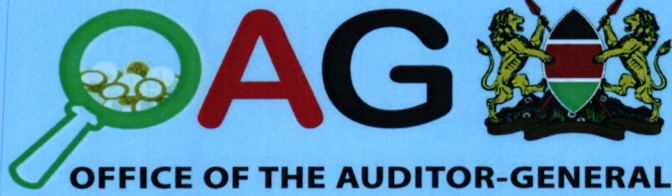


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

**NATIONAL ASSEMBLY
PAPERS LAID**

DATE: 05 OCT 2021

DAY:

TUE

**TABLED
BY:**

LoMP.

**CLERK-AT
THE-TABLE:**

Inzofu M.

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

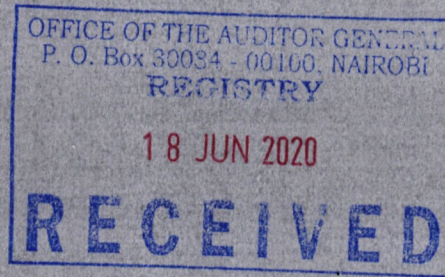
**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND -
NYARIBARI CACHE CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2019**

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -NYARIBARI
CHACHE CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2019**

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI CHACHE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
YARIBARI CHACHE CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2019**

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Core Values

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI CHACHE CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2019**

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

(b) Key Management

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

- ^p National Government Constituencies Development Fund Board (NGCDFB)
- 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 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Jared Bosire
2.	Sub-County Accountant	Benjamin Oino
3.	Chairman NGCDFC	Raymond Machogu
4.	Member NGCDFC	Esther Ratemo

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF NYARIBARI CHACHE Constituency Headquarters

P.O. Box 78-40204
NG-CDF Office Building
KEUMBU

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

NYARIBARI CHACHE CONSTITUENCY

Reports and Financial Statements

for the year ended June 30, 2019

(f) NGCDF NYARIBARI CHACHE Constituency Contacts

Telephone: (254) 728731132

E-mail: cdfnyaribarichache@cdf.go.ke

Website: www.cdf.go.ke

(g) NGCDF NYARIBARI CHACHE Constituency Bankers

Equity Bank

A/C No: 0510294577003

Kisii Branch

P.O. Box 78- 40404

KEUMBU

(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 CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI CHACHE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

The NG-CDFC wish to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The NG-CDF have improved in their budget performance despite the challenges encountered with the high turnover of managers and delay in receive of funds from the board. The performance in all the sectors i.e. Education, Security, Bursary and other projects implemented achieved a desirable 77% in terms of utilization which is better than last year's performance which was at 59.7%

However there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NG-CDF Project. Other issues affecting the project implementation process is the late disbursement of funds, late approved of proposals and reallocations.

Finally, the Nyaribari Chache NG-CDF wish to thank the NG CDF Board and all other stake holders who have made it easy to be able to deliver services to the people of Nyaribari Chache NG-CDF within the precincts of the NG-CDF Act, 2015. Below is the graphical representation of utilization of funds and a few of key achievements during the FY 2018/2019.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

