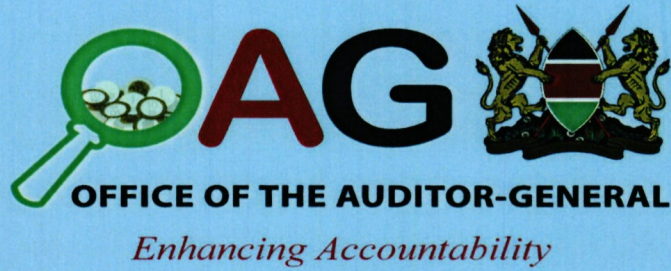


REPUBLIC OF KENYA



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REPORT	
THE NATIONAL ASSEMBLY	
DATE: 23 MAR 2022	
TABLED BY:	OF
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WGS CPM
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Lizwa

THE AUDITOR-GENERAL

ON

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

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



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - FUNYULA CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

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

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)
FUNYULA CONSTITUENCY
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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
FUNYULA CONSTITUENCY
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For the year ended June 30, 2020**

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
FUNYULA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

(b) Key Management

The NG CDF Funyula Constituency day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG CDFB)
- ii. National Government Constituency Development Fund Committee (NG CDFC)

(c) Fiduciary Management

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

No.	Designation	Name
1.	A.I.E holder	Winston Lihanda
2.	Sub-County Accountant	Paul Ojiambo
3.	Chairman NGCDFC	Andrew Oduory
4.	Member NGCDFC	Marissa Nabwire

(d) Fiduciary Oversight Arrangements

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

(e) NG CDF Funyula Constituency Headquarters

P.O. Box 44 - 50406
Funyula NG CDF Building
Funyula, Kenya

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)

FUNYULA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

(f) NG CDF Funyula Constituency Contacts

Telephone: (254) 787 883 580
E-mail: ngcdfunyula@ngcdf.go.ke
info@ngcdf.go.ke

(g) NG CDF Funyula Constituency Bankers

Equity Bank of Kenya
Busia Branch
0780292650348
P. O. Box 553 - 50400
Busia

(h) Independent Auditors

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

(i) Principal Legal Adviser

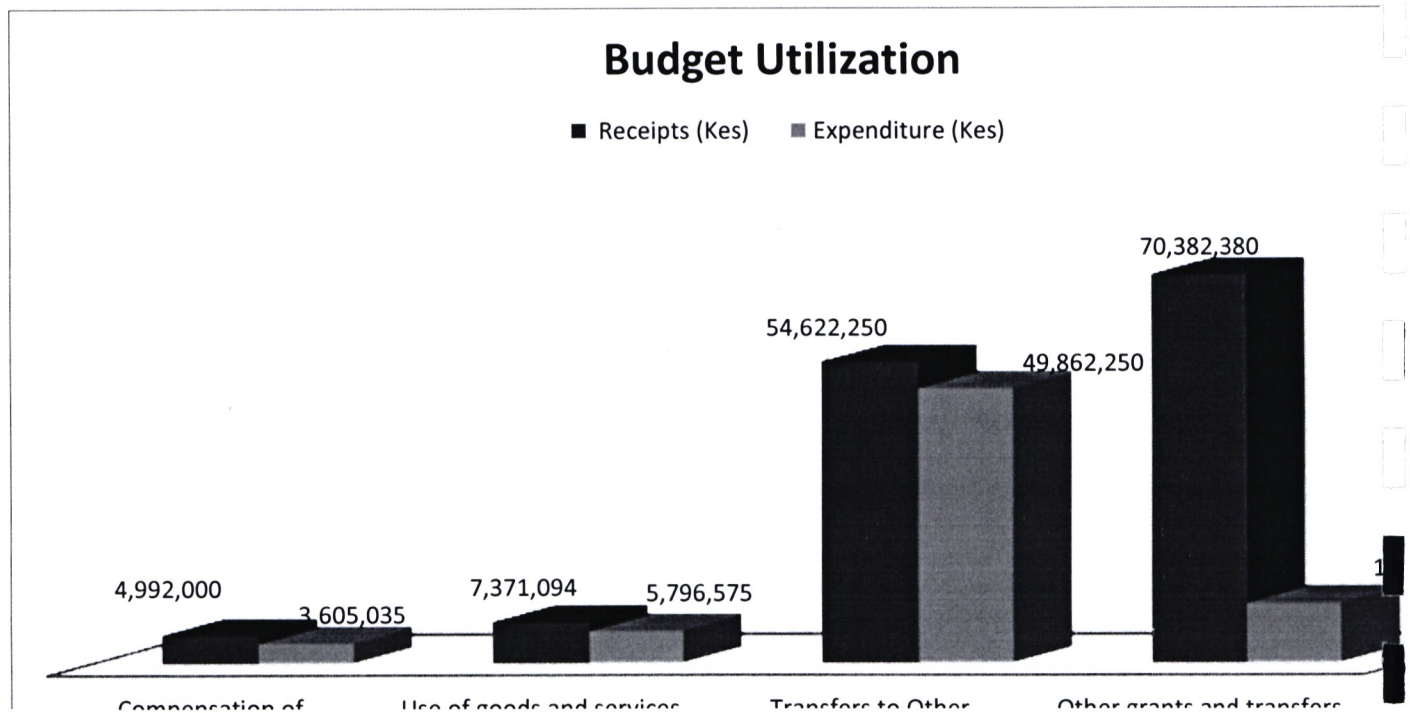
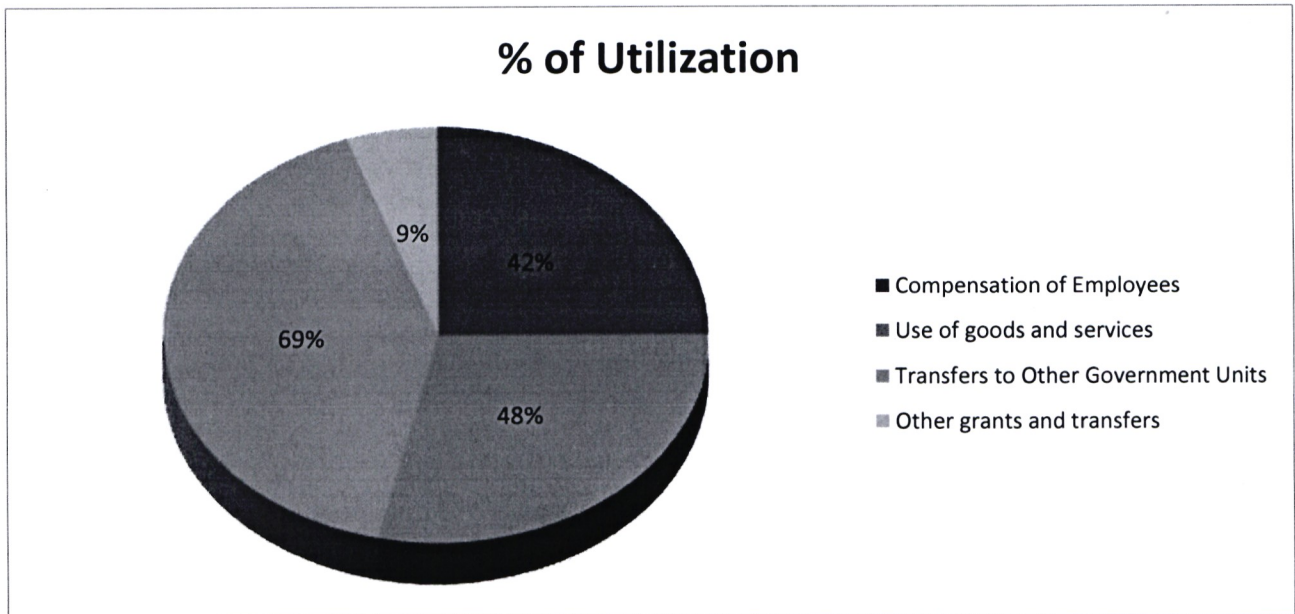
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
 FUNYULA CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2020**

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Budget Performance

The budget performance against the actual amounts achieved an average of 33 % utilization for the economic classification and programmes represented as follows:



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
FUNYULA CONSTITUENCY
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For the year ended June 30, 2020
Key Achievements of the Fund**

Bursary

The fund was able to sponsor 526 students under the bursary program that enabled the needy beneficiaries access education in various tertiary educational institutions.

