	88,646,843
Other grants and transfers	7	40,465,849	9,199,063
Other Payments	9	-	753,543
Total payments		142,234,783	104,601,981
Total Receipts Less Total Payments			
Adjusted for:		-	-
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
		(49,828,783)	32,841,743
Net cash flow from operating activities			
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(49,828,783)	32,841,743
Cash and cash equivalent at BEGINNING of the year	10	52,311,047	19,469,304
Cash and cash equivalent at END of the year		2,482,264	52,311,047

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kamukunji Constituency financial statements were approved on 10/06/2022 and signed by:


Fund Account Manager
Name: Farah G. Keinan


National Sub-County
Accountant
Name: Stephen Mugo
ICPAK M/No: 14496


Chairman NG-CDF Committee

Name: Dickens Okode

KAMUKUNJI NATIONAL GOVERNMENT
 CONSTITUENCY DEVELOPMENT FUND
 P. O. BOX 6403 - 00300, NAIROBI - KENYA
 TEL: 020 - 261 6403

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

X SUMMARY OF STATEMENT OF APPROPRIATION

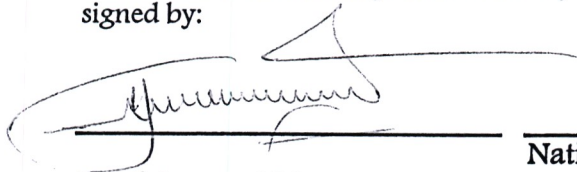
Receipt/Expense Item	Original Budget	Opening Balance (C/Bk) and AIA	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS			Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	137,088,879	52,311,047		189,399,926	92,400,000	96,999,926	48.8%
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts				0	6,000	(6,000)	
TOTAL RECEIPTS	137,088,879	52,311,047	0	189,399,926	92,406,000	96,993,926	48.8%
PAYMENTS							
Compensation of Employees	1,422,480	1,150,550		2,573,030	2,325,675	247,355	90.4%
Use of goods and services	2,922,000	1,246,766		4,168,766	4,168,766	0	100%
Transfers to Other Government Units	88,512,192	28,757,284		117,269,476	95,274,493	21,994,983	81.2%
Other grants and transfers	44,232,207	21,018,257		65,250,464	40,465,849	24,784,615	62.0%
Acquisition of Assets				0	-	-	
Other Payments	0	138,190.00		138,190	-	138,190	0.0%
TOTAL	137,088,879	52,311,047	0	189,399,926	142,234,783	47,165,143	75.1 %

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

The underutilization of funds by 25%, is due to delayed disbursement of funds by the Ng-Cdf Board which amounts to 44,688,879. To be received the following financial year.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	47,165,143
Less undisbursed funds receivable from the Board as at 30 th June 2021	44,688,879
	2,476,264
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	2,476,264


The NGCDF-Kamukunji Constituency financial statements were approved on 10/06/2022 and signed by:



**Fund Account Manager
Name: Farah G. Keinan**



**National Sub-County
Accountant
Name: Stephen Mugo
ICPAK M/No: 14496**



Chairman NG-CDF Committee

Name: Dickens Okode

KAMUKUNJI NATIONAL GOVERNMENT
CONSTITUENCY DEVELOPMENT FUND
P. O. BOX 6403 - 00300, NAIROBI - KENYA
TEL: 020 - 261 6403

*Kamukunji Constituency 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 2020/2021 Kshs	Adjustments		Final Budget 2020/2021 Kshs	Actual on comparable basis 30/06/2021 Kshs	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	1,422,480.00		1,150,550.00	2,573,030.00	2,325,675.00	247,355.00
1.2 Committee allowances	1,248,000.00		451,406.00	1,699,406.00	1,699,406.00	
1.3 Use of goods and services	224,000.00		500,000.00	724,000.00	724,000.00	
	2,894,480.00		2,106,956.00	4,996,436.00	4,749,081.00	247,355.00
2.0 Monitoring and evaluation						
2.1 Capacity building	1,000,000.00		665,831.00	1,665,831.00	1,665,831.00	
2.2 Committee allowances	300,000.00		300,000.00	600,000.00	600,000.00	
2.3 Use of goods and services	150,000.00		245,000.00	395,000.00	395,000.00	
	1,450,000.00		1,210,831.00	2,660,831.00	2,660,831.00	
3.0 Emergency						
3.1 Primary Schools	7,192,207.00			7,192,207.00		7,192,207.00
3.2 Secondary schools						
3.3 Tertiary institutions						
3.4 Security projects	7,192,207.00			7,192,207.00		7,192,207.00
4.0 Bursary and Social Security						
4.1 Primary Schools						