NYARIBARI CHACHE CONSTITUENCY

Reports and Financial Statements

for the year ended June 30, 2019

Fig 1. Bar Graph of Budget absorption for FYR 2018-2019

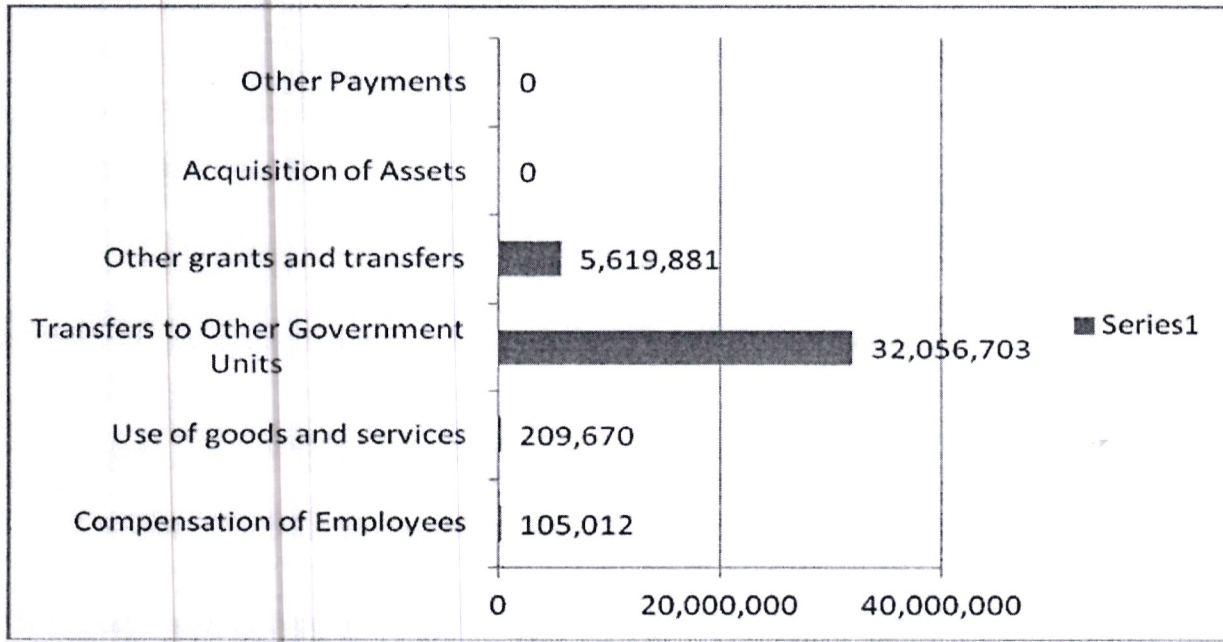
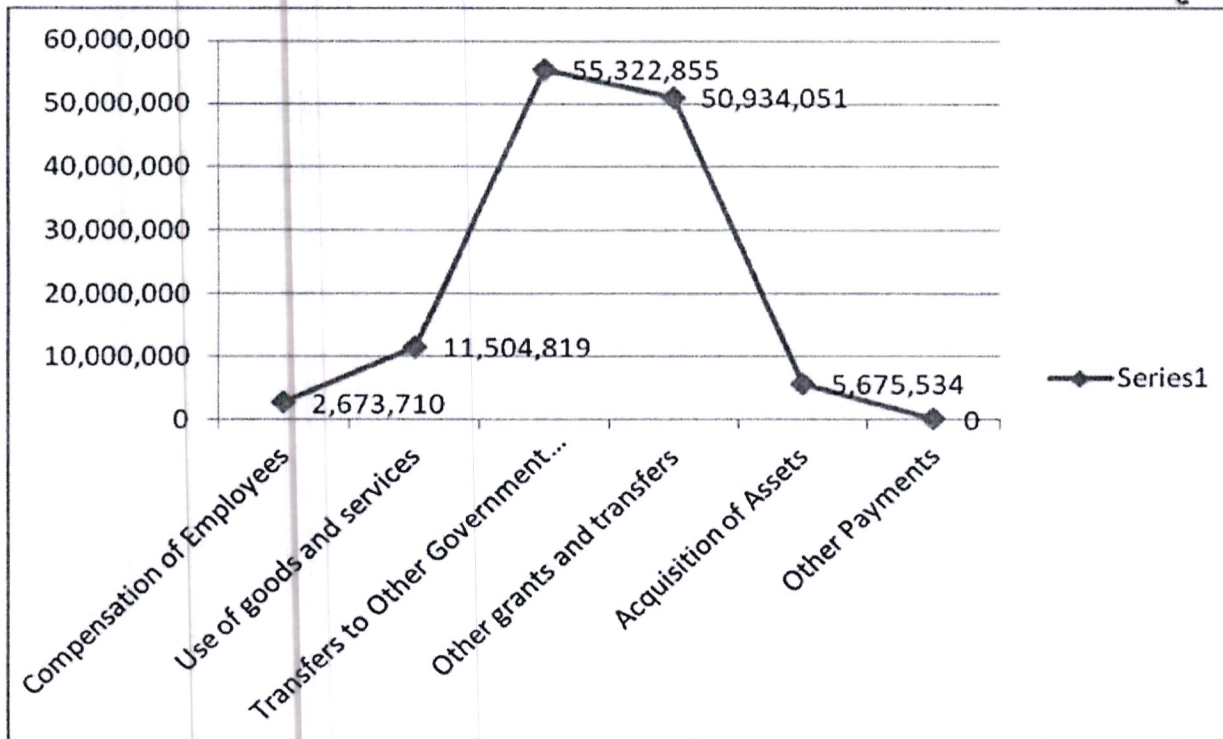
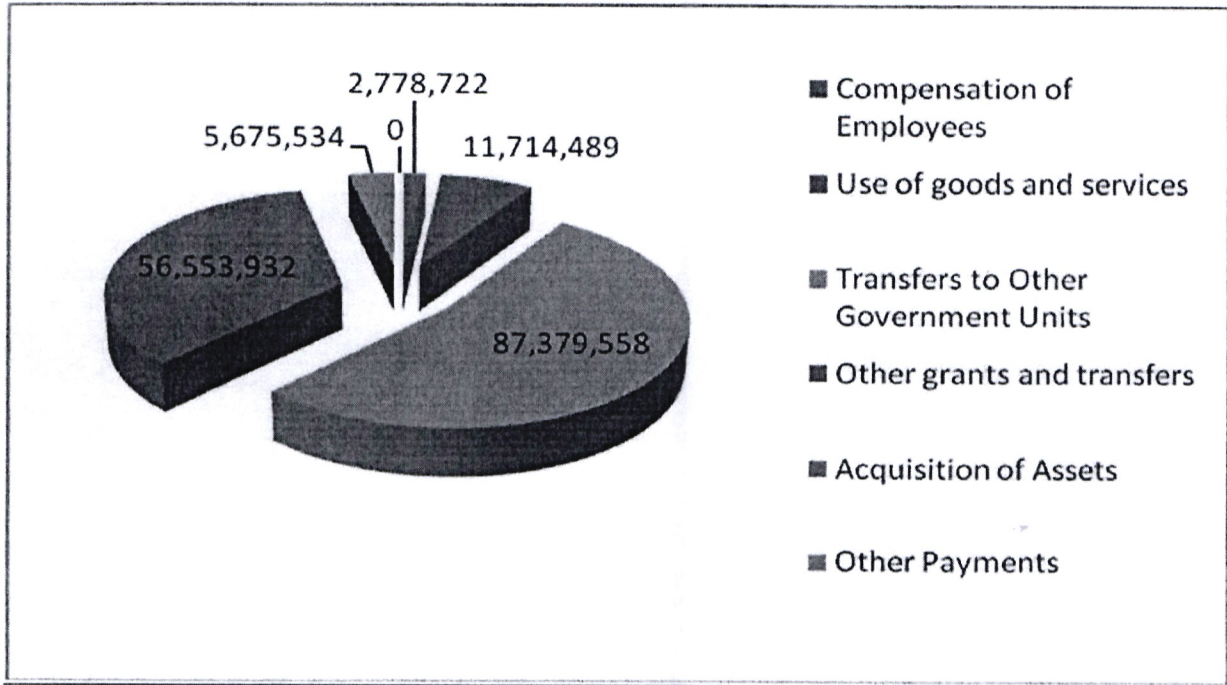


Fig 2. Line Graph of Utilization of Funds



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI CHACHE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

Fig. 3 Final Budget



KEY ACHIEVEMENTS IN THE FINANCIAL YEAR 2018/2019

Fig 1: Fully funded School bus by Nyaribari Chache for Our lady of Victory Nyabiosi Secondary School