The fund was able to sponsor KMTC students thereby contributing towards the government agenda on Universal Health Coverage.

Education

The fund contributed towards the government policy on 100% transition through provision & expansion of infrastructure in various educational institutions.

Project Name: Sigalame High School – Construction of 4no. classrooms



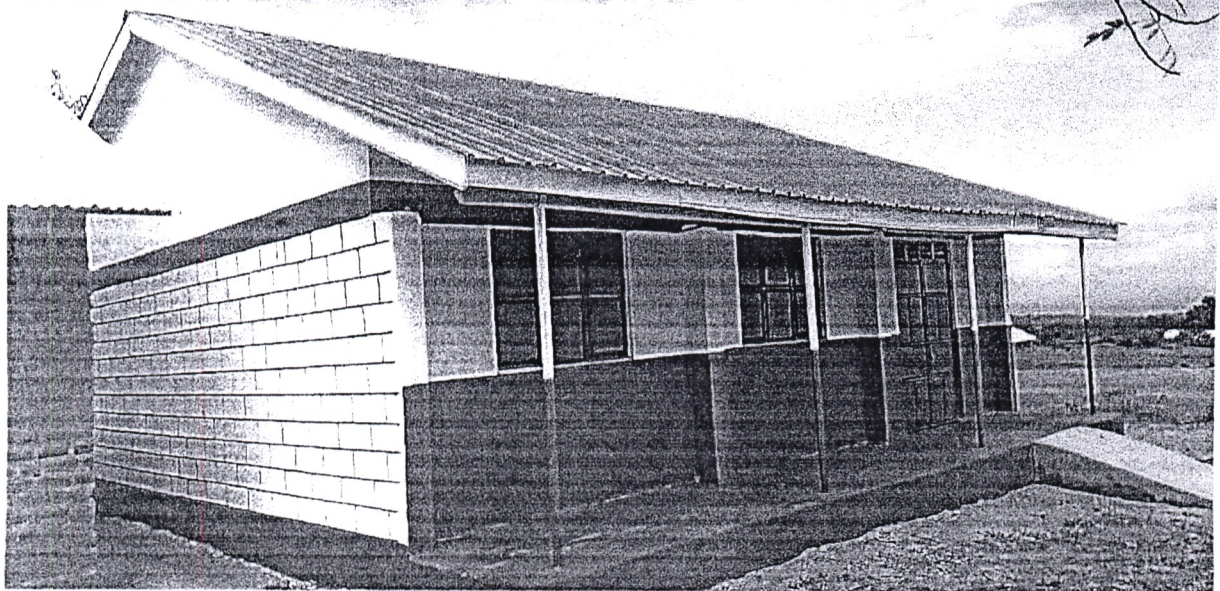
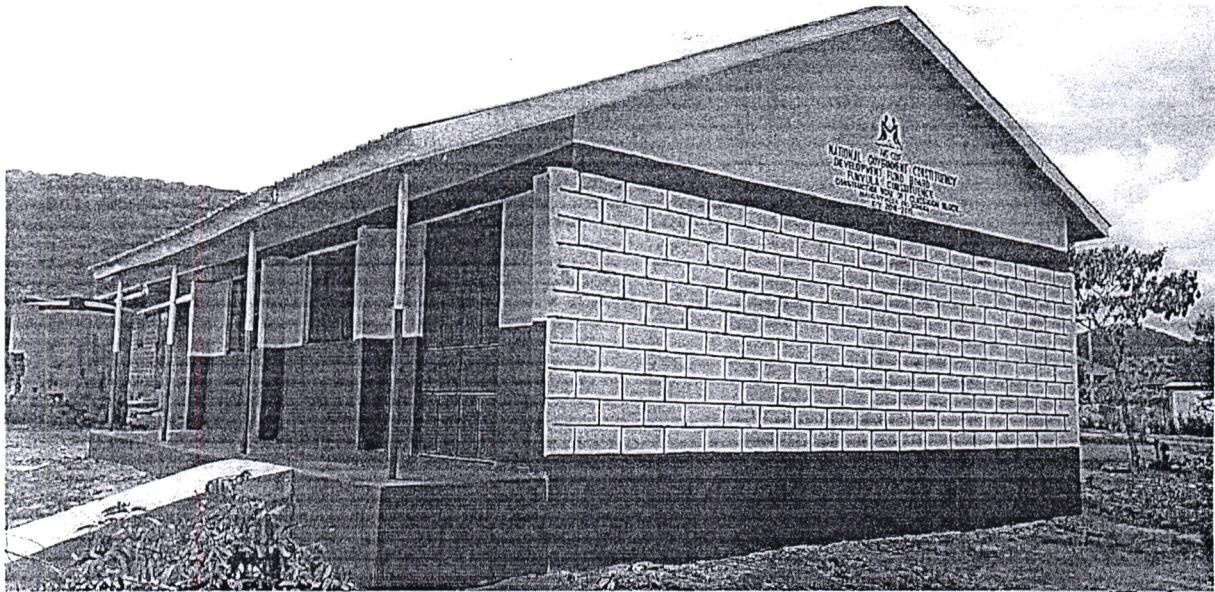
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
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Project Name: Hakati Primary School – Construction of 1no. classroom



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
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For the year ended June 30, 2020

Project Name: Namunyweda Primary School – Construction of Ino. classroom



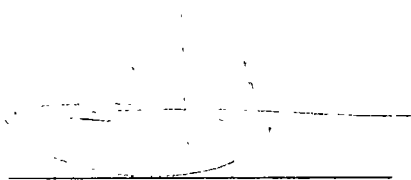
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
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Reports and Financial Statements
For the year ended June 30, 2020**

Emerging issues

- i. Covid -19 Pandemic
- ii. Appointment of NG CDFC members
- iii. NG CDF going concern in view of litigation on its constitutionality and amid talks of constitution referendum.

Challenges

- i. Delays in receipt of funding has affected the performance of the budget and led to delays in project implementation.
- ii. Closure of schools and uncertainty surrounding their reopening has affected implementation of the bursary program.



NG CDFC Chairman
Andrew Oduory

*

I. 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.

Key development objectives

Education

Objective: Become a national model for education by improving school's infrastructure, improving performance, reducing dropout rates and increasing primary, secondary and higher education transition rates.

