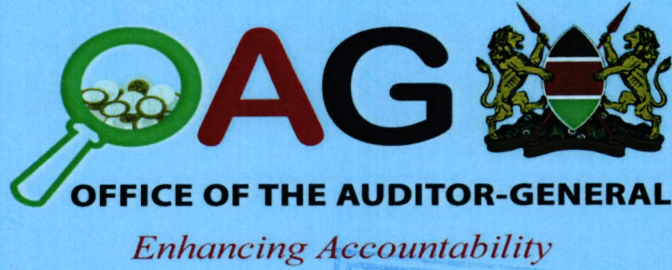


REPUBLIC OF KENYA



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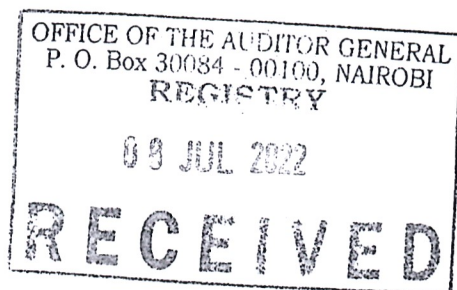
THE NATIONAL ASSEMBLY	
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THE AUDITOR-GENERAL

ON

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

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



LIMURU CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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

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

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

LIMURU Constituency
National Government Constituencies Development Fund (NGCDF)
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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 LIMURU 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	LABOSO CHEPNGENO
2.	Sub-County Accountant	DOMINIC MATIRI GACHANJA
3.	Chairman NGCDFC	JAMES WAWERU NJATHI

(d) Fiduciary Oversight Arrangements

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

(e) LIMURU Constituency NGCDF Headquarters

P.O. Box 11-00217
LIMURU NG-CDF OFFICE BUILDING.
At the Deputy County Commissioner's Compound.
Limuru, Kenya.

LIMURU Constituency
National Government Constituencies Development Fund (NGCDF)
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(f) LIMURU Constituency NGCDF Contacts

Telephone: (254) 0721-772317
E-mail: cdflimuru@ng-cdf.go.ke
Website: www.ng-cdf.go.ke

(g) LIMURU Constituency NGCDF Bankers

EQUITY
LIMURU
P.o Box 987-00217,
Limuru, Kenya.

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT

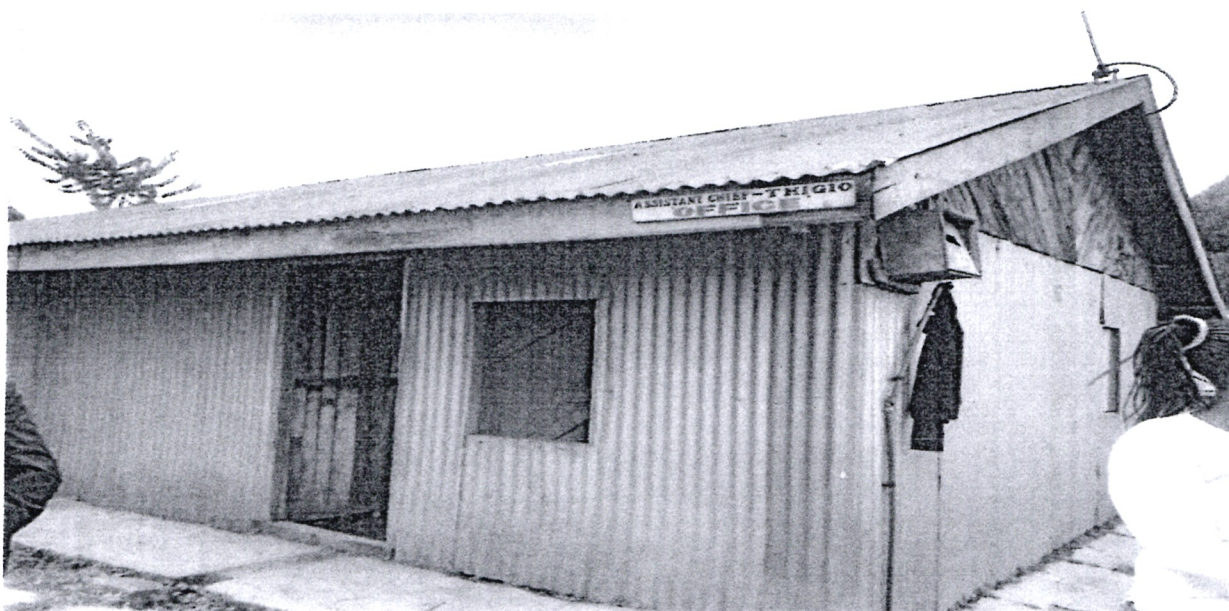


The original budget for FY year 2020/2021 was Kshs 137,088,879 and the total expenditure was Kshs 143,696,157. The final budget was Kshs 289,387,352 Inclusive of adjustments. Whereas the actual expenditure translates to 49.7% of the final budget.

Limuru NG-CDF has been able to undertake projects successfully in the year, some complete and several on-going.

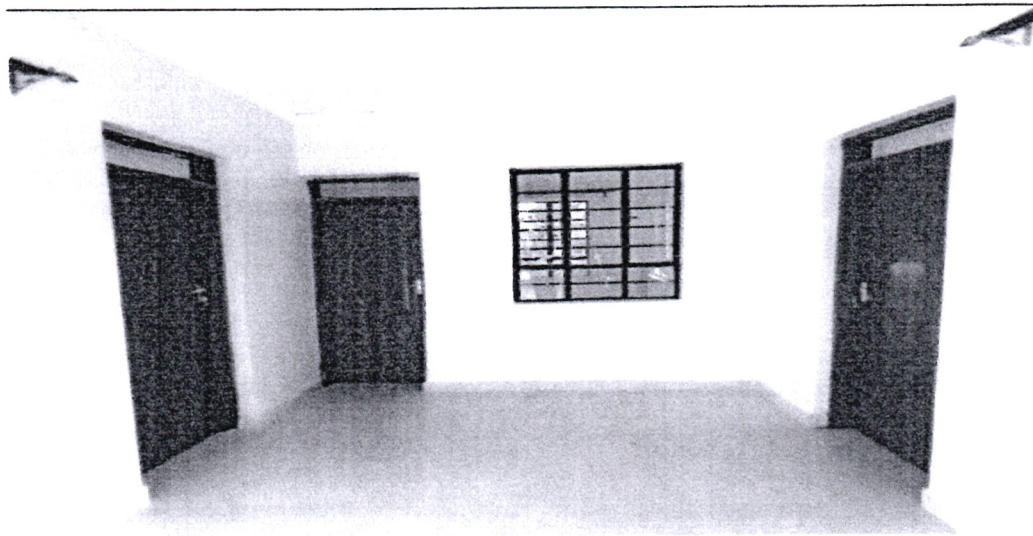
We look forward to a better performance in the year 2021/2022.