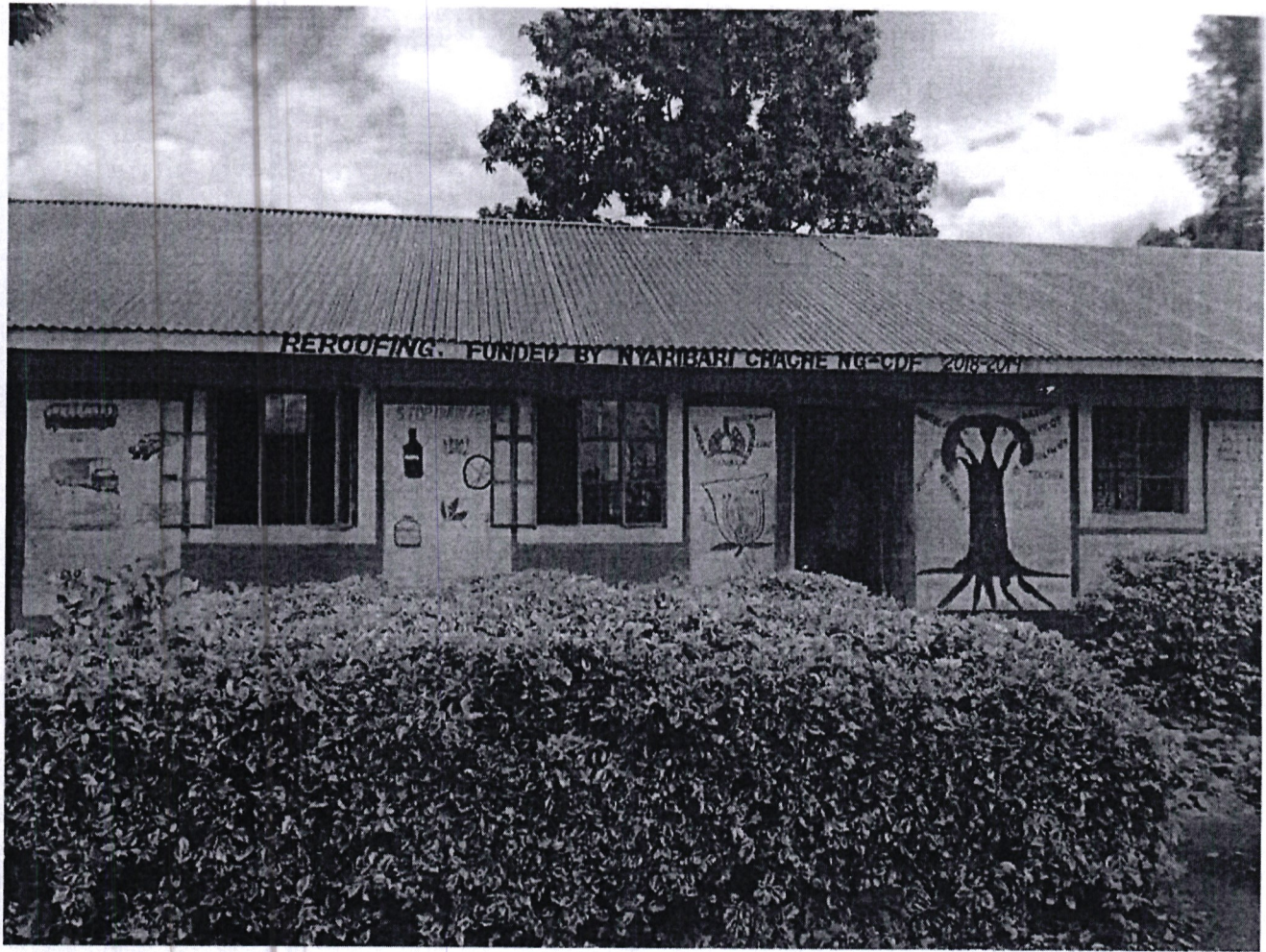


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI CHACHE CONSTITUENCY**

Reports and Financial Statements

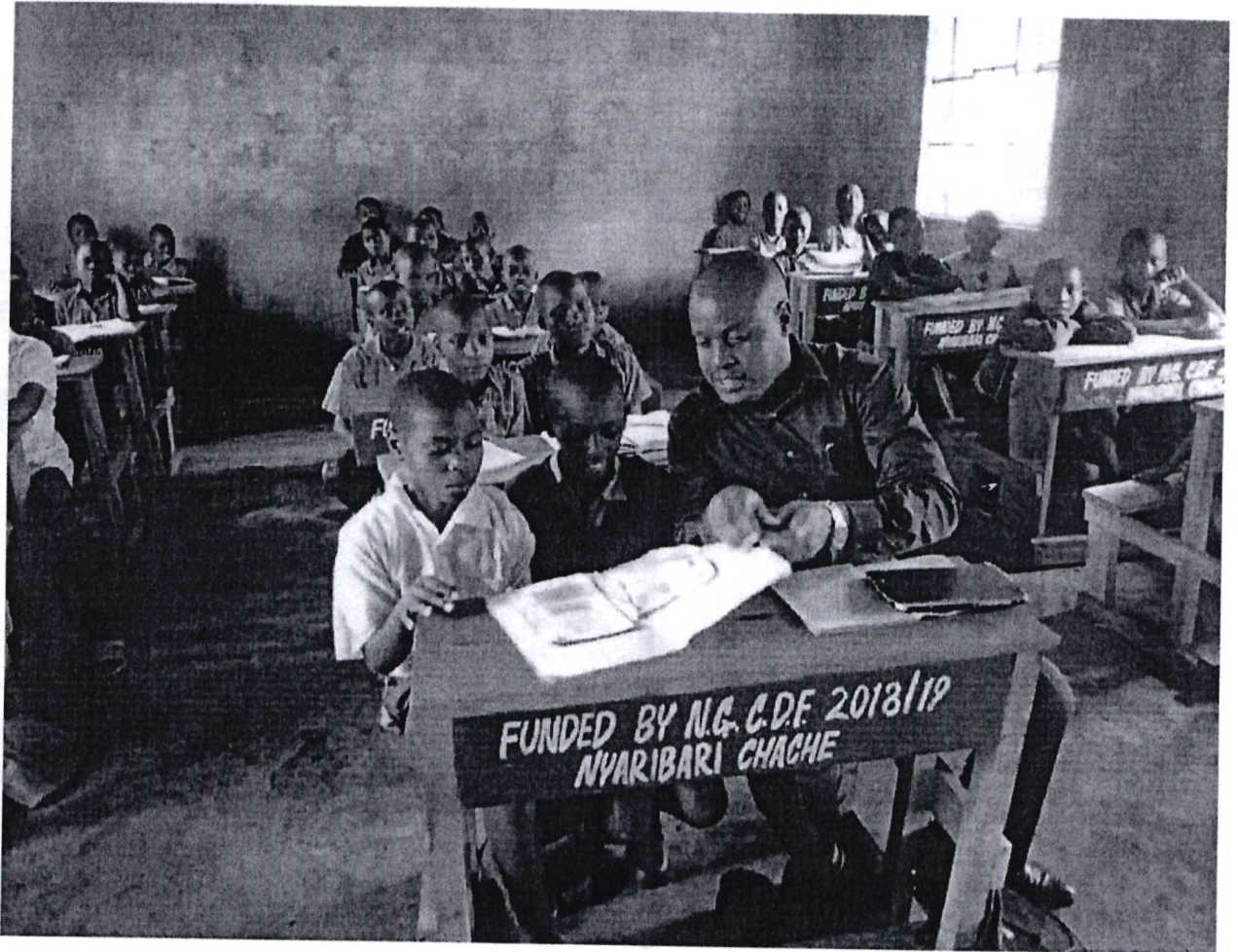
For the year ended June 30, 2019


Fig 2: Fully funded Reroofing of 3 Classrooms by Nyaribari Chache NG CDF for Nyanko Primary School



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI CHACHE CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

Fig 3: Fully funded 100 lockable desks by Nyaribari Chache NG CDF for Kerera Primary School



Name	Designation	Sign	Date
Raymond Machogu	NG-CDFC chairman		26/09/2019

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI CHACHE CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-NYARIBARI CHACHE 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, 2019. 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-NYARIBARI CHACHE Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-NYARIBARI CHACHE Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.


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

Approval of the financial statements

The NGCDF-NYARIBARI CHACHE Constituency financial statements were approved and signed by the Accounting Officer on 26th Sept 2019.



Fund Account Manager
Name: Jared Bosire



Sub-County Accountant
Name: Benjamin Oino
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 - NYARIBARI CACHE CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Nyaribari Cache Constituency set out on pages 10 to 33, which comprise of the statement of assets and liabilities as at 30 June, 2019, statement of receipts and payments, statement of cash flows and the summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the 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 Constituencies Development Fund - Nyaribari Cache Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Statement of Assets and Liabilities

The statement of assets and liabilities reflects total financial assets balance of Kshs.8,288,513 and nil financial liabilities. However, the net financial position was presented as net liabilities. The error was not corrected.

Further, as disclosed in Note 10A to the financial statements, the statement of assets and liabilities reflects cash and cash equivalents bank balance of Kshs.8,288,513. Bank reconciliation statement provided had unrepresented cheques totalling to Kshs.16,475,575

out of which an amount of Kshs.16,006,571 represented stale cheques. However, the stale cheques had not been reversed in the cash book as at 30 June, 2019.

In addition, the statement reflects a prior year adjustment totalling to Kshs.38,116. However, relevant supporting documents including detailed breakdown of the amount were not provided for audit.

Consequently, the accuracy, completeness and validity of the statement of assets and liabilities as at 30 June, 2019 could not be confirmed.

2. Unsupported Domestic Travel and Subsistence Allowance