Initiative: Develop and enhance school's infrastructure to enhance facilities and provide conducive learning environment for children.

Initiative: Enhance and develop social programmes that support education within the constituency.

Security

Objective: Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure

Initiative: Improving infrastructure and service delivery

Water and Environment

Objective: Improve access to clean water and a more sustainable and conserved environment in Funyula through natural resources conservation initiatives

Initiative: Initiate and enhance conservation programs within the constituency

Initiative: Water and Sanitation: To ensure water sustainability in the Constituency

Sports

Objective: Empower and develop youth and special groups to reduce dependence and spur economic growth through sports

Initiative: Develop and empower youth and special groups through sports.

II. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
FUNYULA CONSTITUENCY
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NG CDF - Funyula Constituency exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely; Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile

Funyula NG CDFC endeavours to work within the existing policy guidelines that helped in focusing on the service deliver and drive to better performance with the involvement of both internal and external stakeholders on matters development.

To realize effective suitability, the constituency relied on the set targets as a sign of performance ambition. The Goals as provided in our strategic plan remained the focal point for inside and outside Stakeholders with a clear set of objectives for management, and a yardstick by which external audiences can judge our progress and achievements against their expectations. The frameworks under which we operated included projects identification, allocation of funds, approval, implementation and monitoring.

2. Environmental performance

Environmental Policy

- Comply with all relevant environmental legislation, regulations and approved codes of practice.
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- Managing and disposing of all wastage in a responsible manner;
- Providing training for our NG CDF Committee and staff so that we all work in accordance with this and within an environmentally aware culture
- Regularly communicating our environmental performance to our employees and other significant stakeholders
- Developing our management processes to ensure that environmental factors are considered during planning and implementation
- Monitoring and continuously improving our environmental performance.
- Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance

Environmental Plan

Our Environmental Action Plan Funyula NG-CDF has identified the following four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts.

- Capacity Building
- Conservation of Energy and Resources
- Environmental Protection and Conservation
- Pollution Control and Waste Management

Employee welfare

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
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This highlights the general rules governing employment of NG-CDFC staff in such matters as appointments, promotions and related matters. Categories of Employment Funyula NG-CDFC offers only categories of employment, which are Contract employees who are employed for 3 years on a renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements. Casual employees are hired to perform specific duties on a daily or weekly basis on a piece rate payment system. Casuals are not allowed to work continuously for more than three (3) months and are not eligible for any employee benefits in line with statutory requirements.

Recruitment Procedure

The Fund Account Manager declares vacancies in the office through the NG-CDFC, an approval is then sought for advertisement within the constituency to be done. The Advertisement contains the following:

- Job title
- Main purpose of the job
- A brief description of the key responsibilities of the job
- Education, experience, skills and competencies required for the job
- Location of the job
- Clear instructions on how to apply and information to be submitted in the application
- Closing date for receipt of applications

Appointment of a selection and Interview subcommittee

A selection and interview subcommittee is appointed to oversee the selection strategy for application review, determination of testing methodology, administration of tests and scoring, and reference check criteria.

Interviews

Interviews for staff employment are conducted in a manner that complies with the office's commitment to equal employment opportunity, to ensure that qualified candidates are not discriminated based on ethnicity, religion, gender, age, disability, status etc.

Offer of Appointment

A person appointed to the office will be given the appropriate letter of offer of appointment, as the case may be, which may be accepted or rejected by the candidate within the stipulated time. Letters of Appointment A written contract of service that is signed by the Fund Account Manager and the NG-CDFC Chairman is then issued, which states particulars of employment which include, the name and address of the employee, job description, date of commencement of the job, form and duration of the contract, place of work, hours of work, remuneration, termination, terms and conditions of employment which the employee is entitled to.

Orientation and Induction of employees

The NG-CDFC ensures orientation and induction of new employees. This is carried out in order to familiarize the employees with the mandate, vision, mission and operations of the office and how their jobs contribute to this. Induction and orientation is done within the first three months of employment. Promotions In selecting candidates for promotion, regard is given to merit and extraordinary ability as reflected in work performance and results after the annual performance appraisal. Recommendations for promotion is only made by the NG-CDFC resolution.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
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3. Market place practices

The Fund was designed to support constituency-level, grass-root development projects. It is aimed to achieve equitable distribution of development resources across regions and to control imbalances in regional development brought about by partisan politics. It targets all constituency-level development projects, particularly those aiming to combat poverty at the grassroots and entrench equitable distribution of development in line with the NG-CDF Act 2015 provisions.

The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

4. Community Engagements

Public Participation in Project Identification and Implementation and Monitoring

The NG-Constituency Development Act 2015 stipulates in part 5 section 27 subsection 1 and 2 that the chairperson of the NG-CDFC shall, within the first year of the commencement of a new Parliament and at least once every two years thereafter, convene open forum public meetings in every ward in the constituency to deliberate on development matters in the ward and in the constituency.

The NG-CDFC shall then deliberate on project proposals from all the wards in the constituency and any other projects which the Constituency Committee considers beneficial to the constituency, including joint projects with other constituencies, consider the national development plans and policies and the constituency strategic development plan, and identify a list of priority projects, both immediate and long term, out of which the list of projects to be submitted in accordance with the Act shall be drawn from.

There after the list of proposed constituency-based projects to be covered under this Act shall be submitted by NG-CDFC to the Board. 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.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
FUNYULA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

III. STATEMENT OF ENTITY 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.

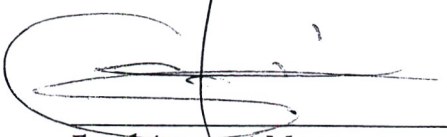
The Accounting Officer in charge of the NG CDF - Funyula Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position NG CDF - Funyula; (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.

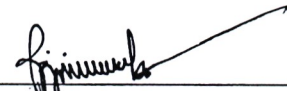
The Accounting Officer in charge of the NG CDF- Funyula Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *NG CDF - Funyula* financial statements give a true and fair view of the state of *NG CDF - Funyula* transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the *NG CDF - Funyula* Constituency further confirms the completeness of the accounting records maintained for the *NG CDF - Funyula*, 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 *NG CDF - Funyula* Constituency confirms that the entity has complied fully with applicable Government Regulations and that the *NG CDF - Funyula* 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 *NG CDF - Funyula* 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

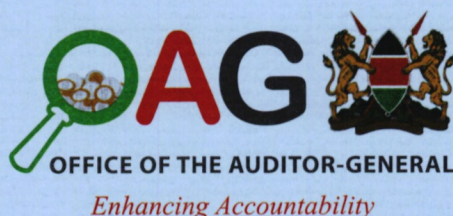
The *NG CDF - Funyula* Constituency financial statements were approved and signed by the Accounting Officer on 10th May, 2021.


Fund Account Manager
Lihanda Winston


National Sub-County Accountant
Paul Ojiambo
ICPAK Member Number:

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 – FUNYULA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Funyula Constituency set out on pages 17 to 53, which comprise the statement of financial assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development combined for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit

In my opinion, except for the effects of the matter 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 Constituency Development Fund - Funyula Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

Cash and Cash Equivalents

The cash and cash equivalents balance of Kshs.60,124,064 includes unrepresented cheques totalling Kshs.825,083 which were stale and therefore not payable. These cheques, some from 14 May, 2018 had not been reversed in the cash book as at 30 June, 2020.