Some of the projects undertaken include chief's offices, classrooms, police post, modern ablution blocks. The following is a photo of a successful complete project.



The old chief's office and the new building at Thigio

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




.....
James Waweru Njathi
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 *LIMURU Constituency 2018-2022* plan are to:

Limuru constituency key development objectives as outline in its strategic plan 2010-2020. Key strategic objectives is to promote development at grassroots level with its Motto; Maendeleo Kwa Wote.

Limuru NG-CDF had earmarked to develop 2020-2030 strategic plan but the process was hampered by the Covid 19 pandemic.

Strategic Objectives in the 2010-2020 strategic objectives in the 2010-2020 strategic plan include but no limited to;

a) Objective One: Education.

To promote and develop a good learning environment by implementing projects that improve infrastructure in schools.

b) Objective Two: Security.

To improve security in the whole constituency by implementing projects that brings security access to the people.

c) Objective Three: Women Empowerment.

To encourage women participation and economic development by ensuring that women access constituency tenders.

d) Objective Four: Youth Empowerment.

To encourage youth development by implementation projects that promotes talent development and economic independence.

e) Objective Five: Environmental Conversation.

To ensure that we implement projects that promote conversation of environment.

Limuru Constituency had endeavoured to measure its developments goals. Currently the outcomes of the specific objectives as outlined in the strategic plan includes.

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	- number of usable physical infrastructur	- In FY 20/21 - Bursary disbursed to needy

LIMURU Constituency
National Government Constituencies Development Fund (NGCDF)
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		transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - e build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	<ul style="list-style-type: none"> - students. Improved learning environment by rehabilitation and improvement of the classrooms in schools like; - 1. Makutano Primary School - 2. Bibirioni Primary School.
Security	To improve security in the whole constituency by implementing projects that brings security access to the people.	Improved security.	<ul style="list-style-type: none"> - Number of security infrastructure increased. 	<ul style="list-style-type: none"> - Chiefs and Assistant Chief's offices built. - Posting of police officers in the newly constructed police posts.
Environment	To ensure that we implement projects that promote conversation of environment.	Improved sanitation.	<ul style="list-style-type: none"> - Number of modern toilets increased. 	We increased number of Modern Ablution blocks in the following schools/institutions. 1. Gitutha Primary School 2. Limuru Mission primary school 3. Tiekunu primary School
Emergency	To address unforeseen emergencies in the constituency	Emergency mitigation	Addressed emergency	Reroofed blown roof at bibirioni. Modern toilet at makutano.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** LIMURU NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid-19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

NGCDF has sensitized the community on the need to adopt modern ways of disposing waste by adopting modern toilets.

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. LIMURU constituency invests in capacity building programs for employees. These

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

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-

LIMURU NGCDF Constituency is committed to fair and ethical market practises.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers which is enhanced through organized sensitization forums that relate to the procurement legal framework and ethical subject matters. We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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.

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

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

V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

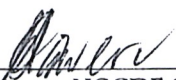
The Accounting Officer in charge of the NGCDF-LIMURU Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


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

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

Approval of the financial statements

The NGCDF- LIMURU Constituency financial statements were approved and signed by the Accounting Officer on 8/7 2022.


Chairman NGCDF Committee
Name: JAMES WAWERU

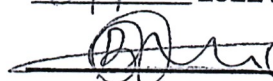

Fund Account Manager
Name: LABOSO CHEPENGER
FUND ACCOUNT MANAGER
NG - CDF
LIMURU CONSTITUENCY

LIMURU 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	163,440,876	50,000,000
Proceeds from Sale of Assets	2		
Other Receipts	3		4,024,210
TOTAL RECEIPTS		163,440,876	54,024,210
PAYMENTS			
Compensation of employees	4	2,288,717	727,200
Use of goods and services	5	7,798,402	6,171,969
Transfers to Other Government Units	6	53,413,435	48,797,924
Other grants and transfers	7	74,495,602	14,686,486
Acquisition of Assets	8		1,897,217
Other Payments	9	5,700,000	
TOTAL PAYMENTS		143,696,157	72,280,796
SURPLUS/(DEFICIT)		19,744,720	(18,256,586)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LIMURU Constituency financial statements were approved on 8/7 2022 and signed by:



Fund Account Manager
Name: LABOSO CHEPNG'ENO
 FUND ACCOUNT MANAGER
 NG - CDF
 LIMURU CONSTITUENCY


 National Sub-County Accountant

Name: DOMINIC MATIRI
ICPAK M/No: 20494

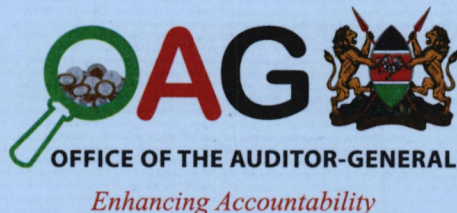
THE NATIONAL TREASURY
 SUB-COUNTY ACCOUNTANT
 LIMURU CONSTITUENCY


 Chairman NG-CDF Committee

Name: JAMES WAWERU

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: 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 - LIMURU CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituency Development Fund - Limuru Constituency set out on pages 13 to 48, which

comprise the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and Summary statement of appropriation 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 National Government Constituency Development Fund-Limuru 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 Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Variances between Balances in the Financial Statements and the Supporting Schedules

