

 REPORT NATIONAL ASSEMBLY PRESENTED	
DATE: 21 OCT 2021	DAY: Thursday
TABLED BY: OF LOMP	
CLERK-AT THE-TABLE: Maura Wanjiku	

THE AUDITOR-GENERAL

ON

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

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

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY

- 5 JUN 2020

RECEIVED



**NATIONAL GOVERNMENT- CONSTITUENCY DEVELOPMENT FUND-
KIAMBAA 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)**

A

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

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

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**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs')

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

1. **Patriotism** – we uphold the national pride of all Kenyans through our work

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
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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 *KIAMBAA Constituency's* day-to-day management is under the following key organs:

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Caroline Kiama
2.	Accountant	Alfred Maina Muriu
3.	Chairman NG-CDFC	Geoffrey Mukora
4.	Secretary NG-CDFC	Mary Anne Wanjui

(d) Fiduciary Oversight Arrangements

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

(e) KIAMBAA NG-CDF Headquarters

P.O. Box 86-002191
Next to Kiambaa Sub-County Headquarters
Karuri, KENYA

(f) KIAMBAA NG-CDF Contacts

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

(g) KIAMBAA NG-CDF Bankers

Co-operative Bank
Ruaka Branch
P. O. Box 2070-00621, Village Market
Nairobi, Kenya

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – *KIAMBAA*
CONSTITUENCY**

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

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
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For the year ended June 30, 2019 (Kshs')

**II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NG-CDFC)**

Guided by the vision of KIAMBAA Constituency, which is to be a leading Constituency in the effective and efficient management of the devolved funds.

The KIAMBAA NG-CDF has continued to be implemented in a well-organized and coordinated manner the various projects which follows clearly set performance indicators and time frame, under each of the national functions' priorities namely: education infrastructure and bursary, security, environment through equity and sustainable development in poverty eradication at community level.

Budget performance in the Financial year 2018/2019

The budget Performance against actual amounts was good except for a few issues, the transfers of managers within the year has affected the performance to some extent since implementation of projects had to be stopped for a while.

Below is an overview of budget performance, setting out overall transfers from NG-CDF Board and expenditures and providing highlights of outlays to vote functions and expenditure items

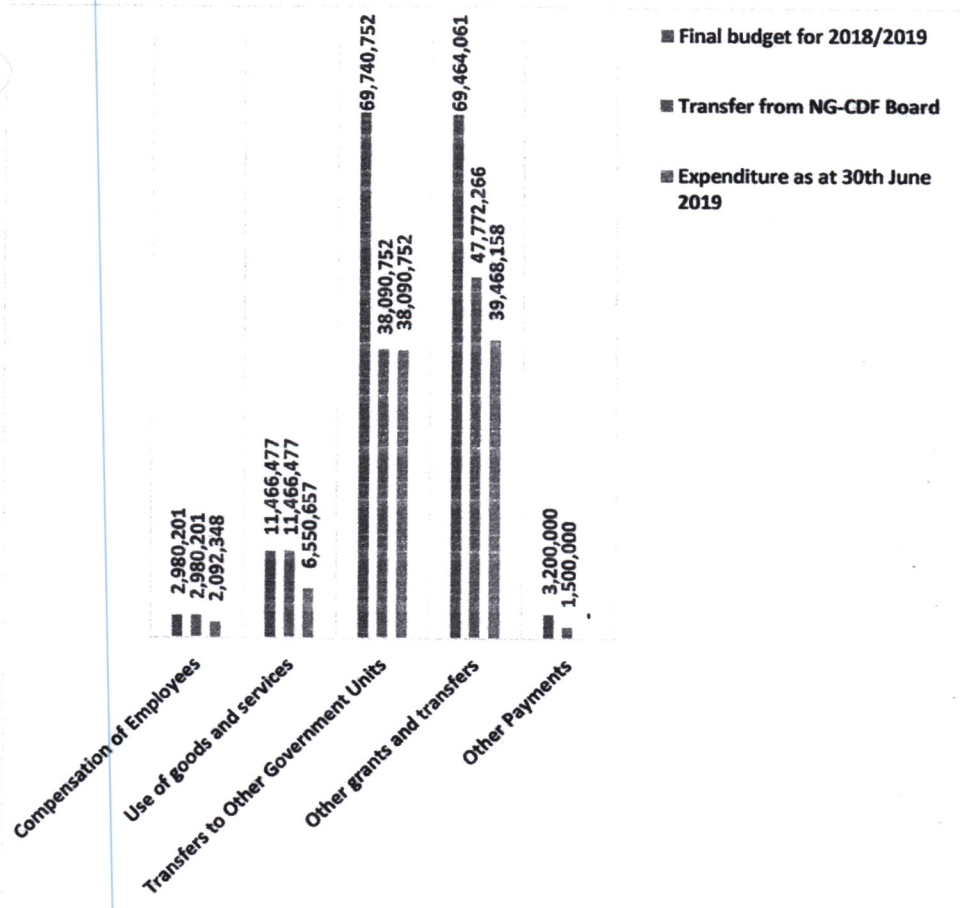
Table 1 overview of expenditure (Kshs.)