In the circumstances, it was not possible to ascertain accuracy and completeness of the cash and cash equivalents balance of Kshs.60,124,064 as at 30 June, 2020.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituency Development Fund - Funyula 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

1. Budget Performance

The summary statement of appropriation: recurrent and development combined reflects total budgeted receipts of Kshs.213,522,525 against the actual receipts of Kshs.130,154,801 resulting to an underfunding of Kshs.83,367,724 or 39% of the budget. Further, the Fund expended Kshs.70,030,737 resulting in under expenditure of Kshs.143,491,788 or 67% of the budget.

The underfunding and under expenditure may have affected delivery of services to the residents of the constituency.

2. Project Performance

Review of the project implementation status report revealed that the Fund was to implement a total of 68 projects/programmes at a total cost of Kshs.137,367,724 across different sectors during the financial year. The report indicated that nineteen (19) projects with a total budget of Kshs.31,064,968 had not started, five (5) projects budgeted at Kshs.49,026,944 were still on-going while forty-four (44) projects valued at Kshs.57,275,812 had been completed as at the time of audit in March, 2021.

In the circumstances, the Fund failed to implement all its planned projects as approved and subsequently not achieving set goals and programs for the benefit of the residents of Funyula Constituency.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the 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. Unapproved Reallocation of Funds

As disclosed in Note 4 to the financial statements under transfers to other government entities figure of Kshs.49,862,250 are transfers amounting to Kshs.6,000,000. The transfers was towards construction of a school hall-60-seater capacity in three secondary schools each at a cost of Kshs.2,000,000. However, physical verification indicated that the budgeted funds were reallocated towards completion of other projects within the institutions as detailed below:

Institution	Project Activity as Approved in the 2018/2019 Code List	Reallocated Project Activity
Ganjala Secondary School	Construction of 1 school hall-60-seater capacity to completion	Construction of 1 Storey 120 capacity multi-purpose hall
St. Marks Bukiiri Mixed Day Secondary School	Construction of 1 school hall-60-seater capacity to completion	Construction of 1 Storey 320 capacity dormitory
St. Cecilia Nangina Girls Secondary School	Construction of 1 school hall-60-seater capacity to completion	Construction of 1 Storey 2000 capacity multi-purpose hall

However, there was no approval by the NG-CDF Board for the reallocation as required by Section 6(2) of the National Government Constituencies Development Fund Act, 2015.

In the circumstances, the Fund incurred expenditure of Kshs.6,000,000 in breach of the NG-CDF Board regulations.

2. Renovation of a Tuition Block at St. Mariana Technical Training Institute

Included in transfers to other government entities figure of Kshs.49,862,250 under Note 4 to the financial statements is disbursements of Kshs.2,000,000 to St. Marianna Technical Training Institute towards renovation of a tuition block. However, verification of certificate of registration for the Institution availed for audit indicated that the Institute was registered on 26 April, 2012 as Nangina Social Work Youth Polytechnic (a private youth polytechnic) by the Ministry of Youth Affairs and Sports hence a county government function.

It was not possible to ascertain compliance to Section 24 of the NG-CDF Act, 2015 which stipulates that a project funded by CDF should only be in respect of works and services falling within the functions of the national government under the Constitution.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit so as 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 procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and 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.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to abolish 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 money is applied in an effective manner.

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the entity 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 review is planned and performed to express a conclusion with limited assurance as to whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

Further, in planning and performing the audit of the financial statements and review of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


 CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

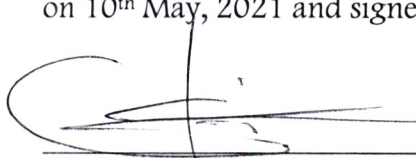
Nairobi

08 February, 2022

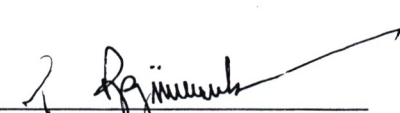
NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)**FUNYULA CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2020****VI. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2019/2020	2018/2019
		Kes	Kes
RECEIPTS			
Transfers from NG CDF Board	1	122,040,876	92,326,713
TOTAL RECEIPTS		122,040,876	92,326,713
PAYMENTS			
Compensation of employees	2	3,605,035	4,755,722
Use of goods and services	3	5,796,575	6,793,800
Transfers to Other Government Units	4	49,862,250	45,454,000
Other grants and transfers	5	10,766,877	35,929,209
Acquisition of Assets	6	-	120,000
TOTAL PAYMENTS		70,030,737	93,052,731
SURPLUS/DEFICIT		52,010,139	(726,018)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG CDF-FUNYULA Constituency financial statements were approved on 10th May, 2021 and signed by:



Fund Account Manager
Lihanda Winston



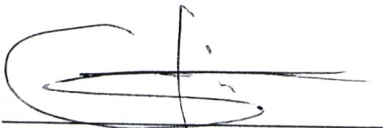
National Sub-County Accountant
Paul Ojiambo
ICPAK Member Number:

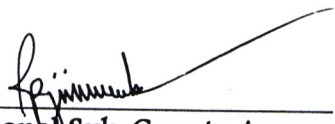
NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)
 FUNYULA CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2020

VII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019/20	2018/19
		Kes	Kes
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	7	60,124,064	8,113,925
Total Cash and Cash Equivalents		60,124,064	8,113,925
TOTAL FINANCIAL ASSETS		<u>60,124,064</u>	<u>8,113,925</u>
REPRESENTED BY			
Fund balance b/fwd 1st July, 2019	8	8,113,925	8,839,945
Surplus/Deficit for the year		52,010,139	(726,018)
NET LIABILITIES		<u>60,124,064</u>	<u>8,113,925</u>

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


 Fund Account Manager
 Lihanda Winston


 National Sub-County Accountant
 Paul Ojiambo
 ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF)

FUNYULA CONSTITUENCY

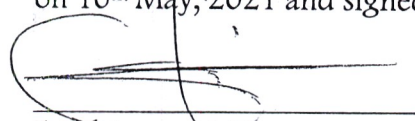
Reports and Financial Statements

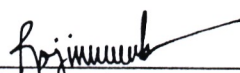
For the year ended June 30, 2020

VIII. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES			2019 - 2020	2018 - 2019
			Kes	Kes
Receipts				
Transfers from NG CDF Board	1		122,040,876	92,326,713
Total Receipts			122,040,876	92,326,713
Payments				
Compensation of Employees	2		(3,605,035)	(4,755,722)
Use of goods and services	3		(5,796,575)	(6,793,800)
Transfers to Other Government Units	4		(49,862,250)	(45,454,000)
Other grants and transfers	5		(10,766,877)	(35,929,209)
Total Payments			(70,030,737)	(92,932,731)
Total Receipts Less Total Payments			52,010,139	(606,018)
Net cash flow from operating activities			52,010,139	(606,018)
CASHFLOW FROM INVESTING ACTIVITIES				
Acquisition of Assets	6			(120,000)
Net cash flows from Investing Activities				(120,000)
NET INCREASE IN CASH AND CASH EQUIVALENT			52,010,139	(726,018)
Cash and cash equivalent at BEGINNING of the year	7		8,113,925	8,839,943
Cash and cash equivalent at END of the year			60,124,064	8,113,925