The statement of receipts and payments reflects an expenditure of Kshs.7,798,402 under use of goods and services. However, the supporting schedules provided for audit reflects a total expenditure of Kshs.7,646,212 under use of goods and services, resulting to an unreconciled variance of Kshs.152,190 as indicated below: -

Component	Financial Statements Balances (Kshs)	Supporting Schedules Balances (Kshs.)	Variance (Kshs.)
Utilities, supplies and services	12,095	49,640	(37,545)
Electricity	145,026	149,420	(4,394)
Water & sewerage charges	20,290	112,610	(92,320)
Communication, supplies and services	120,000	111,400	8,600
Domestic travel and subsistence	35,000	191,783	(156,783)
Training expenses	1,200,000	1,723,200	(523,200)
Other committee expenses	150,000	121,222	28,778
Committee allowance	5,222,209	2,177,000	3,045,209
Office and general supplies and services	643,700	777,305	133,605
Fuel, oil & lubricants	60,000	101,931	(41,931)
Other operating expenses	-	207,310	(207,310)
Routine maintenance - vehicles and other transport equipment	125,000.00		125,000
Routine maintenance- other assets	34,450	81,422	(46,972)
Repair of Vehicle		122,807	(122,807)

Component	Financial Statements Balances (Kshs)	Supporting Schedules Balances (Kshs.)	Variance (Kshs.)
Maintenance of Vehicle		42,530	(42,530)
Hospitality		406,544	(406,544)
Stationery		508,712	(508,712)
Sanitary		4,788.00	(4,788)
Uncategorized Expenditure		47,271.00	(47,271)
Uncategorized Expenditure		678,685	(678,685)

In the circumstances, the accuracy of the financial statements could not be confirmed.

2. Failure to Update the Fixed Assets Register

The statement of receipts and payments and corresponding disclosure Note 9 reflects an expenditure of Kshs.5,700,000 in respect of other payments. Included in the balance is an amount of Kshs.2,200,000 in respect of Information, Communication and Technology (ICT) of. However, the fixed asset register does not reflect corresponding additions under ICT equipment, software and other ICT assets during the year under review.

In the circumstances, the accuracy and propriety of the expenditure of Kshs.2,200,000 could not be confirmed.

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

1. Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis totalling to Kshs.289,387,352 and Kshs.173,330,637 respectively, resulting to an underfunding amounting to Kshs.116,056,716 or 40 % of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totalling to Kshs.289,387,352 and Kshs.143,696,156 respectively, resulting to an underperformance amounting to Kshs.145,691,196 or 50 % of the budget.

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

2. Unresolved Prior Year Matters

Various prior year audit issues remained unresolved as at 30 June, 2021. Management has not provided reasons for the delay in resolving the prior year audit issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Delayed Projects

The statement of receipts and payments and corresponding disclosure Note 6 to the financial statements reflects transfers to other government units balances of Kshs.53,413,435. Review of the project implementation and status revealed that two schools had been allocated Kshs.2,500,000 and Kshs.1,700,000 in the September, 2021. However, the two projects had not been completed by the time of audit.

In the circumstances, the residents did not get value for money for the expenditure totalling Kshs.4,200,000 allocated to the two schools.

2. Unsupported Expenditure

The statement of receipts and payments and corresponding disclosure Note 7 to the financial statements reflects other grants and other payments balance of Kshs.74,495,602. However, the following unsatisfactory matters were noted.

2.1 Environmental Projects

The Fund made payments of Kshs.9,614,407 for the implementation of environmental projects. However, supporting documents indicating the beneficiaries of the environmental project undertaken, the Project Management Committee (PMC) minutes acknowledging the receipt of the funds for the Environmental Projects and Fund Committee minutes were not provided for audit.

2.2 Emergency Expenses

The Fund Management similarly made payments of Kshs.3,400,000 in respect of emergency projects. However, a list of the emergency projects undertaken, payment documents and Fund Committee minutes were not submitted for audit.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the 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 Constituency 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 Constituency ability to continue as a going concern or 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 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

03 August, 2022


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

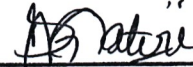
VIII. STATEMENT OF ASSETS AND LIABILITIES


	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per The Cash Book)	10A	29,634,480	9,889,761
Cash Balances (Cash At Hand)	10B	-	-
Total Cash And Cash Equivalents		29,634,480	9,889,761
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		29,634,480	9,889,761
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities			
Net Financial Assets		29,634,480	9,889,761
Represented By			
Fund Balance B/Fwd		9,889,761	28,146,347
Prior Year Adjustments	14		
Surplus/Deficit For The Year		19,744,720	(18,256,586)
Net Financial Position		<u>29,634,481</u>	<u>9,889,761</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LIMURU Constituency financial statements were approved on

8/7/2022 and signed by:


 FUND ACCOUNT MANAGER
 Fund Account Manager
 Name: LABOSO CHEPNGENO
 LIMURU CONSTITUENCY


 National Sub-County Accountant
 Name: DOMINIC MATIRI
 ICPAK M/No: 20494


 Chairman NG-CDF Committee
 Name: JAMES WAWERU.

THE NATIONAL TREASURY
 SUB COUNTY ACCOUNTANT
 LIMURU

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


IX. STATEMENT OF CASHFLOW

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From Ngcdf Board	1	163,440,876	50,000,000
Other Receipts	3	-	4,024,210
Total Receipts		163,440,876	54,024,210
Payments For Operating Activities			
Compensation Of Employees	4	2,288,717	727,200
Use Of Goods And Services	5	7,798,402	6,171,969
Transfers To Other Government Units	6	53,413,435	48,797,924
Other Grants And Transfers	7	74,495,602	14,686,486
Other Payments	9	5,700,000	-
Total Payments		143,696,156	70,383,579
Total Receipts Less Total Payments			
Adjusted For:			
Decrease/(Increase) In Accounts Receivable: (Outstanding Imprest)	15	-	-
Increase/(Decrease) In Accounts Payable: (Deposits/Gratuity And Retention)	16	-	-
Prior Year Adjustments	14	-	-
Net Cash Flow From Operating Activities		19,744,720	(16,359,369)
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		19,744,720	(18,256,586)
Cash Cash Equivalent At Start Of The Year	10	9,889,761	28,146,347
Cash And Cash Equivalent At End Of The Year		<u>29,634,480</u>	<u>9,889,761</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LIMURU Constituency financial statements were approved on 31/7/2022 and signed by:


FUND ACCOUNT MANAGER
Name: LABOSO CHEPENGENO


National Sub-County Accountant


Chairman NG-CDF Committee

Name: DOMINIC MATIRI
ICPAK M/No: 20494

Name: JAMES WAWERU

LIMURU Constituency
National Government Constituencies Development Fund (NGCDF)
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X. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget a	Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
RECEIPTS	2020/2021			2020/2021	30/06/2021		
	Kshs			Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	9,889,761	142,408,712	289,387,352	173,330,637	116,056,716	59.9%
Proceeds from Sale of Assets							0.0%
Other Receipts							
TOTALS	137,088,879	9,889,761	142,408,712	289,387,352	173,330,637	116,056,716	#DIV/0!
PAYMENTS							
Compensation of Employees	2,346,000		2,104,831	4,450,831	2,288,717	2,162,114	51.4%
Use of goods and services	9,991,999		7,403,334	17,395,333	7,798,403	9,596,930	44.8%
Transfers to Other Government Units	58,000,000		51,064,403	109,064,403	53,413,435	55,650,968	49.0%
Other grants and transfers	66,750,880	9,889,761	63,184,875	139,825,517	74,495,602	65,329,915	53.3%
Acquisition of Assets							
Other Payments			18,651,268	18,651,268	5,700,000	12,951,268	30.6%
Funds pending approval**							
TOTALS	137,088,879	9,889,761	142,408,712	289,387,352	143,696,156	145,691,196	49.7%

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

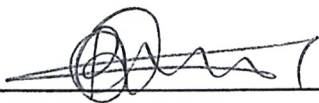
LIMURU Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

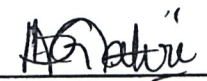
- (a) For the revenue items are amounts received from the Board
- (b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]
- i. We did not receive all the funds from the Board
 - ii. Compensation to employees not fully utilized
 - iii. Use of goods and services saved as not all the projects were implemented
 - iv. Not all projects were implemented because not all funds were received


(The changes between the original and final budget are as a result of reallocations within the budget, funds not received from the board as per IPSAS 1.9.23.)

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	145,691,195
Less undisbursed funds receivable from the Board as at 30 th June 2021	116,056,806
	29,634,480
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	29,634,480

The NGCDF-LIMURU Constituency financial statements were approved on 8/7/2022 and signed by:


 Fund Account Manager
 Name: LABOSO CHEPGENO
 NG - CDF
 LIMURU CONSTITUENCY


 National Sub-County Accountant
 Name: DOMINIG MATIRI
 ICPAK M/No: 2049 K
 THE NATIONAL TREASURY
 SUB COUNTY ACCOUNTANT
 LIMURU


 Chairman NG-CDF Committee
 Name: JAMES WAWERU

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget		Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
	2020/2021	Kshs	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent			9,889,761				
1.1 Compensation of employees	2,346,000.00			2,104,831.00	4,450,831	2,288,717	
1.2 Committee allowances	3,000,000.00			2,775,936.00	5,775,936	5,198,349	577,587
1.3 Use of goods and services	2,879,332.75			1,800,176.45	4,679,509	2,600,054	2,079,455
	8,225,332.75		-	6,680,943.45	14,906,276	10,087,120	4,819,156
2.0 Monitoring and evaluation							
2.1 Capacity building	1,412,666.38			933,361.73	2,346,028		2,346,028
2.2 Committee allowances	2,200,000.00			1,747,490.00	3,947,490		3,947,490
2.3 Use of goods and services	500,000.00			146,370.00	646,370		646,370
	4,112,666.38		-	2,827,221.73	6,939,888	-	6,939,888
3.0 Emergency	7,192,206.90			6,603,507.60	13,795,714.50	3,400,000.00	10,395,714.50
3.1 Primary Schools							
3.2 Secondary schools							
3.3 Tertiary institutions							
3.4 Security projects							
4.0 Bursary and Social Security							
4.1 Primary Schools							
4.2 Secondary Schools	22,900,000.00		9,889,761.00	21,871,898.00	54,661,659.00	24,646,000.00	30,015,659.00
4.3 Tertiary Institutions	5,655,118.10			7,371,207.24	13,026,325.34	8,232,300.00	4,794,025.34
4.4 Universities	6,000,000.00				6,000,000.00		6,000,000.00
4.5 Social Security				(318,000.00)	(318,000.00)	-	(318,000.00)
	34,555,118.10		9,889,761.00	28,925,105.24	73,969,984.34	32,878,900.00	40,491,684.34

LIMUKU Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
5.0 Sports						
5.1	2,741,777.59	-	6,883,533.49	9,625,311.08	-	9,625,311.08
5.2						
5.3						
6.0 Environment						
Kiwaroga primary School	225,000.00		392,479.21	617,479.21	617,479.21	-
Kiriri primary School	225,000.00		86,000.00	311,000.00	311,000.00	-
St John Bosco Primary School	225,000.00			225,000.00	225,000.00	-
St Pauls Primary School	225,000.00			225,000.00	225,000.00	-
Bibirioni Primary School	225,000.00			225,000.00	225,000.00	-
Gatuura primary School			392,479.21	392,479.21	392,479.21	-
Githunguchu Primary School			400,000.00	400,000.00	400,000.00	-
Githunguchu Primary School			86,000.00	86,000.00	86,000.00	-
Gitutha Primary school			392,479.21	392,479.21	392,479.21	-
Kabuku Primary School			392,478.84	392,478.84	392,379.15	99.69
Kabuku Primary School			86,000.00	86,000.00	86,000.00	-
Kabuku Secondary School			88,207.00	88,207.00	88,207.00	-
Kamirithu primary school	225,000.00			225,000.00	225,000.00	-
Kamirithu Pry School			86,000.00	86,000.00	86,000.00	-
Kamirithu Sec school			80,000.00	80,000.00	80,000.00	-
Kiawanda Primary School			86,000.00	86,000.00	86,000.00	-
Kiwaroga primary School			86,000.00	86,000.00	86,000.00	-
Kinyogori High School			86,000.00	86,000.00	86,000.00	-
Limuru Model Pry school			86,000.00	86,000.00	86,000.00	-
Mahinga Primary School	225,000.00			225,000.00	225,000.00	-