**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 Opening Balance (C/B) and AIA	Previous Years Outstanding Disbursements	Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
4.2 Secondary Schools	18,000,000	3,140,650.00	21,140,650.00	22,056,121	20,327,000	813,650.00
4.3 Tertiary Institutions	14,340,000	732,324.00	15,072,324.00	15,072,324	3,069,000.00	12,003,324.00
4.4 Universities						
4.5 Social Security						
5.0 Sports		2,000,000.00	6,754.00	2,006,754.00	2,097,000.00	90,246.00
5.1						
5.2						
5.3						
6.0 Environment						
6.1	2,700,000			2,700,000	2,700,000	
6.2						
6.3						
7.0 Primary Schools Projects (List all the Projects)						
7.1 MUTHURWA PRIMARY SCHOOL	11,000,000			11,000,000	11,000,000	-
7.2 NEW PUMWANI PRIMARY SCHOOL		1,280,703.81				1,280,704
7.3 MOI FORCES ACADEMY		1,640,046.65				1,640,047
7.4 MOI AIRBASE PRIMARY SCHOOL		472,581.00		2,650,000.00	2,650,000	(0)
7.5 HESHIMA PRIMARY SCHOOL	2,000,000					2,000,000
7.6 EASTLEIGH AIRPORT PRIMARY SCHOOL	10,934,774		2,920,750.46	12,973,022.00	12,057,553	1,639,971.00
7.7 ZAWADI PRIMARY SCHOOL	3,400,000					3,400,000

Programme/Sub-programme	Original Budget 2020/2021	Adjustments Opening Balance (C/B) and AIA	Previous Years' Outstanding Disbursements	Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
8.0 Secondary Schools Projects (List all the Projects)						
8.1 OUR LADY OF MERCY GIRLS SEC SCHOOL	11,200,000	2,751,470		13,951,470	13,951,470	
8.2 KAMUKUNJI SECONDARY SCHOOL	10,000,000	4,700,000		14,700,000	14,700,000	
8.3						
8.4						
9.0 Tertiary institutions Projects (List all the Projects)						
9.1 KAMUKUNJI VOCATIONAL TECHNICAL COLLEGE	37,958,000		17,912,483.00	55,870,483.00	40,000,000.00	15,870,483.00
9.2	37,958,000		17,912,483.00	55,870,483.00	40,000,000.00	15,870,483.00
9.3						
9.4						
10.0 Security Projects						
10.1 SHAURI MOYO POLICE POST			16,223,058.00	16,223,058.00	12,272,848.00	3,950,210.00
Totals			16,223,058.00	16,223,058.00	12,272,848.00	3,950,210.00
10.3						
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office						
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						

*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			
11.5 Purchase of land						
12.0 Others						
12.1 Strategic Plan		138,190		138,190		138,190
12.2 Innovation Hub						
12.2						
Funds pending approval**						
Total	137,088,879	523,111,047,000		189,399,926	142,234,783	47,165,142

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

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Transfers from the National Government Constituency Development Fund (NG-CDF)

Transfers from the NG-CDF to the constituency are recognized when cash is received in the Constituency account.

Proceeds from Sale of Assets

Proceeds from disposal of assets are recognized as and when cash is received in the constituency account.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from sale of tender documents, rent receipts, interest earned on bank balances, hire of Plant/Equipment/Facilities, Unutilized funds from PMCs among others.

Unutilized Funds from PMCs.

All unutilized funds of the Project Management Committee (PMC) are returned to the constituency account. Unutilized funds from PMCs are recognised as other receipts upon return to the constituency account.

External Assistance

External assistance refers to grants and loans received from local, multilateral and bilateral development partners. In the year under review there was no external assistance received.