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


Fund Account Manager
Lihanda Winston


National Sub-County Accountant
Paul Ojiambo
ICPAK Member Number:

TIC G. R. N. M. T. CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – FUNYULA CONSTITUENCY
Sports and Financial Statements
For the year ended June 30, 2020

IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS	Kes	Kes	Kes	Kes	Kes	
Transfers from NG CDF Board	137,367,724	76,154,801	213,522,525	130,154,801	83,367,724	61%
TOTAL RECEIPTS	137,367,724	76,154,801	213,522,525	130,154,801	83,367,724	61%
PAYMENTS						
Compensation of Employees	4,992,000	3,605,035	8,597,035	3,605,035	4,992,000	42%
Use of goods and services	7,371,094	4,585,417	11,956,511	5,796,575	6,159,936	48%
Transfers to Other Government Units	54,622,250	18,102,099	72,724,349	49,862,250	22,862,099	69%
Other grants and transfers	70,382,380	49,862,250	120,244,630	10,766,877	109,477,753	9%
TOTAL	137,367,724	76,154,801	213,522,525	70,030,737	143,491,788	33%

1. The total adjustments column is Kes. 76,154,801; comprising of an AIF's of Kes. 13,000,000, 55,040,875.50 for FY 2018/19 received in FY 2019/2020, balance brought forward from FY 2018/19 of Kes. 8,113,925.


2. Budget utilization for financial year 2019/20 was 33% i.e.:

- ✓ The funding of compensation of employees was delayed thus the underutilization at 42%.
- ✓ The funding of use of goods and services was delayed thus underutilization at 48%.

NATIONAL COUNTY LEVEL GOVERNMENT JNL (NGCDF) - FUNYULA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

- ✓ The funding of transfers to other Government entities was delayed thus underutilization at 69%.
- ✓ The funding of other grants and transfers was delayed thus underutilization at 9%.

The NGCDF-FUNYULA Constituency financial statements were approved on 10th May, 2021 and signed by:


Fund Account Manager
Lihanda Winston


National Sub-County Accountant
Paul Ojiambo
ICPAK Member Number:

X. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020		2019/2020	30/06/2020	
	Kes	Kes	Kes	Kes	Kes
Employees Salaries	4,632,000	2,261,241	6,893,241	2,261,241	4,632,000
Employees Salaries		1,116,661	1,116,661	1,116,661	-
NSSF		227,133	227,133	227,133	-
NHIF	120,000		120,000		120,000
NSSF	240,000		240,000		240,000
					-
Committee Expenses ADMIN	1,248,000	1,386,100	2,634,100	2,386,100	248,000
Goods and Services ADM	2,002,062	337,280	2,339,342	337,280	2,002,062
Goods and Services ME	2,446,031	1,420,437	3,866,468	420,437	3,446,031
Capacity Building ME	1,000,000		1,000,000	1,211,158	(211,158)
Committee Expenses ME	675,000	1,441,600	2,116,600	1,441,600	675,000
Bursary Secondary Schools	34,328,703	5,846,060	40,174,763	3,846,060	36,328,703
Bursary Special Schools	150,000	1,624,064	1,774,064		1,774,064

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020		2019/2020	30/06/2020	
	Kes	Kes	Kes	Kes	Kes
Bursary Tertiary Institutions	7,500,000	5,640,000	13,140,000	5,140,000	8,000,000
Mock Examinations & Continuous Assessment Tests	3,600,000		3,600,000		3,600,000
Social Security Programme	2,500,000		2,500,000		2,500,000
					-
					-
Emergency	7,198,241	2,300,000	9,498,241	1,300,000	8,198,241
					-
Environmental Activities	2702718		2,702,718		2,702,718
					-
Sports Activities	2,702,718	1,480,817	4,183,535	480,817	3,702,718
					-
Agenga Location Chief's Office	950,000		950,000		950,000
Bujwang'a Sub-Location Assistant Chief's Office	900,000		900,000.00		900,000
Butemula Village	2,500,000	1,211,158	3,711,158		3,711,158
Ganga Police Post	1,300,000		1,300,000		1,300,000

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – FUNYULA CONSTITUENCY

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020		2019/2020	30/06/2020	
	Kes	Kes	Kes	Kes	Kes
Ageng'a Primary School	950,000		950,000		950,000
Baburi Primary		900,000	900,000	900,000	-
Bujwang'a Primary School	950,000		950,000		950,000
Bukhwamba Primary		650,000	650,000	650,000	-
Bukhwamba Primary School	950,000		950,000		950,000
Bumayenga Primary		650,000	650,000	650,000	-
Bumayenga Primary School	860,000		860,000		860,000
Bumulimba Primary School	950,000		950,000		950,000
Busibi Primary School	1,010,000		1,010,000		1,010,000
Busijo Primary		900,000	900,000	900,000	-
Busijo Primary		900,000	900,000	900,000	-
Eugene Masombo Pri.		900,000	900,000	900,000	-
Father Martin Ryke Ganga Primary School	1,960,000		1,960,000		1,960,000
Ganjala Primary		650,000	650,000	650,000	-

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020		2019/2020	30/06/2020	
	Kes	Kes	Kes	Kes	Kes
Ganjala Primary School	1,360,000		1,360,000		1,360,000
Ganjala Sec		2,000,000	2,000,000	2,000,000	-
Hakati Primary		900,000	900,000	900,000	-
Kabwodo Primary School	860,000		860,000		860,000
Khwatakhumba Village	2,500,000		2,500,000		2,500,000
Luchulululo Primary School	2,000,000	650,000	2,650,000	650,000	2,000,000
Lugala Primary		650,000	650,000	650,000	-
Malanga Primary		900,000	900,000	900,000	-
Mudoma Primary		650,000	650,000	650,000	-
Mudoma Primary School	1,960,000		1,960,000		1,960,000
Mugasa Primary School	760,000		760,000		760,000
Mukonjo Primary		500,000	500,000	500,000	-
Mundanya		2,450,000	2,450,000	2,450,000	-
Mundaya B Primary School	1,860,000		1,860,000		1,860,000
Munyanja Primary School	760,000		760,000		760,000

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – FUNYULA CONSTITUENCY

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020	Kes	2019/2020	30/06/2020	Kes
Muramba Mixed Day Secondary School	2,850,000		2,850,000		2,850,000
Nabalaki Primary		900,000	900,000	900,000	-
Nabalaki Primary School	760,000		760,000		760,000
Nakhasiko Primary School	760,000		760,000		760,000
Nambale Rc Primary		900,000	900,000	900,000	-
Nambale Rc Sec.		900,000	900,000	900,000	-
Namboboto Boys Primary School	860,000		860,000		860,000
Namboboto Sec Sch		2,000,000	2,000,000	2,000,000	-
Namuduru Girls Sec		650,000	650,000	650,000	-
Namuduru Girls Secondary School	1,900,000		1,900,000		1,900,000
Namuduru Police Patrol Base	1,550,000		1,550,000		1,550,000
Namuduru Pri Sch		2,700,000	2,700,000	2,700,000	-
Namuduru Primary School	860,000		860,000		860,000
Namuduru Sec		900,000	900,000	900,000	-
Namunyweda Primary		900,000	900,000	900,000	-