As disclosed in Note 5 to the financial statements, the statement of receipts and payments reflects use of goods and services expenditure amounting to Kshs.11,504,819. The balance includes domestic travel and subsistence amount of Kshs.1,875,000 whose supporting documents such as claims forms, payment vouchers, attendance registers, back to office reports, work tickets, bus tickets and the officers' destination were not provided.

Consequently, the accuracy, completeness and validity of domestic travel and subsistence balance of Kshs.1,875,000 for the year ended 30 June, 2019 could not be confirmed.

3. Unsupported Bursary Disbursements

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and transfers expenditure amounting to Kshs.50,927,051. The balance includes an amount of Kshs.35,831,356 which was disbursed as bursaries to needy students in secondary schools and tertiary institutions. Out of the total disbursements, an amount of Kshs.35,542,356 was not acknowledged by the beneficiary institutions by issuing receipts.

Consequently, the accuracy, completeness and validity of the disbursements totalling to Kshs.35,542,356 for the year ended 30 June, 2019 could not be confirmed.

4. Unsupported Purchase of School Buses

As disclosed in Note 6 to the financial statements, the statement of receipts and payments reflects transfers to other Government Units amounting to Kshs.55,322,855. The balance includes an amount of Kshs.23,349,603 which was paid for purchase of four (4) buses for learning institutions namely; Amariba, Nyabiosi, Irondi and Nyanko Secondary Schools.

Review of records revealed that request for quotations method of procurement was used instead of open tender method despite the total amount expected to be spent on the buses being above the legal threshold for quotations. Further, adequate documents supporting the award of the tender to the supplier were not provided.

In the circumstances, the accuracy, completeness and validity of the expenditure totalling to Kshs. 23,349,603 for the year ended 30 June, 2019 could not be confirmed.

5. Lack of Land Ownership Documents

Disclosed in Annex 4 to the financial statements is a summary of fixed assets register with a balance of Kshs.21,177,306. The balance includes land valued at historical cost of Kshs.8,096,672. However, ownership documents including the title deeds for the land were not provided.

Consequently, the validity of land valued at historical cost of Kshs.8,096,672 as at 30 June, 2019 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 - Nyaribari Chache 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. Budgetary Control and Performance

The summary statement of appropriation: recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs. 164,102,235 and Kshs. 134,430,597 respectively resulting to an under-funding of Kshs. 29,671,638 or 18% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs. 164,102,235 and Kshs. 126,103,969 respectively resulting to an under expenditure of Kshs. 37,998,266 or 23 % 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

In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation for failure to adhere

to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref: PSASB/1/12 Vol.1(44) of 25 June, 2019.