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalent.

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

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, Deposits (gratuity and retentions) held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition

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

of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2020 for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

14. Errors

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

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

15. Related Party Transactions

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

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

XIII. NOTES TO THE FINANCIAL STATEMENTS

TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO	1	9,000,000.00	4,000,000
AIE NO	2	8,500,000.00	20,000,000
AIE NO	3	13,000,000.00	7,000,000
AIE NO	4	6,900,000.00	14,000,000
AIE NO	5	6,000,000.00	15,000,000
AIE NO	6	6,000,000.00	8,000,000
	7	13,000,000.00	69,367,724
	8	8,000,000.00	
	9	10,000,000.00	
	10	12,000,000.00	
TOTALS		92,400,000	137,367,724

PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	00	00
Receipts from the Sale of Vehicles and Transport Equipment	00	00
Receipts from sale of office and general equipment	00	00
Receipts from the Sale Plant Machinery and Equipment	00	00
		00
Total	00	00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received		
Rents		
Receipts from sale of tender documents	6,000	76000
Hire of plant/equipment/facilities		
Unutilized funds from PMCs		
Other Receipts Not Classified Elsewhere		
Total	6,000	76,000

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

COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,305,875.00	1,391,440
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	948,520	-
Employer Contributions Compulsory national social security schemes	71,280	-
TOTALS	2,325,675	1,391,440

NOTES TO THE FINANCIAL STATEMENTS (Continued)

USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Utilities, supplies and services	474,000	500,000
Water & sewerage charges	12,800	20,500
Communication, supplies and services	366,834	250,000
Domestic travel and subsistence	300,000	420,000
Printing, advertising and information supplies & services	228,003	156,000
Training expenses	676,529	1,186,112
Hospitality supplies and services	52,000	105,000
Other committee expenses	245,000	780,000
Committee allowance	680,000	856,000
Office and general supplies and services	319,580	157,000
Other operating expenses	402,000	150,000
Bank service commission and charges	70,020	0
Other Operating Expenses	342,000	30,480
TOTAL	4,168,766	4,611,092

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	26,623,022	64,382,278
Transfers to secondary schools (see attached list)	28,651,470.80	6,100,000
Transfers to tertiary institutions (see attached list)	40,000,000	18,164,565
TOTAL	95,274,492.59	88,646,843

OTHER GRANTS AND OTHER PAYMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	20,327,000.00	3,735,610
Bursary – tertiary institutions (see attached list)	3,069,000.00	-
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)		
Security projects (see attached list)	12,272,849	3,265,949
Sports projects (see attached list)	2,097,000.00	2,197,504
Environment projects (see attached list)	2,700,000	-
Emergency projects (see attached list)	0	-
	40,465,848.65	9,199,063
Total		

NOTES TO THE FINANCIAL STATEMENTS (Continued)

ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	00	00
Construction of Buildings	00	00
Refurbishment of Buildings	00	00
Purchase of Vehicles and Other Transport Equipment	00	00
Overhaul of Vehicles and Other Transport Equipment	00	00
Purchase of Household Furniture and Institutional Equipment	00	00
Purchase of Office Furniture and General Equipment	00	00

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Purchase of ICT Equipment, Software and Other ICT Assets	00	00
Purchase of Specialized Plant, Equipment and Machinery	00	00
Rehabilitation and Renovation of Plant, Machinery and Equip.	00	00
Acquisition of Land	00	00
Acquisition of Intangible Assets	00	00
Total	00	00

6. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	00	753,543
ICT Hub	00	00
	00	753,543

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10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Equity Bank, Account Number 0430262662557</i>	2,482,264	52,311,047
Total	2,482,264	52,311,047
10B: CASH IN HAND		
Location 1	00	00
Location 2		
Location 3		
Other Locations (<i>specify</i>)		
Total	00	00

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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>
FARAH KEINAN		00	00	00
<i>Total</i>		00	00	00

12A. RETENTION

	2020-2021	2019-2020
	<i>KShs</i>	<i>KShs</i>
Retention as at 1 st July (A)	00	00
Retention held during the year (B)		
Retention paid during the Year (C)		
Closing Retention as at 30 th June D= A+B-C	00	00