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020		2019/2020	30/06/2020	
	Kes	Kes	Kes	Kes	Kes
Namunyweda Sec		900,000	900,000	900,000	-
Nanderema Primary School	860,000		860,000		860,000
Nangina Mixed Primary		1,500,000	1,500,000	1,500,000	-
Nangina Mixed Primary School	1,010,000		1,010,000		1,010,000
Nangina Special School	950,000		950,000		950,000
Nerobia Primary School	860,000		860,000		860,000
Nyakhobi Pri Sch		7,162,250	7,162,250	7,162,250	-
Nyawkaka Girls Secondary School	3,400,000		3,400,000		3,400,000
Odiado Primary School	1,360,000		1,360,000		1,360,000
Odiado Sec.		500,000	500,000	500,000	-
Rumbiye Primary School	2,000,000		2,000,000		2,000,000
Sagania Primary		650,000	650,000	650,000	-
Sagania Primary School	950,000		950,000		950,000
Sibinga Primary School	860,000		860,000		860,000
Sichekhe Primary		900,000	900,000	900,000	-

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – FUNYULA CONSTITUENCY

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020	Kes	2019/2020	30/06/2020	Kes
Sichekhe Primary School	1,010,000		1,010,000		1,010,000
Sidonge Primary		650,000	650,000	650,000	-
Sigalame High Sch.		1,500,000	1,500,000	1,500,000	-
Sigalame Primary School	1,010,000		1,010,000		1,010,000
Sigulu Pri Sch		1,700,000	1,700,000	1,700,000	-
Sigulu Primary School	860,000		860,000		860,000
Sijowa Pri Sch		900,000	900,000	900,000	-
Sijowa Secondary School	1,900,000		1,900,000		1,900,000
Sirekeresi Primary School	1,960,000		1,960,000		1,960,000
St Cecilia Nangina Girls		2,000,000	2,000,000	2,000,000	-
St Clares Nanderema		1,000,000	1,000,000	1,000,000	-
St Mariana TTI		2,000,000	2,000,000	2,000,000	-
St Mark Bukiri		2,000,000	2,000,000	2,000,000	-
St Thomas Nanderema		1,500,000	1,500,000	1,500,000	-
St. Lu Odiado Secondary School	1,500,000		1,500,000		1,500,000

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

Programme/Sub-programme	Original Budget 2019/2020 Kes	Adjustments Kes	Final Budget 2019/2020 Kes	Actual on comparable basis 30/06/2020 Kes	Budget utilization difference Kes
St. Mark Bukiri Mixed Day Secondary School	1,000,000		1,000,000		1,000,000
St. Stephen Bujwang'a Mixed Day Secondary School	7,452,250		7,452,250		7,452,250
Sub County Education Office Equipment Wakungu Primary	500,000	900,000	500,000	900,000	500,000
	137,367,724	76,154,801	213,522,525	70,030,737	143,491,788

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

XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits 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 NG CDF - Funyula 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 (Kes), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

4. Significant Accounting Policies

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

a) Recognition of receipts

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

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

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 NG CDF - Funyula and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
FUNYULA CONSTITUENCY
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SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

In-kind contributions are donations that are made to the NG CDF - Funyula 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, NG CDF - Funyula 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 Cooperative Bank of Kenya 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 and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

9. Pending Bills

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

10. Unutilized Fund

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

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
FUNYULA CONSTITUENCY
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For the year ended June 30, 2020**

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019-2020	2018-2019
		Kshs	Kshs
NG CDF Board			
AIE Nos.			
B042732	1	13,000,000	
B047404	2	4,000,000	
B049210	3	55,040,875	
B104279	4	30,000,000	
B0496558	5	20,000,000	
B 030062	1		39,947,402
B 030125	2		11,379,310
B 030238	3		10,000,000
B 030386	4		12,000,000
B 006327	5		8,000,000
O B 042732	6		11,000,000
TOTAL		122,040,875	92,326,712

2. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	2,261,241	4,427,522
Pension and other social security contributions (Gratuity)	1,116,661	
Employer Contributions Compulsory national social security schemes	227,133	328,200
Total	3,605,035	4,755,722

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	1,441,600	612,000
Committee Allowances	2,386,100	3,548,800
Utilities, supplies and services	23,980	118,739
Communication, supplies and services	-	138,000
Training expenses	1,211,158	-
Other operating expenses	313,300	158,425
Fuel, oil & lubricants		460,000
Routine maintenance – vehicles and other transport equipment	420,437	257,836
Routine maintenance – other assets		1,500,000
Total	5,796,575	6,793,800

4. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to primary schools	24,850,000	41,450,000
Transfers to secondary schools	23,012,250	400,400
Transfers to tertiary institutions	2,000,000	-
TOTAL	49,862,250	41,850,400

5. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools	3,846,060	17,232,392
Bursary – tertiary institutions	5,140,000	8,436,000
Social Security program (N.H.I.F)	-	2,900,000
Security projects		2,000,000
Sports projects	480,817	1,700,000
Environment projects	-	2,180,817
Emergency projects	1,300,000	1,480,000
Total	10,766,877	35,929,209

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Vehicles and Other Transport Equipment	-	120,000
Total	-	120,000

7. BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>EQUITY BANK, BUSIA BRANCH – 0780292650348 - Kes</i>	60,124,064	8,113,925
Total	60,124,064	8,113,925

8. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	8,113,925	8,839,944
Total	8,113,925	8,839,944

9. PRIOR YEAR ADJUSTMENTS (Unutilised Fund)

Description of the error	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
	Kshs	Kshs	Kshs
Compensation of Employees	34,278	3,570,757	3,605,035
Use of goods and services	64,878	4,520,539	4,585,417
Transfers to Other Government Units	12,378,206	5,723,893	18,102,099
Other grants and transfers	12,335,726	37,526,524	49,862,250
	-	-	-
	24,828,089	51,341,713	76,154,801

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. OTHER IMPORTANT DISCLOSURES

10.1: PENDING STAFF PAYABLES (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
NG CDFC Staff	405,211	683,646
	-	-
	405,211	683,646

10.2: UNUTILIZED FUND (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	4,992,000	34,278
Use of goods and services	6,159,936	64,878
Amounts due to other Government entities	22,862,099	12,378,206
Amounts due to other grants and other transfers	109,477,753	12,335,726
	143,491,788	24,813,088

PMC account balances (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances	38,309,111	6,345,800
	38,309,111	6,345,800

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – FUNYULA CONSTITUENCY
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XIII. ANNEXURES

ANNEX 1 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
		A	b	C	d=a-c	
1. ENOS OLLUNGO MAN'GONG'O		75,950			75,950	
2. GODFREY OKUKU ACHIBO		59,684			59,684	
3. HILDA AWINO OBOCHO		39,516			39,516	
4. JUSTINE MILKA WANDERA		39,516			39,516	
5. EUGENE EGANS WANDERA		36,369			36,369	
6. DAVIS JACKSON WAFULA		46,264			46,264	
7. WENSLAUSE OUNDO		32,550			32,550	
8. PETER WANDERA ADAKI		32,550			32,550	
9. JOSEPHART OKUKU ONYANGO		42,812			42,812	
Sub-Total		405,211			405,211	
Grand Total		405,211			405,211	