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 matter 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

Irregular Penalties on Statutory Deductions

As disclosed in Note 4 to the financial statements, the statement of receipts and payments reflects compensation of employees' expenditure totalling to Kshs.2,673,710. The expenditure includes an amount of Kshs.153,950 which was paid as penalties to the National Social Security Fund (NSSF) and National Hospital Insurance Fund (NHIF) for late remittance of statutory deductions. The expenditure was not approved or budgeted for and Management did not provide satisfactory explanation for not remitting deductions as per the law.

Consequently, the Management is in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those charged with Governance

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but

is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


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

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

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

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

14 September, 2021


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
 NYARIBARI CHACHE CONSTITUENCY**

**Reports and Financial Statements
 For the year ended June 30, 2019**

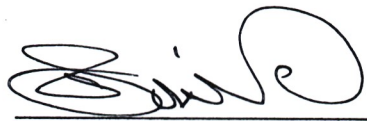
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019 Kshs	2017 - 2018 Kshs
RECEIPTS			
Transfers from CDF board	1	90,969,238	129,837,930
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		90,969,238	129,837,930
PAYMENTS			
Compensation of employees	4	2,673,710	2,431,387
Use of goods and services	5	11,504,819	10,843,788
Transfers to Other Government Units	6	55,322,855	45,830,199
Other grants and transfers	7	50,927,051	31,169,000
Acquisition of Assets	8	5,675,534	
Other Payments	9	-	106,885
TOTAL PAYMENTS		126,103,969	90,381,260
SURPLUS/DEFICIT		(35,134,731)	39,456,670

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NYARIBARI CHACHE Constituency financial statements were approved on 26 Sept 2019 and signed by:



 Fund Account Manager
 Name: Jared Bosire



 Sub-County Accountant
 Name: Benjamin Oino
 ICPAK Member Number:.....

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI CHACHE CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-NYARIBARI CHACHE 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, 2019. 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-NYARIBARI CHACHE Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2019, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-NYARIBARI CHACHE Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.


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

Approval of the financial statements

The NGCDF-NYARIBARI CHACHE Constituency financial statements were approved and signed by the Accounting Officer on 26th Sept 2019.



Fund Account Manager
Name: Jared Bosire




Sub-County Accountant
Name: Benjamin Oino
ICPAK Member Number:.....

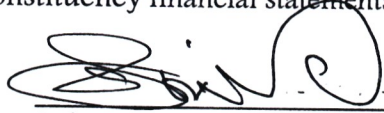
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NYARIBARI CHACHE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

V.STATEMENT OF ASSETS AND LIABILITIES

	Note	2018 - 2019 Kshs	2017 - 2018 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	8,288,512.65	43,461,359
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		8,288,512.65	43,461,359
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		8,288,512.65	43,461,359
FINANCIAL LIABILITES			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
NET FINANCIAL ASSETS		8,288,512.65	43,461,359
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	43,461,359.00	598,476
Surplus/Defict for the year		(35,134,731)	39,456,670
Prior year adjustments	14	(38,116)	3,406,213
NET LIABILITIES		<u>8,288,513.00</u>	<u>43,461,359</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NYARIBARI CHACHE Constituency financial statements were approved on 26th sept 2019 and signed by:


Fund Account Manager
Name: Jared Bosire


Sub-County Accountant
Name: Benjamin Oino
ICPAK Member Number:

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
 NYARIBARI CHACHE CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

VI. STATEMENT OF CASHFLOW

**CASH FLOWS FROM OPERATING
 ACTIVITIES**

		2018 - 2019	2017 - 2018
Receipts			
Transfers from CDF Board	1	90,969,238	129,837,930
Other Receipts	3	-	
Total Receipts		90,969,238	129,837,930
Payments			
Compensation of Employees	4	2,673,710	2,431,387
Use of goods and services	5	11,504,819	10,843,788
Transfers to Other Government Units	6	55,322,855	45,830,199
Other grants and transfers	7	50,927,051	31,169,000
Other Payments	9	-	106,885
Total Payments		120,428,434	90,381,260
Total Receipts Less Total Payments		(29,459,196)	39,456,670


Adjusted for:

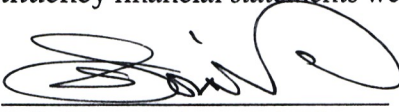
Outstanding Imprest	11	-	
Retention	12A	-	
Gratuity Payable	12B	-	
Prior Year adjustment	14	(38,116)	3,406,213
Net Adjustments		(38,116)	3,406,213
Net cash flow from operating activities		(29,497,313)	42,862,883

**CASHFLOW FROM INVESTING
 ACTIVITIES**

Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	5,675,534	
Net cash flows from Investing Activities		(5,675,534)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(35,172,847)	42,862,883
Cash and cash equivalent at BEGINNING of the year	13	43,461,359	598,476
Cash and cash equivalent at END of the year		8,288,513	43,461,359

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NYARIBARI CHACHE Constituency financial statements were approved on 26th sept 2019 and signed by:


 Fund Account Manager
 Name: Jared Bosire


 Sub-County Accountant
 Name: Benjamin Oino
 ICPAK Member Number:.....

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBARI CHACHE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

II. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

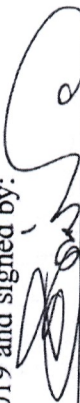
Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	109,040,876	55,061,360	164,102,235	134,430,597	29,671,638	82%
Proceeds from Sale of Assets			0	0		
Other Receipts			0	0		
TOTAL RECEIPTS	109,040,876	55,061,360	164,102,235	134,430,597	29,671,638	82%
PAYMENTS						
Compensation of Employees	3,778,722	1,000,000	2,778,722	2,673,710	105,012	96%
Use of goods and services	6,034,957	5,679,532	11,714,489	11,504,819	209,670	98%
Transfers to Other Government Units	49,643,079	37,736,478	87,379,558	55,322,855	32,056,703	63%
Other grants and transfers	49,584,118	6,969,814	56,553,932	50,927,051	5,626,881	90%
Acquisition of Assets		5,675,534	5,675,534	5,675,534	0	100%
Other Payments			0		0	0%
TOTAL	109,040,876	55,061,359	164,102,235	126,103,969	37,998,266	77%

(a) Below is a commentary on significant underutilization

ITEM	PERCENTAGE	REMARKS
TRANSFERS TO OTHER GOVERNMENT UNITS	63%	
Transfer to Tertiary School and Secondary school	32,056,703	The delay disbursement of funds is due to the process of formation of project management committees and opening of the project account.