12B. GRATUITY

	2020-2021	2019-2020
	<i>KShs</i>	<i>KShs</i>
Gratuity as at 1 st July (A)	00	00
Gratuity held during the year (B)		
Gratuity paid during the Year (C)		
Closing Gratuity as at 30 th June D= A+B-C	00	00

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13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	53,226,518	19,469,304
Cash in hand		
Imprest		
Total	53,226,518	19,469,304

14. PRIOR YEAR ADJUSTMENTS

Description of the error	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
	Kshs	Kshs	Kshs
Bank account Balances	00	00	00
Cash in hand			
Accounts Payables			
Receivables			
Others (<i>specify</i>)			
TOTAL	00	00	00

CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2020-2021 KShs	2019-2020 KShs
Outstanding Imprest as at 1 st July (A)	00	00
Imprest issued during the year (B)		
Imprest surrendered during the Year (C)		
closing accounts in account receivables D= A+B-C	00	00

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CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2021	2019 - 2020
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	00	00
Deposit and Retentions held during the year (B)		
Deposit and Retentions paid during the Year (C)		
closing account receivables D= A+B-C	00	00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	00	00
Construction of civil works	00	00
Supply of goods	00	00
Supply of services	00	00
	00	00

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	00	00
Others (<i>specify</i>)	00	00
	00	00

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	247,355	1150550
Use of goods and services	725,604	648840
Amounts due to other Government entities (see attached list)	19,507,367	46493737
Amounts due to other grants and other transfers (see attached list)	26,546,628	4795199
Acquisition of assets	00	00
Others (<i>specify</i>)	138,190	138,190
Funds pending approval		
	47,165,142	53,226,516

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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)	1,226,645.40	6,724,545.49

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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. Catherine Karimi Karanga	Office Secretary	01.08.2019	111,600.00	Unpaid gratuity
2. Antony muchemi Gichuki	Clerical officer	01.08.2019	103,639.00	Unpaid gratuity
3.				
	Sub-Total		215,239.00	
	Grand Total		215,239.00	

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees	EMPLOYEES SALARIES	247,355.00	1,150,550.00	
Use of goods & services	OFFICE OPERATIONS	725,601.00	648,840.00	
Amounts due to other Government entities				
	NEW PUMWANI PRI SCHOOL	1,280,704.00	1,280,704.00	
	MOI AIR FORCE ACADEMY	1,640,047.00	1,640,046.65	
	HESHIMA PRIMARY SCHOOL	2,000,000.00	472,581.00	
	EASTLEIGH PRIMARY SCHOOL	1,000,000.00		
	ZAWADI PRIMARY SCHOOL	3,400,000.00		
	OUR LADY OF MERCY SEC SCHOOL		2,751,470.00	
	KAMUKUNJI SEC SCHOOL		4,700,000.00	
	KAMUKUNJI TECHNICAL COLLEGE	17,225,878.00	19,425,878.00	
Sub-Total		26,546,629.00	30,270,679.65	
Amounts due to other grants and other transfers				
	BURSARY SECONDARY INSTITUTE	1,729,121.00	4,056,121.00	
	BURSARY TERTIARY INSTITUTE	9,764,324.00	732,324.00	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	0			0
Buildings and structures				
Transport equipment				
Office equipment, furniture and fittings	1,140,841			1,140,841
ICT Equipment, Software and Other ICT Assets	1,723,700			1,723,700
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	2,864,541.00			2,864,541.00

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

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
KAMUKUNJI TECHNICAL COLLEGE	EQUITY	0430279814740	95,587.47	1,225,855.87
EASTLEIGH AIRPORT PRIMARY SCHOOL	EQUITY	0430266420444	19,965.29	8,769.50
MUTHURWA PRIMRY SCHOOL	EQUITY	0430271260491	95,811.71	174,940.71
MOI AIRBASE PRIMARY SCHOOL	EQUITY	0430271260831	192,661.85	3,706,161.47
KAMUKUNJI SECONDARY SCHOOL	EQUITY	0430266419870	417,710.08	90,703.59
ZAWADI MIXED SEC SCHOOL	EQUITY	0430271555683	50,318.91	1,163,524.26
HESHIMA PRIMARY SCHOOL	EQUITY	0430266420793	54,205.90	54,205.90
NEW EASTLEIGH PRIMARY SCHOOL	EQUITY	0430266420105	69,548.19	69,548.19
OUR LADY OF MERCY GIRLS PRIMARY	EQUITY	0430179433396	230,836.00	230,836.00
Total			1,226,645.40	6,724,545.49