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – FUNYULA CONSTITUENCY
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ANNEX 2 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance		Comments
		2019/20	2018/19	
Compensation of employees	Basic wages of contractual employees	4,992,000	34,278	Yet to receive from the NG CDF Board
	Employees Salaries	4,632,000.00		“
	NHIF	120,000.00		“
	NSSF	240,000.00		“
Use of goods & services	Use of goods & services	6,159,936	64,878	Yet to receive from the NG CDF Board
	Committee Expenses ADMIN	248,000.00		“
	Goods and Services ADM	2,002,062.00	64,878	“
	Goods and Services ME	3,446,031.00		“
	Capacity Building ME	211,158.00		“
	Committee Expenses ME	675,000.00		“

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
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Name	Brief Transaction Description	Outstanding Balance		Comments
		2019/20	2018/19	
Amounts due to other Government entities		22,862,099	12,378,206	Yet to receive from the NG CDF Board
	Ageng'a Primary School	950,000.00		"
	Bujwang'a Primary School	950,000.00		"
	Bukhwamba Primary School	950,000.00		"
	Bumayenga Primary School	860,000.00		"
	Bumulimba Primary School	950,000.00		"
	Busibi Primary School	1,010,000.00		"
	Father Martin Ryke Ganga Primary School	1,960,000.00		"
	Ganjala Primary School	1,360,000.00		"
	Kabwodo Primary School	860,000.00		"
	Luchulululo Primary School	2,000,000.00		"

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
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For the year ended June 30, 2014 (Kshs'000)

Name	Brief Transaction Description	Outstanding Balance		Comments
		2019/20	2018/19	
	Mudoma Primary School	1,960,000.00		“
	Mugasa Primary School	760,000.00		“
	Mundaya B Primary School	1,860,000.00		“
	Munyanja Primary School	760,000.00		“
	Nabalaki Primary School	760,000.00		“
	Nakhasiko Primary School	760,000.00		“
	Namboboto Boys Primary School	860,000.00		“
	Namuduru Primary School	860,000.00		“
	Nanderema Primary School	860,000.00		“
	Nangina Mixed Primary School	1,010,000.00		“
	Nangina Special School	950,000.00		“

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

Name	Brief Transaction Description	Outstanding Balance		Comments
		2019/20	2018/19	
	Nerobia Primary School	860,000.00		“
	Odiado Primary School	1,360,000.00		“
	Rumbiye Primary School	2,000,000.00		“
	Sagania Primary School	950,000.00		“
	Sibinga Primary School	860,000.00		“
	Sichekhe Primary School	1,010,000.00		“
	Sigalame Primary School	1,010,000.00		“
	Sigulu Primary School	860,000.00		“
	Sirekeresi Primary School	1,960,000.00		“
	Nyakwaka Girls Secondary School	3,400,000.00		“
	Namuduru Girls Secondary School	1,900,000.00		“

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

Name	Brief Transaction Description	Outstanding Balance		Comments
		2019/20	2018/19	
	Muramba Mixed Day Secondary School	2,850,000.00		“
	Sijowa Secondary School	1,900,000.00		“
	St. Luke Odiado Secondary School	1,500,000.00		“
	St. Mark Bukiri Mixed Day Secondary School	1,000,000.00		“
	St. Stephen Bujwang'a Mixed Day Secondary School	7,452,250.00		“
Amounts due to other grants and other transfers		109,477,753	12,335,726	Yet to receive from the NG CDF Board
	Bursary Secondary Schools	36,328,703.00		“
	Bursary Special Schools	1,774,064.00		“
	Bursary Tertiary Institutions	8,000,000.00		“
	Mock Examinations & Continuous Assessment Tests	3,600,000.00		“
	Social Security Programme	2,500,000.00		“
	Emergency	8,198,241.00		“
	Environmental Activities	2,702,718.00		“

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

Name	Brief Transaction Description	Outstanding Balance		Comments
		2019/20	2018/19	
	Sports Activities	3,702,718.00		"
	Agenga Location Chief's Office	950,000.00		"
	Bujwang'a Sub-Location Assistant Chief's Office	900,000.00		"
	Butemula Village	3,711,158.00		"
	Ganga Police Post	1,300,000.00		"
	Sub County Education Office Equipment	500,000.00		"
	Namuduru Police Patrol Base	1,550,000.00		"
	Khwatakhumba Village	2,500,000.00		"
Grand Total		143,491,788	24,813,088	

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF) – FUNYULA CONSTITUENCY
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ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kes) 2018/19	Additions during the year (Kes)	Disposals during the year (Kes)	Historical Cost (Kes) 2019/20
Buildings and structures	17,240,068	-	-	17,240,068
Transport equipment	3,833,200	-	-	3,833,200
Office equipment, furniture and fittings	2,000,000	-	-	2,000,000
ICT Equipment, Software and Other ICT Assets	1,000,000	-	-	1,000,000
TOTAL	22,648,268	-	-	22,648,268

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NG CDF) – FUNYULA CONSTITUENCY
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ANNEX 4 – PMC BANK BALANCES AS AT 30TH JUNE 2020

PMC	Bank	Account number	Bank Balance (Kes) 2019/20	Bank Balance 2018/19 (Kes)
Buburi Primary School	Equity Bank - Busia	0780279704642	900,000	-
Bujwang'a Assistant Chief Office	Equity Bank - Busia	0780277838110	427,320	-
Bukhwamba Primary School	Equity Bank - Busia	0780279699856	650,000	-
Bukiri Primary School	Equity Bank - Busia	0780277651237	760,000	-
Bumayenga Primary School	Equity Bank - Busia	0780279699270	42,452	-
Buradi Primary School	Equity Bank - Busia	0780279699224	122,484	-
Busijo Administration Police Camp	Equity Bank - Busia	0780277838826	215,880	-
Busijo Primary School	Equity Bank - Busia	0780279700017	241,890	-
Busulere Primary School	Equity Bank - Busia	0780277638892	115,260	149,760
Bwangangi Primary School	Equity Bank - Busia	0780277638627	300	-
Eugene Masombo Primary School	Equity Bank - Busia	0780279698942	617,184	-
Funyula Constituency Environment	Equity Bank - Busia	0780278892036	229,077	-
Funyula Constituency Office	Equity Bank - Busia	0780278458130	92,748	-
Funyula NG CDF PMC	Equity Bank - Busia	0780277775544	48,920	-
Ganjala Primary School	Equity Bank - Busia	0780279715737		-

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – FUNYULA CONSTITUENCY
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PMC	Bank	Account number	Bank Balance (Kes) 2019/20	Bank Balance 2018/19 (Kes)
			650,000	
Ganjala Secondary School	Equity Bank - Busia	0780279506129	2,000,000	-
Hakati Primary School	Equity Bank - Busia	0780279709296	900,000	-
Kabwodo Primary School	Equity Bank - Busia	0780277837519	465,082	624,880
Luchulululo Primary School	Equity Bank - Busia	0780279698784	240,710	-
Lugala Primary School	Equity Bank - Busia	0780279698967	650,000	-
Malanga Primary School	Equity Bank - Busia	0780279699936	900,000	-
Malanga Primary School	Equity Bank - Busia	0780277838185	663	15,000
Mudoma Primary School	Equity Bank - Busia	0780279699952	87,335	-
Mukonjo Primary School	Equity Bank - Busia	0780279698872	53,039	-
Mundaya Primary School	Equity Bank - Busia	0780277838125	-	36,000
Munyanja Primary School	Equity Bank - Busia	0780279826426	145,983	-
Muramba Primary School	Equity Bank - Busia	0780277838170	880	-
Nabalaki Primary School	Equity Bank - Busia	0780279698679	900,000	-
Nambale Rc Secondary School	Equity Bank - Busia	0780279705041	377,304	-