The NGCDF-NYARIBARI CHACHE Constituency financial statements were approved on 24th Sept 2019 and signed by:


Fund Account Manager
 Name: Jared Bosire


Sub-County Accountant
 Name: Benjamin Oino
 ICPAK Member Number:

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on	Budget utilization
	2018/2019		2018/2019	comparable basis	
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	3,778,721.60	(1,000,000.00)	2,778,721.60	2,673,710.00	105,011.60
1.2 Committee allowances	1,895,490.93	570,000.00	2,465,490.93	2,460,000.00	5,490.93
1.3 Use of goods and services	868,240.00	780,758.00	1,648,998.00	1,644,819.04	4,178.96
Sub-Total	6,542,452.53	350,758.00	6,893,210.53	6,778,529.04	114,681.49
2.0 Monitoring and evaluation					
2.1 Capacity building	1,000,000.00		1,000,000.00	800,000.00	200,000.00
2.2 Committee allowances	1,544,000.00	2,406,000.00	3,950,000.00	3,950,000.00	-
2.3 Use of goods and services	727,226.27	1,922,773.73	2,650,000.00	2,650,000.00	-
Sub-Total	3,271,226.27	4,328,773.73	7,600,000.00	7,400,000.00	200,000.00
3.0 Emergency					
3.1 Primary Schools	5,738,993.56		5,738,993.56	4,552,063.00	1,186,930.56
Sub-Total	5,738,993.56	-	5,738,993.56	4,552,063.00	1,186,930.56
4.0 Bursary and Social Security					
4.1 Primary Schools					
4.2 Secondary Schools	5,000,000.00		5,000,000.00		
4.3 Tertiary Institutions	27,164,306.43		27,164,306.43		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBARI CHACHE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

4.4 Universities							
4.5 Social Security	6,000,000.00				6,000,000.00		
Sub-Total	38,164,306.43				38,164,306.43		2,339,950.80
5.0 Sports							
5.1 bal b/f							
sports	2,180,817.52		1,704,262.48		3,885,080.00		(0.00)
Sub-Total	2,180,817.52		1,704,262.48		3,885,080.00		(0.00)
6.0 Environment							
6.1 balance b/f							
	1,500,000.00		865,552.00		2,365,552.00		
Sub-Total	1,500,000.00		865,552.00		2,365,552.00		
7.0 Primary Schools Projects							
bal b/f							
Nyanchwa Primary School	400,000.00				400,000.00		
Nyanko Primary School	400,000.00				400,000.00		
Kabosi Primary School	300,000.00				300,000.00		
Riondong'a Primary School	200,000.00				200,000.00		
Riangabi Primary School	1,000,000.00				1,000,000.00		
Nyamagwa Primary School	500,000.00				500,000.00		
Chidwani Primary School	500,000.00				500,000.00		
Amabiria Primary School	150,000.00				150,000.00		
Amariba Primary School	150,000.00				150,000.00		

Reports and Financial Statements
For the year ended June 30, 2019

Amasago Primary School	150,000.00		150,000.00	
Biombe Primary School	150,000.00		150,000.00	
Birongo Primary School	150,000.00		150,000.00	
Boronyi Primary School	150,000.00		150,000.00	
Boruma Primary School	150,000.00		150,000.00	
Chirenge Primary School	150,000.00		150,000.00	
Esamba Primary School	150,000.00		150,000.00	
Gekomu Primary School	150,000.00		150,000.00	
Ibeno Primary School	150,000.00		150,000.00	
Itundero Primary School	150,000.00		150,000.00	
Kabwori Primary School	150,000.00		150,000.00	
Kari Primary School	150,000.00		150,000.00	
Kegati Primary School	150,000.00		150,000.00	
Kiogoro Primary School	150,000.00		150,000.00	
Kisii campus Primary School	150,000.00		150,000.00	
Kisii Primary School	150,000.00		150,000.00	
Matunwa Primary School	150,000.00		150,000.00	
Mogorora Primary School	150,000.00		150,000.00	
Nyaguta Primary School	150,000.00		150,000.00	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – NYARIBARI CHACHE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

Nyamecheo Primary School	150,000.00		150,000.00	
Nyanchwa Primary School	150,000.00		150,000.00	
Nyanko Primary School	150,000.00		150,000.00	
Nyankororo Primary School	150,000.00		150,000.00	
Nyaura Primary School	150,000.00		150,000.00	
Riambamanyi Primary School	150,000.00		150,000.00	
Riangabi Primary School	150,000.00		150,000.00	
Rikendo Primary School	150,000.00		150,000.00	
Getere Primary School	150,000.00		150,000.00	
Iberia Primary School	150,000.00		150,000.00	
Irungu Primary School	150,000.00		150,000.00	
Kabosi Primary School	150,000.00		150,000.00	
Koeke Primary School	150,000.00		150,000.00	
Kerera Central Primary School	150,000.00		150,000.00	
Kerera Primary School	150,000.00		150,000.00	
Masongo Primary School	150,000.00		150,000.00	
Nyaboribonge Primary School	150,000.00		150,000.00	
Nyakebako Primary School	150,000.00		150,000.00	
Nyamagwa Primary School	150,000.00		150,000.00	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NYABIBA DISTRICT COUNCIL
Reports and Financial Statements
For the year ended June 30, 2019