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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)
<p>OAG/NRB HUB/NGCDF- KAMUKUNJI/2019 -2020/FD/13 1.0</p>	<p>Inaccuracies in the Financial Statements Understatement of transfer to other Government entities, Note 6 transfer to other government entities reflect Kshs 87,731,372 for the year ended June, 2020 which includes Kshs 65,766,807. Analysis of the payment postings in the ledgers revealed that an amount of Kshs 915,471 in respect of transfers to New Eastleigh Primary School supported by voucher number 39 was not posted to the ledger and therefore, the total transfers was understated by similar amounts contrary to regulation 23(d) of the Public Finance Management 2015, regulations. In these circumstances the</p>	<p>The above has been noted and corrected and amended financial statements provided for audit review for confirmation. Attached for financial statements.</p>	<p>Resolved</p>	<p>Resolved</p>

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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)
2.0	<p>accuracy of the payment of Kshs. 65,766,807 for the year ended 30 June, 2020 could not be confirmed</p> <p>Budget and budgetary control- Utilization of Budgeted Funds</p> <p>The Summary Statement of Appropriation: Current and Development Combined shows a final budget of Kshs 103,686,510 against budget of Kshs.156,913,028 resulting in under expenditure of 53,226,518 (33.92%) as tabulated below contrary to section 25(3) of the Public Finance Management Act, 2012:</p> <p>The management has not adhered to the budget contrary to the values</p>	<p>The above has happened as results of delayed receipt of funds from the NG-CDF Board secretariat. However, the NG-CDF Board together with national treasury is looking into it and promised prompt disbursement of funds in the subsequent financial years.</p>	Resolved	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)
	and the principles of public service as provided for under Article 232(1-c) of the constitution which requires responsive, prompt, effective, impartial and equitable provision of services. Consequently, the under the absorption may have negatively impacted negatively on service delivery to the constituent of Kamukunji.			
3.0	Stalled project Examination of fund Projects records revealed that the NG-CDF transferred Ksh 6,500,000 to Moi Airbase Project Management Committee (PMC) for Construction of Administration Block consisting of Staffroom, 4 Offices, Kitchen and 4 door flush Toilets	During financial 2019/2020 the committee allocated an amount of Kshs 6,500,000 for the construction of administration block at the said school. However, during	Resolved	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>Scrutiny of Bank Statements for this PMC revealed that Ksh. 2,746,513 was paid to a contractor on 3 March 2020. However, no records were availed to confirm how the contractor was procured including bills of quantities contrary to section 68(1) of the public finance management Act, 2012. Audit Inspection conducted on 11 February 2021 revealed the following:</p> <ol style="list-style-type: none"> i. The Building has stalled and the Contractor was not on site. ii. The Structure was build but is not complete. iii. The plastering and finishes have not been done. iv. The two sections that were provided for windows on the 1st floor were left open although the windows were already 	<p>the development of bill of quantities, the engineers estimates for the completion of administration block come to an amount Kshs 10.6m. The project was advertised on 19th September, 2019 and lowest bidder was awarded the contract at Kshs 9.4million. it was agreed through a written contract agreement that the contractor will be awarded full contract of Kshs 9.4million but the remaining un- allocated 2.9million will be allocated during the financial year 2020/2021 for the completion</p>		

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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>made. The open spaces are posing danger to students who move freely as the site is not protected or fenced.</p> <p>In this circumstances, the Fund administrator was in breach of the law.</p>	<p>of the project. Therefore project did not stalled and the balance has been allocated and the contractor has resumed to site as of today. Kindly see attached bill of quantities, Project engineer's estimates, tender opening register, evaluation reports, professional opinion, contract document, payment voucher and approval from the board of Kshs 2.9million for the completion of the project.</p>		