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			
Manguo Secondary School			325,000.00	325,000.00	325,000.00	-
Mirithu Primary School			400,000.00	400,000.00	400,000.00	-
Mukoma Secondary School			325,000.00	325,000.00	325,000.00	-
Muna secondary school			86,000.00	86,000.00	86,000.00	-
Ngarariga Girls Sec sch			86,000.00	86,000.00	86,000.00	-
Ngarariga primary School	225,000.00			225,000.00	225,000.00	-
Ngecha Primary School			331,582.00	331,582.00	331,582.00	-
Nyanjega Primary School	266,777.59			266,777.59	266,777.59	-
Nyataragi Primary School			86,000.00	86,000.00	86,000.00	-
Nyoro Primary School	225,000.00			225,000.00	225,000.00	-
Rironi Primary School			392,479.21	392,479.21	392,479.21	-
Rironi Secondary School	225,000.00			225,000.00	225,000.00	-
Rongai Primary school			86,000.00	86,000.00	86,000.00	-
Rwacumari Primary School			400,000.00	400,000.00	400,000.00	-
Rwaka Primary School			86,000.00	86,000.00	86,000.00	-
St John Bosco Fry School			86,000.00	86,000.00	86,000.00	-
St Paul's Primary School			86,000.00	86,000.00	86,000.00	-
Tharuni Primary School			86,000.00	86,000.00	86,000.00	-
Tharuni Primary School	225,000.00			225,000.00	225,000.00	-
Tiekunu Primary School			392,479.21	392,479.21	392,479.21	-
Tiekunu Primary School			86,000.00	86,000.00	86,000.00	-
Tigoni Primary School			86,000.00	86,000.00	86,000.00	-
Tree Planting at Ngubi			227,586.00	227,586.00	227,586.00	-
Tutu Primary school			392,479.21	392,479.21	392,479.21	-
TOTAL	2,741,777.59	-	6,872,729.10	9,614,506.69	9,614,407.00	

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
7.0 Primary Schools Projects (List all the Projects)						
7.1 Nyoro Primary School	500,000.00			500,000.00	500,000.00	-
7.2 Tigoni Primary School	500,000.00			500,000.00	500,000.00	-
7.3 Nderu Primary School	300,000.00			300,000.00	300,000.00	-
7.4 Bibirioni Primary School	4,000,000.00		210,400.00	4,210,400.00	4,000,000.00	210,400.00
7.5 Gatuura primary School	1,100,000.00			1,100,000.00	1,100,000.00	-
7.6 Makutano primary School	4,400,000.00			4,400,000.00	4,400,000.00	-
7.7 Ngecha Primary School	1,400,000.00			1,400,000.00	1,400,000.00	-
7.8 Githunguchu Primary School	1,000,000.00			1,000,000.00	1,000,000.00	-
7.9 Gitutha Primary School	1,700,000.00			1,700,000.00	1,700,000.00	-
8.0 Gatuura Primary School	1,700,000.00			1,700,000.00	1,700,000.00	-
8.1 Tiekunu primary school	1,000,000.00			1,000,000.00	1,000,000.00	-
8.2 Limuru Mission Pry school	1,700,000.00			1,700,000.00	1,700,000.00	-
8.3 Limuru Model Primary School	2,500,000.00			2,500,000.00	2,500,000.00	-
8.4 Muengegi Primary School	2,000,000.00			2,000,000.00	2,000,000.00	-
8.5 Mithiga Primary School	20,000,000.00			20,000,000.00		20,000,000.00
Gatimu Primary School			5,500,000.00	5,500,000.00		5,500,000.00
Gatimu Primary School			76,800.00	76,800.00		76,800.00
Gatimu Primary School			180,000.00	180,000.00		180,000.00
Gatuura Primary School			342,000.00	342,000.00		342,000.00
Githunguchu Primary School			316,800.00	316,800.00		316,800.00
Gitutha Primary School			192,000.00	192,000.00		192,000.00
Gitutha Primary School			144,000.00	144,000.00		144,000.00
Jonathan Maara Pry school			256,500.00	256,500.00		256,500.00

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kabuku Primary school			331,200.00	331,200.00		331,200.00
Kamandura Primary School			200,000.00	200,000.00		200,000.00
Kamandura Primary School			60,000.00	60,000.00	60,000.00	-
Kamandura Primary School			514,500.00	514,500.00		514,500.00
Kamandura Primary School			200,000.00	200,000.00		200,000.00
Kamirithu Primary School			337,500.00	337,500.00		337,500.00
Kiawanda Primary School			76,800.00	76,800.00		76,800.00
Kiawaroga Primary School			60,000.00	60,000.00	60,000.00	-
Kiawaroga Primary School			556,800.00	556,800.00		556,800.00
Kiawaroga Primary School			557,500.00	557,500.00		557,500.00
Kiawaroga Primary School			459,000.00	459,000.00		459,000.00
Kinyogori Primary School			76,800.00	76,800.00		76,800.00
Kiriri Primary School			1,000,000.00	1,000,000.00		1,000,000.00
Kiriri Primary School			198,000.00	198,000.00		198,000.00
Limuru Mission Primary School			1,560,000.00	1,560,000.00	1,560,000.00	-
Limuru Mission Primary School			585,000.00	585,000.00		585,000.00
Limuru Mission Pry School			495,500.00	495,500.00		495,500.00
Limuru Town primary School			2,000,000.00	2,000,000.00	2,000,000.00	-
Limuru Town primary School			676,800.00	676,800.00		676,800.00
Mahinga Primary School			67,200.00	67,200.00		67,200.00
Makutano Primary School			177,600.00	177,600.00		177,600.00
Manguo Primary School			820,800.00	820,800.00		820,800.00
Nderu Primary School			200,000.00	200,000.00		200,000.00
Ngarariga Primary School			515,000.00	515,000.00	200,000.00	315,000.00
Ngecha Primary School			585,000.00	585,000.00		585,000.00