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – FUNYULA CONSTITUENCY

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

PMC	Bank	Account number	Bank Balance (Kes) 2019/20	Bank Balance 2018/19 (Kes)
Nambale RC Primary School	Equity Bank - Busia	0780277838265	599,820	160,000
Namboboto Boys Secondary School	Equity Bank - Busia	0780277838748	2,000,260	-
Namboboto Girls Primary School	Equity Bank - Busia	0780277838777	-	132,760
Nambuku Primary School	Equity Bank - Busia	0780279710072	506,858	-
Namuduru Girls Secondary School	Equity Bank - Busia	0780279698920	491,258	-
Namuduru Primary School	Equity Bank - Busia	0780279766714	2,700,000	-
Namunyweda Primary School	Equity Bank - Busia	0780279699028	412,478	-
Namunyweda Secondary School	Equity Bank - Busia	0780279760808	900,000	-
Nandereka Primary School	Equity Bank - Busia	0780277838667	380	65,380
Nanderema Primary School	Equity Bank - Busia	078077838206	24,880	75,000
Nangina Mixed Primary School	Equity Bank - Busia	0780279699890	1,500,000	-
Nyakhobi Primary School	Equity Bank - Busia	0780279767390	7,162,250	-
Odiado Chiefs Office	Equity Bank - Busia	0780277838071	479,143	-
Odiado Secondary School	Equity Bank - Busia	0780279699743	43,141	-

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – FUNYULA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

PMC	Bank	Account number	Bank Balance (Kes) 2019/20	Bank Balance 2018/19 (Kes)
Rumbiye Primary School	Equity Bank - Busia	0780277837571	6,183	-
Sagania Primary School	Equity Bank - Busia	0780279698826	339,316	-
Sibale Primary School	Equity Bank - Busia	0780277838039	260	75,000
Sibinga Primary School	Equity Bank - Busia	0780277651250	40	-
Sicheke Primary School	Equity Bank - Busia	0780279699057	311,765	-
Sidonge Primary School	Equity Bank - Busia	0780279699992	650,000	-
Sifuyo Primary School	Equity Bank - Busia	0780277651242	-	-
Sigalame High School	Equity Bank - Busia	0780279710086	282,405	-
Sigalame Primary School	Equity Bank - Busia	0780277838200	-	-
Sigulu Primary School	Equity Bank - Busia	0780279763411	1,700,000	-
Sijowa Primary School	Equity Bank - Busia	0780279698736	900,000	-
Sirekeresi Primary School	Equity Bank - Busia	0780278148185	47,880	-
Sports PMC	Equity Bank - Busia	0780275851796	6,360	-
St. Chrispine Samia Girls Secondary School	Equity Bank - Busia	0780277838141	31,541	-
St. Clares Nanderema Girls Sec School	Equity Bank - Busia	0780279707927	1,000,000	-
St Thomas Aquinas Nanderema Sec School	Equity Bank - Busia	0780279699771	1,500,000	-

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – FUNYULA CONSTITUENCY
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PMC	Bank	Account number	Bank Balance (Kes) 2019/20	Bank Balance 2018/19 (Kes)
St. Cecilia Nangina Girls Secondary School	Equity Bank - Busia	0780279524575	2,000,000	-
St. Mark Bukiri Secondary School	Equity Bank - Busia	0780279507839	652,092	-
Wakhungu Primary School	Equity Bank - Busia	0780279699932	226,410	-
St. Martine Ryke Ganga Primary School	KCB	1244949108	-	-
Namboboto Boys Primary School	Equity	0780277838748	-	-
Busembe Primary School	Equity	0780277638957	-	-
Murumba Primary School	Equity	0780277838170	-	-
Nandereka Primary School	Equity	0780277838667	-	-
Buduta Primary School	Equity	0780278148171	-	-
Munyanja Primary School	Equity	0780277651207	-	-
Nabutuki Primary School	Equity	0780277838095	-	-
Busijo Secondary School	Equity	0780277838845	-	-
Namasali Primary School	Equity	0780277651263	-	-
Nyakhobi Secondary School	Equity	0780277838085	-	-
Sifuyo Primary School	Equity	0780277651242	-	-
Bukiri Primary School	Equity	0780277651237	-	-
Bumulimba Primary School	Equity	0780277836130	-	-
Nyakwaka Primary School	Equity	0780277837501	-	-

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – FUNYULA CONSTITUENCY

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PMC	Bank	Account number	Bank Balance (Kes) 2019/20	Bank Balance 2018/19 (Kes)
Rumbiye Primary School	Equity	0780277837501	-	-
Bwangangi Primary School	Equity	0780277837571	-	-
Bukhulungu Primary School	Equity	0780277638983	-	39,760
Odiado Primary School	Equity	0780277838071	-	780,000
Namuduru Primary School	Equity	0780277284107	-	-
Bumbe Primary School	Equity	0780277838381	-	-
Bujwang'a Primary School	Equity	0780277638841	-	-
Sibinga Primary School	Equity	0780277651250	-	-
Agenga Primary School	Equity	0780277651250	-	-
Sirekeresi Primary School	Equity	0780278148185	47,880	1,997,880
Hakati Primary School	Equity	0780277838149	-	975,000
Busijo Primary School	Equity	0780277838826	-	389,880
Sigalame Primary School	Equity	0780277838220	-	49,500
Nakhasiko Primary School	Equity	0780277838057	-	780,000
Total			38,309,231	6,345,800

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XIV. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status:	Timeframe:
1	<p>Budget Performance</p> <p>During the year under review, the Fund spent Kshs.93,052,731 against a budgeted amount of Kshs.117,880,820, resulting in an under-absorption of Kshs.24,828,089 representing 21%</p> <p>In addition, the National Assembly approved an allocation of Kshs.109,040,876 to the Fund for appropriation in the year under review. However, the statement of receipts and payments indicated that the National Government Constituency Development Fund Board only disbursed Kshs.92,326,713 to the Fund, resulting in an underfunding of receipts by Kshs.16,714,163.</p> <p>Consequently, the Fund failed to implement projects and programmes amounting to Kshs.24,828,089 thus denying the constituents the services they that would have been derived from the projects.</p>	<p>Delayed disbursement of funds from the NGCDF Board resulted to the 16 % under absorption. However, the funds have since been received and projects implemented.</p>	Winston Lihanda - FAM	Submitted for review	June, 2021
2	<p>Delayed Completion in Construction of Chief's Camp Offices</p> <p>Included in the balance of other grants and payments of Kshs.35,929,209 under Note 5 is security expenditures of Kshs.2,000,000. However, physical verification</p>	<p>The projects have since been completed.</p>	Winston Lihanda - FAM	Submitted for review	June, 2021

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status:	Timeframe:
	revealed that the works on construction of two chief's camp at Bujwanga Assistant Chief's Office and Odiado Chief's Office each at a contract sum of Kshs.800,000 remained incomplete. Hence, it was not possible to ascertain whether value for money was achieved from the expenditure of Kshs.1,600,000 on the projects.				