Nyamemiso Primary School	150,000.00		150,000.00	
Nyansira Primary School	150,000.00		150,000.00	
Nyosia Primary School	150,000.00		150,000.00	
Riamakwobe Primary School	150,000.00		150,000.00	
Riodonga Primary School	150,000.00		150,000.00	
Ritaro Primary School	150,000.00			
7.50 retention b/f		10,552,365.51	10,702,365.51	
Sub-Total	10,200,000.00	10,552,365.51	20,752,365.51	20,752,365.51
8.0 Secondary Schools Projects				
Nyaguta Secondary School	3,531,726.00		3,531,726.00	
Bobarocho Secondary School	3,339,911.52		3,339,911.52	
Irondi Secondary School	1,700,000.00		1,700,000.00	
Nyanko Secondary School	1,700,000.00		1,700,000.00	
Amariba Secondary School	1,700,000.00		1,700,000.00	
Nyabiosi Secondary School	1,700,000.00		1,700,000.00	
Nyamemiso Secondary School	1,000,000.00		1,000,000.00	
Ibeno Secondary School	700,000.00		700,000.00	
Nyatato Secondary School	1,200,000.00		1,200,000.00	
Nyanko Secondary School	1,000,000.00		1,000,000.00	
Riabamanyi Secondary School	1,190,624.19		1,190,624.19	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) - NYABIBABU CHURCH (2019)
Reports and Financial Statements
For the year ended June 30, 2019

Sub-Total	-	5,675,534.48	5,675,534.48	5,675,534.48	-
GRAND TOTALS	109,040,875.52	55,061,359.00	164,102,234.52	126,103,968.86	37,998,265.66

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
NYARIBARI CHACHE CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the NGCDF-NYARIBARI CHACHE Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
CARIBARI CHACHE CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

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 2018, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
NYARIBARI CHACHE CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

**REGIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
VARIBARI CHACHE CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

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 2018 for the period 1st July 2018 to 30th June 2019 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 2019.

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
NYARIBARI CHACHE CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

X. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019	2017-2018
		Kshs	Kshs
NGCDF Board			
AIE B006496	1	6,000,000	
AIE B005294	2	10,000,000	
AIE B030151	3	8,800,000	
AIE B005449	4	20,000,000	
AIE B042606	5	11,000,000	
AIE B042824	6	7,000,000	
AIE B047578	7	28,169,238	
AIE NO. A855978	1		5,500,000 ✓
AIE NO. A892565	2		40,448,275 ✓
AIE NO. A892794	3		37,905,172 ✓
AIE NO. A896991	4		45,984,483 ✓
TOTAL		90,969,238	129,837,930 ✓

2. PROCEEDS FROM SALE OF ASSETS

	2018-2019	2017-2018
	Kshs	Kshs
Receipts from sale of Buildings	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment	0.00	0.00
Receipts from sale of office and general equipment	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	0.00	0.00
Total	0.00	0.00

Ref
is figure agreed to previous year Audited Financial statements

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
 KARIBARI CHACHE CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2019**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2018-2019	2017-2018
	Kshs	Kshs
Interest Received	0.00	0.00
Rents	0.00	0.00
Receipts from Sale of tender documents	0.00	0.00
Other Receipts Not Classified Elsewhere	0.00	0.00
Total	0.00	0.00

4. COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	2,292,290	2,281,147
Basic wages of casual labour	0.00	0.00
Personal allowances paid as part of salary	0.00	0.00
House allowance	0.00	0.00
Transport allowance	0.00	0.00
Leave allowance	0.00	0.00
Gratuity	0.00	0.00
Other personnel payments (NSSF)	381,420	150,240
Total	2,673,710	2,431,387

OB - ^{Ky} Figure agreed to previous from Audited Financial Statement

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
 NYARIBARI CHACHE CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	Kshs	Kshs
Utilities, supplies and services		
Electricity	332,851	130,475.44
Water & sewerage charges		
Office rent		
Communication, supplies and services		
Domestic travel and subsistence	35,994	183,095.00
Printing, advertising and information supplies & services	1,875,000	180,000.00
Rentals of produced assets		
Training expenses		
Hospitality supplies and services	800,000	1,600,000.00
Other committee expenses		
Committee allowance	2,736,000	3,000,000.00
Insurance costs	2,574,000	4,100,000.00
Specialised materials and services		
Office and general supplies and services		
Fuel, oil & lubricants		120,000.00
Other operating expenses	1,275,974	300,000.00
Bank service commission and charges	1,875,000	1,200,000.00
Security operations		
Routine maintenance - vehicles and other transport equipment		30,218.00
Routine maintenance- other assets		
Strategic Plan		
TOTAL	11,504,819	10,843,788

Key
 t/s - Figure agreed to previous year Audited Financial Statement

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
 YARIBARI CHACHE CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2019**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2018-2019	2017-2018
	Kshs	Kshs
Transfers to primary schools (see attached list)	20,752,366	11,977,999
Transfers to secondary schools (see attached list)	34,570,489	33,852,200
TOTAL	55,322,855	45,830,199

7. **OTHER GRANTS AND OTHER PAYMENTS**

	2018-2019	2017-2018
	Kshs	Kshs
Bursary -Secondary	6,320,000	4,784,000
Bursary -Tertiary	29,504,356	21,769,000
Bursary-Special schools		
Mocks & CAT		
Security	4,300,000	600,000
Sports	3,885,080	
Environment	2,365,552	
Emergency Projects	4,552,063	4,016,000
Total	50,927,051	31,169,000

Key

DB - figure agreed to previous year Audited Financial statements.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
 NYARIBARI CHACHE CONSTITUENCY**

Reports and Financial Statements

or the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non-Financial Assets	2018-2019	2017-2018
	Kshs	Kshs
Purchase of Buildings	0.00	0.00
Construction of Buildings	5,675,534.48	0.00
Refurbishment of Buildings	0.00	0.00
Purchase of Vehicles and Other Transport Equipment	0.00	0.00
Overhaul of Vehicles and Other Transport Equipment	0.00	0.00
Purchase of Household Furniture and Institutional Equipment	0.00	0.00
Purchase of Office Furniture and General Equipment	0.00	0.00
Purchase of ICT Equipment, Software and Other ICT Assets	0.00	0.00
Purchase of Specialised Plant, Equipment and Machinery	0.00	0.00
Rehabilitation and Renovation of Plant, Machinery and Equip.	0.00	0.00
Acquisition of Land	0.00	0.00
Acquisition of Intangible Assets	0.00	0.00
Total	5,675,534.48	0.00

9. OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bank Charges	0.00	106,885
	0.00	-
Total	0.00	106,885

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
 NYARIBARI CHACHE CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019
NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
<i>Equity Bank, Kisii Branch, NYARIBARI CHACHE NG-CDF (A/C No. 0510294577003)</i>	8,288,512.65	43,461,359
<i>Name of Bank, Account No.</i>	0.00	0.00
<i>Name of Bank, Account No.</i>	0.00	0.00
Total	8,288,512.65	43,461,359 ✓ <i>OB</i>
10B: CASH IN HAND		
Location 1	0.00	0.00
Location 2	0.00	0.00
Location 3	0.00	0.00
Other Locations (<i>specify</i>)	0.00	0.00
	0.00	0.00
Total	0.00	0.00
<i>[Provide cash count certificates for each]</i>		

Ref
 OB - Figure agreed to previous year Audited Financial Statements

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
NYARIBARI CHACHE CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

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 or Institution</i>	dd/mm/yy	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	dd/mm/yy	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	dd/mm/yy	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	dd/mm/yy	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	dd/mm/yy	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	dd/mm/yy	0.00	0.00	0.00
Total				0.00

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

12A. RETENTION

	2018 - 2019	2017-2018
	Kshs	Kshs
Supplier 1	0.00	0.00
Supplier 2	0.00	0.00
Supplier 3	0.00	0.00
	0.00	0.00
Total	0.00	0.00

[Provide short appropriate explanations as necessary]

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019	2017-2018
	Kshs	Kshs
Name 1	0.00	0.00
Name 2	0.00	0.00
Name 3	0.00	0.00
Add as appropriate	0.00	0.00
Total	0.00	0.00

[Provide short appropriate explanations as necessary]

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
KARIBARI CHACHE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019
13. BALANCES BROUGHT FORWARD

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	43,461,359	598,476
Cash in hand		-
Imprest		-
Total	43,461,359	598,476

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	(38,116)	3,406,213
Cash in hand	0.00	0.00
Imprest	0.00	0.00
	0.00	0.00
Total	(38,116)	3,406,213

Key

OB - Figure agreed to previous year audited Financial Statements

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
NYARIBARI CHACHE CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019	2017-2018
	Kshs	Kshs
Construction of buildings	0.00	0.00
Construction of civil works	0.00	0.00
Supply of goods	0.00	0.00
Supply of services	0.00	0.00
	0.00	0.00

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	0.00	0.00
Middle management	0.00	0.00
Unionisable employees	0.00	0.00
Others (<i>specify</i>)	0.00	0.00
	0.00	0.00

15.3: UNUTILIZED FUND (See Annex 3)

	Kshs	Kshs
Compensation of employees	105,012	1,820,813.00
Use of goods and services	209,670	320,758.00
Amounts due to other Government entities (see attached list)	32,056,703	11,960,096.00
Amounts due to other grants and other transfers (see attached list)	5,626,881	37,516,366.00
Acquisition of assets	0.00	9,400,000.00
Others (<i>specify</i>)	0.00	
	37,998,266	61,018,033.00

Key
OB - Figure agreed to previous year Audited Financial
Statement
OB - Figure does not agree to opening balance

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
 KARIBARI CHACHE CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)		
TOTAL		

DB

DB

DB

DB

Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

NATIONAL GOVERNMENT ENTITY - (Nyandarua Constituency)
Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
		a	b	c	d=a-c	
Senior Management						
1.						
2.						
3.						
Sub-Total						
Middle Management						
4.						
5.						
6.						
Sub-Total						
Unionisable Employees						
7.						
8.						
9.						
Sub-Total						
Others (specify)						
10.						
11.						
12.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT ENTITY - (Nyaribari Chache Constituency)
Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees		105,012		
Use of goods & services		209,670	1,820,813.00	DB
Amounts due to other Government entities			320,758.00	DB
Secondary School				
Tertiary Institution		12,056,702.81		
		20,000,000.00		
Sub-Total		32,056,703.00	11,960,096.00	DB
Amounts due to other grants and other transfers				
Emergency				
Bursary		1,186,930.56		
Security		2,339,950.80		
		2,100,000.00		
Sub-Total		5,626,881.00	37,516,366.00	DB
Acquisition of assets			9,400,000.00	
Others (specify)				
Sub-Total				
Grand Total		37,998,265.66	61,018,033.00	DB

Key
DB

Figure agreed to previous Year Audited FS.

Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2017/18	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	8,096,672.00	8,096,672.00 ✓			8,096,672.00
Buildings and structures	6,500,000.00	6,500,000.00 ✓	5,675,534.48		12,175,534.48
Transport equipment	515,300.00	515,300.00 ✓			515,300.00
Office equipment, furniture and fittings	382,000.00	382,000.00 ✓			382,000.00
ICT Equipment, Software and Other ICT Assets	7,800.00	7,800.00 ✓			7,800.00
Other Machinery and Equipment					0.00
Heritage and cultural assets					0.00
Intangible assets					0.00
Total	15,501,772.00	15,501,772.00 ✓			21,177,306.48

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LOCAL GOVERNMENT ENTITY - (Nyaribari Chache Constituency)

Accounts and Financial Statements for the year ended June 30, 2019 (Kshs'000)

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

COPY

NATIONAL GOVERNMENT ENTITY - (Nyaribari Chache Constituency)
Reports and Financial Statements
For the year ended June 30, 2019 (Kshs'000)

TRIAL BALANCE AS AT 30TH JUNE 2019			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	8,288,513	
	Cash Balances	-	
	Outstanding Imprest	-	
Payments			
	Compensation of Employees	2,673,710	
	Use of goods and services	11,504,819	
	Transfers to Other Government Units	55,322,855	
	Other grants and transfers	50,927,051	
	Acquisition of Assets	5,675,534	
	Other Payments	-	
Receipts			
	Transfers from the Board		90,969,238
	Proceeds from sale of assets		-
	Others receipts		-
Prior Year Adjustment			(38,115)
Receivables			
Payables			
Fund Balance b/f			43,461,359
TOTAL		134,392,482	134,392,482