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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Nyanjega Primary School			202,500.00	202,500.00		202,500.00
Nyataragi Primary School			180,000.00	180,000.00		180,000.00
Rironi Primary School			547,200.00	547,200.00		547,200.00
Rongai Primary School			60,000.00	60,000.00	60,000.00	-
Rongai Primary School			446,400.00	446,400.00		446,400.00
Rongai Primary School			292,500.00	292,500.00		292,500.00
Rwacumari primary School			249,600.00	249,600.00		249,600.00
Rwaka Primary School			254,400.00	254,400.00		254,400.00
Rwaka Primary School			450,000.00	450,000.00		450,000.00
Rwaka Primary School			441,000.00	441,000.00		441,000.00
Rwamburi Primary School			1,200,000.00	1,200,000.00	1,200,000.00	-
Rwamburi Primary School			139,500.00	139,500.00		139,500.00
St John Bosco primary School			60,000.00	60,000.00	60,000.00	-
St Pauls Primary School			450,000.00	450,000.00		450,000.00
St Paul's Primary School			465,600.00	465,600.00		465,600.00
Tharuni Primary School			301,500.00	301,500.00		301,500.00
Thigio Primary School			124,800.00	124,800.00		124,800.00
Tiekunu Primary School			422,400.00	422,400.00		422,400.00
Tigoni Primary School			62,003.00	62,003.00		62,003.00
Tigoni Primary School			900,000.00	900,000.00		900,000.00
Tutu Primary School			148,800.00	148,800.00		148,800.00
Umoja Primary School			384,200.00	384,200.00		384,200.00
Umoja Primary School			202,500.00	202,500.00		202,500.00
8.0 Secondary Schools Projects	43,800,000.00		27,514,403.00	71,314,403.00	29,000,000.00	42,314,403.00

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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
(List all the Projects)						
8.1 Rironi Secondary School	4,500,000.00			4,500,000.00	4,500,000.00	-
8.2 Sacred Heart Mirithu Girls Sch	700,000.00			700,000.00	700,000.00	-
8.3 Bibirioni Boys High School	4,500,000.00			4,500,000.00	4,500,000.00	-
8.4 Mukoma High School	4,500,000.00			4,500,000.00	4,500,000.00	-
8.5 Gichuru High School			2,000,000.00	2,000,000.00		2,000,000.00
8.6 Ngecha Girls High School			200,000.00	200,000.00	200,000.00	-
8.7 Kamirithu Secondary School			5,500,000.00	5,500,000.00		5,500,000.00
8.8 Ngenia High School			6,000,000.00	6,000,000.00	6,000,000.00	-
8.9 Muua Secondary School			1,860,000.00	1,860,000.00		1,860,000.00
8.10 Nyanjega Secondary School			2,500,000.00	2,500,000.00	2,500,000.00	-
8.11 Umoja Secondary School			202,500.00	202,500.00		202,500.00
8.12 Nyanjega Secondary School			202,500.00	202,500.00		202,500.00
8.13 Muna Secondary School			225,000.00	225,000.00		225,000.00
8.14 Kabuku Secondary school			225,000.00	225,000.00		225,000.00
8.15 Nyanjega Secondary School			225,000.00	225,000.00		225,000.00
8.16 Umoja Secondary School			270,000.00	270,000.00		270,000.00
8.17 Umoja Secondary school			200,000.00	200,000.00	200,000.00	-
8.18 Kamandura girls High school			1,200,000.00	1,200,000.00	1,200,000.00	-
	14,200,000.00		20,810,000.00	35,010,000.00	24,300,000.00	10,710,000.00
9.0 Tertiary institutions Projects (List all the Projects)						
Limuru Technical Training Institute			2,740,000.00	2,740,000.00	1,13,435.00	2,626,565.00
TOTAL			2,740,000.00	2,740,000.00	1,13,435.00	2,626,565.00

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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
10.0 Security Projects						
Kamirithu Police post and Assistant Chief's office	2,500,000.00			2,500,000.00	2,500,000.00	-
Karanjee Sub-location Assistant Chief's office	2,000,000.00			2,000,000.00	2,000,000.00	-
Kentmere AP Post	900,000.00			900,000.00		900,000.00
Kinyogori Police Post	2,000,000.00			2,000,000.00	2,000,000.00	-
Manguo Assistant Chief's Office	2,000,000.00			2,000,000.00	2,000,000.00	-
Mboroti Assistant Chief's Office	6,500,000.00			6,500,000.00	6,500,000.00	-
Murengeti AP Line	500,000.00			500,000.00	500,000.00	-
Nazareth Ap Line	1,200,000.00			1,200,000.00		1,200,000.00
Ngarariga Chief's Office	1,200,000.00			1,200,000.00	1,200,000.00	-
Rwamburi Police Post	720,000.00			720,000.00	702,895.00	17,105.00
Thigio Police Post			2,000,000.00	2,000,000.00	2,000,000.00	-
Limuru police sub-county HQ and police station.			4,000,000.00	4,000,000.00	4,000,000.00	-
Assistant Chief's office Thingati			2,000,000.00	2,000,000.00	2,000,000.00	-
Assistant Chief's office Kiroo			2,200,000.00	2,200,000.00	2,200,000.00	-
Thigio Chief's office			700,000.00	700,000.00	500,000.00	200,000.00
Ngecha Chief's Office			200,000.00	200,000.00		200,000.00
Mabroukie's Chief's Office			200,000.00	200,000.00		200,000.00
Limuru Town Chiefs' office			200,000.00	200,000.00		200,000.00
Rironi Chief's office			200,000.00	200,000.00		200,000.00
Ngarariga Chief's office			700,000.00	700,000.00	500,000.00	200,000.00
Nazareth Police post			1,500,000.00	1,500,000.00		1,500,000.00
TOTAL	19,520,000.00		13,900,000.00	33,420,000.00	28,602,895.00	4,817,105.00

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Programme/Sub-programme	Original Budget	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			
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)	2020/2021					
11.2 Construction of CDF office						
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						
11.5 Purchase of land						
12.0 Others						
Limuru ICT Hub			4,839,256.80	4,839,256.80	2,200,000.00	2,639,256.80
Kamandura centre Floodlight			1,500,000.00	1,500,000.00	-	1,500,000.00
Rivoni Centre Floodlight			1,500,000.00	1,500,000.00		1,500,000.00
Jomaris Centre Floodlight			1,500,000.00	1,500,000.00		1,500,000.00
Makutano Centre Floodlight			1,500,000.00	1,500,000.00		1,500,000.00
NG-CDF Office			915,817.49	915,817.49	-	915,817.49
Limuru Treasury Transfer			3,096,194.00	3,096,194.00		3,096,194.00
Kinyogori Access Road			300,000.00	300,000.00		300,000.00
Strategic Plan			3,500,000.00	3,500,000.00	3,500,000.00	-
Funds pending approval**						
Total	137,088,879	9,889,761	142,408,712	289,387,352	143,696,156	145,691,196

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

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, Deposits (gratuity and retentions) held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

9. Pending Bills

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

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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.

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XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO B041108	1		4,000,000
AIE NO B042782	2		16,000,000
AIE NO B096651	3		10,000,000
AIE NO B096597	1		10,000,000
AIE NO B104103	2		10,000,000
AIE NO B140631		15,000,000.00	
AIE NO 119933		12,000,000.00	
AIE NO B 128488		6,000,000.00	
AIE NO B 138899		12,000,000.00	
AIE NO B 126488		12,000,000.00	
AIE NO B132231		6,000,000.00	
AIE NO B128175		6,900,000.00	
AIE NO B119543		8,500,000.00	
AIE NO B124750		3,000,000.00	
AIE NO B126193		9,000,000.00	
AIE NO B 104559		55,040,875.50	
AIE NO B 104698		18,000,000.00	
TOTAL		163,440,876	50,000,000

2. PROCEEDS FROM SALE OF ASSETS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received		
Rents		
Receipts from sale of tender documents		
Hire of plant/equipment/facilities		
Unutilized funds from PMCs		4,024,210
Other Receipts Not Classified Elsewhere		
Total		4,024,210

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG- CDFC Basic staff salaries	1,372,946	720,000
Personal allowances paid as part of salary		
House Allowance		
Transport Allowance		
Leave allowance		
Gratuity to contractual employees	907,171	
Employer Contributions Compulsory national social security schemes	8,600	7,200
Total	2,288,717	727,200

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses		
Utilities, supplies and services	12,095	0
Communication, supplies and services	120,000	97,500
Domestic travel and subsistence	35,000	70,439
Printing, advertising and information supplies & services		
Rentals of produced assets		
Training expenses	1,200,000	467,280
Hospitality supplies and services		
Other committee expenses	150,000	186,000
Committee allowance	5,222,209	3,970,698
Insurance costs	3,281	24,108
		50,000
Specialized materials and services		
Office and general supplies and services	643,700	803,817
Other operating expenses	252,667	287,069
Routine maintenance – vehicles and other transport equipment	125,000	182,908
Routine maintenance – other assets	34,450	32,150
Total	7,798,402	6,171,969

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	29,000,000	32,115,924
Transfers to secondary schools (see attached list)	24,300,000	16,682,000
Transfers to tertiary institutions (see attached list)	113,435	
TOTAL	53,413,435	48,797,924

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	24,646,000	136,750
Bursary – tertiary institutions (see attached list)	8,232,300	813,100
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)		
Security projects (see attached list)	28,602,895	9,550,000
Sports projects (see attached list)	-	-
Environment projects (see attached list)	9,614,407	-
Emergency projects (see attached list)	3,400,000	4,186,636
Total	74,495,602	14,686,486

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings		
Construction of Buildings		1,897,217.00
Refurbishment of Buildings		-
Purchase of Vehicles and Other Transport Equipment		-
Overhaul of Vehicles and Other Transport Equipment		-
Purchase of Household Furniture and Institutional Equipment		-
Purchase of Office Furniture and General Equipment		
Purchase of ICT Equipment, Software and Other ICT Assets		-
Purchase of Specialized Plant, Equipment and Machinery		-
Rehabilitation and Renovation of Plant, Machinery and Equip.		-
Acquisition of Land		-
Acquisition of Intangible Assets		-
		-
Total		1,897,217.00

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	3,500,000	
ICT Hub	2,200,000	
	5,700,000	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>EQUITY BANK, LIMURU Branch . LIMURU NG-CDF A/c No:0690264049532</i>	29,634,480	9,889,761
Total	29,634,480	9,889,761
10B: CASH IN HAND		
Location 1		
Location 2		
Location 3		
Other Locations (<i>specify</i>)		
Total		
<i>[Provide cash count certificates for each]</i>		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

[Include an annex if the list is longer than 1 page.]

12A. RETENTION

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

[Provide short appropriate explanations as necessary.]

12B. GRATUITY

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

[Provide short appropriate explanations as necessary]

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13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	9,889,761	28,146,347
Cash in hand		
Imprest		
Total	9,889,761	28,146,347

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

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

****** *The adjusted balances are not carried down on the face of the financial statement.
(Entity to provide disclosure on the adjusted amounts)*

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST*

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

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS.

	2020 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	xxx	xxx
Deposit and Retentions held during the year (B)	xxx	xxx
Deposit and Retentions paid during the Year (C)	xxx	xxx

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Deposit and Retentions paid during the Year (C)	xxx	xxx
closing account payables $D = A + B - C$	xxx	xxx

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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	xx	xx
Construction of civil works	xx	xx
Supply of goods	xx	xx
Supply of services	xx	xx
	xx	xx

17.2: PENDING STAFF PAYABLES (See Annex 2)

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

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	2,162,114	2,104,831
Use of goods and services	9,596,930	7,403,334
Amounts due to other Government entities (see attached list)	55,650,968	51,064,403
Amounts due to other grants and other transfers (see attached list)	65,329,915	73,074,656
Acquisition of assets		
Others (<i>specify</i>)	12,951,268	18,651,268
Funds pending approval		

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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ANNEX 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				
Buildings and structures	9,997,542			9,997,542
Transport equipment	3,800,000			3,800,000
Office equipment, furniture and fittings	2,406,540			2,406,540
ICT Equipment, Software and Other ICT Assets	1,350,670			1,350,670
Other Machinery and Equipment	582,660			582,660
Heritage and cultural assets				
Intangible assets				
Total	18,137,412			18,137,412

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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
Nyoro Primary Kitchen	National Bank Limuru	01285121851200	200,476	524,000
Tigoni Primary School	Kenya Commercial Bank	1155209192	556,025	56,025
Nderu Primary School	Co-operative Bank	01141542531800	1,473,829.00	
Bibirioni Primary school	Co-operative Bank	1141542502900	4,071,344.45	71,344.45
Gatuura Primary School	Family Bank	047000034762	800,000.00	-
Makutano Primary School	Kenya Commercial Bank	1199395463	5,484,522	-
Ngecha Primary School	National Bank Limuru	1285121850300	806,812	-
Githunguchu Primary School	Equity Bank	0690263441330	1,598,840.75	598,840.75
Gitutha primary School	Equity Bank	0690280858946	1,699,550	-
Tiekunu primary School	Kenya Commercial Bank	1210431793	1,297,427	297,427.00
Limuru Mission Primary School	Co-operative Bank	01141541415000	1,882,033.5	182,033.50
Limuru Model Primary School	Equity Bank	0690280858350	2,499,550	-
Murengeti Primary School	Equity Bank	0690263440640	2,154,122.30	154,122.30
Sacred Heart Mirithu Girls Secondary School	Co-operative Bank	1141542733400	703,533.00	3,533.00
Mukoma High School	Equity Bank	0690280861930	4,499,550	-
Rironi Secondary School	Equity Bank	0690279831481	4,547,482.50	-
Bibirioni Boys High School	Co-operative Bank	01141541415100	4,513,014.35	13,014.35
Ngarariga Chief's office	Equity Bank	0690279824834	1,478,269.50	278,269.50
Mboroti Shopping Centre-Social Hall and Assistant Chief's Office.	Equity Bank	0690281024290	6,500,000	-
Murengeti AP line	Family Bank	047000029735	772,914.00	
Rwamburi Police Post	Co-operative Bank	01141541840900	531,526.00	31,526.00
Karanjee Sub-location - Assistant Chief's office	Equity Bank	0690280858898	1,999,502	-
Kamirithu Police Post and Assistant Chief's office	Equity Bank	0690280859195	2,499,550	-
Manguo Assistant Chief's office	Equity Bank		1,999,502	-

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Kinyogori Police Post	Equity Bank	0690281024856	2,000,000	-
Total			56,569,375.35	2,210,135.85

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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)
4.1 Lack of budget and financial review information	The following analysis information was requested for were not availed for audit review: 1. 5 years trend analysis with explanations 2. Initial vs Final budget analysis 3. 2020/2019 Vs 2019/2018 budget analysis 4. Budget Vs Actual variances analysis 5. 2020/2019 Vs 2019/2018 actual analysis 6. Projects status report as at 30 June 2020	The 5 years trend analysis with explanations, Initial vs. Final budget analysis, 2020/2019 Vs 2019/2018 budget analysis, Budget vs. Actual variances analysis, 2020/2019 Vs 2019/2018 actual analysis and Projects status report were availed	Yet to receive the certificates.	Yet to receive the certificates.
4.2 Use of Goods and services - Unsupported expenditure	Observation During the financial year ended 30.06.2020, NG-CDF Limuru Constituency reflected in the F/statements an amount totaling to Kshs 6,171,969 as use of goods and services. However, Review of monthly returns revealed payments for undisclosed items to suppliers of Kshs. 2, 385,205 shown below that were neither supported by procurement records showing the procurement process nor the payments vouchers.	1) The management provided the documents for audit verification. These documents include quotations, delivery notes, invoices, s13, Copies of LPO and ISO. 2) The auditors erroneously captured Kshs 1,871,867 for Jidryan General Supplies as use of goods and services yet it	Yet to receive the certificates.	Yet to receive the certificates.

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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>was for office construction. The Vouchers and the BQ were availed for verification.</p>		
<p>4.3 Transfer to Primary Schools - Contractor procurement</p>	<p>Note 6 as transfers to other Government Entities includes transfers to primary schools balance of Kshs.32, 115, 8924 for the year ended 30 June 2020. Included in the balance is transfer to St. Paul primary schools of Kshs.1, 500,000 for the renovation of classrooms. Examination of records revealed there was a change of contractor at St. Paul Primary School after M/s Eluai contractor requested to withdraw from the contract in the financial year. No procurement documents were availed as evidence that a new contractor was competitively sourced. Further, we could not confirm how and who completed the project. It appears the undisclosed contractor was single sourced.</p>	<p>Management Response.</p> <p>i. The management provided the procurement documents for all the above projects in order of sequence.</p> <p>ii. At the time of audit the some projects were not yet implemented therefore the tendering process was not done. Reason for non-implementation was insufficient funds.</p> <ul style="list-style-type: none"> • 	<p>Yet to receive the certificates.</p>	<p>Yet to receive the certificates.</p>
<p>Emergency projects - Unsupported procurement</p>	<p>During the Financial year ended 30.06.2020, NG-CDF Limuru constituency procured goods and services of Kshs.583,436 and Kshs.903,200 from Nyarage Building</p>	<p>Yet to receive the certificates.</p>	<p>Yet to receive the certificates.</p>	<p>Yet to receive the certificates.</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)
	and General Supplies, and Lomugo Enterprises Ltd respectively under emergency projects. However, procurement records as well as the payment vouchers were not availed for audit verification.			