	Final budget for 2018/2019	Transfer from NG-CDF Board as at 30th June 2019	Expenditure as at 30th June 2019	% Budget Released	% Releases Spent	% Budget Spent
Compensation of Employees	2,980,201	2,980,201	2,092,348	100	70	70
Use of goods and services	11,466,477	11,466,477	6,550,657	100	57	57
Transfers to Other Government Units	69,740,752	38,090,752	38,090,752	55	100	55
Other grants and transfers	69,464,061	47,772,266	39,468,158	69	83	57
Other Payments	3,200,000	1,500,000	0	47	-	-
Total	156,851,492	101,809,696	86,201,915	65	79	51

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

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

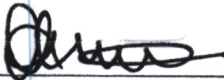
Chart 1. Releases and expenditure by vote function (Kshs.)



- The Key achievements have been accessing to quality and equal opportunity in education by giving bursaries to the less fortunate students both in secondary and tertiary level, the NG-CDFC was able to award bursaries students both in secondary and tertiary level. We have also supported the youth by taking part in the sports activities within the constituency.
- Infrastructure in the public primary and secondary schools dormitory, classrooms, administration block, toilets is underway, hence creating a conducive working environment for both students and teachers which boosts morale and general education standards of the schools, security projects of various police stations have also been constructed, renovated and this has given our security team a conducive working environment and also improved security. The NG-CDFB CSR project at Kihara Police Post is almost complete and it's greatly appreciated.

Emerging issues, implementation challenges and recommendations

- Some of the emerging issues related to implementation of projects is failure by institutions to present bursary acknowledgement letters as well as presenting the cheques at the bank for clearance leading to huge balances of unrepresented cheques on the bank reconciliation statements and eventually stale cheques, late disbursement of funds.

Sign: 
CHAIRMAN NG-CDFC

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
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**Reports and Financial Statements
For the year ended June 30, 2019 (Kshs')**

III. STATEMENT OF NG-CDF 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 agency shall prepare financial statements in respect of that agency. 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.

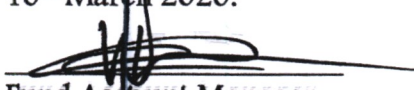
The Accounting Officer in charge of the KIAMBAA National Government Constituency Development Fund is responsible for the preparation and presentation of the KIAMBAA NG-CDF financial statements, which give a true and fair view of the state of affairs of the KIAMBAA NG-CDF for and as at the end of the 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 NG-CDF; (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 *NG-CDF*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

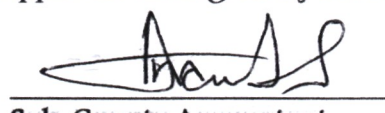
The Accounting Officer in charge of the KIAMBAA NG-CDF accepts responsibility for the *NG-CDF's* financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).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

The Accounting Officer in charge of the KIAMBAA NG-CDF confirms that the NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG-CDF'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 *NG-CDF'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 *KIAMBAA NG-CDF's* financial statements were approved and signed by the Accounting Officer on 10th March 2020.


Fund Account Manager
Name: Caroline Kiama


Sub-County Accountant
Alfred Maina Muriu

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 - KIAMBAA 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 - Kiambaa Constituency set out on pages 9 to 29, which comprise the statement of assets as at 30 June, 2019, and the 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kiambaa 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 Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Unconfirmed Bursary Disbursements

Note 7 to the financial statements on other grants and transfers reflects payments of Kshs.26,289,206 for bursary to secondary schools. However, receipts or acknowledgement letters to confirm receipt of the bursaries from two schools which were paid a total of Kshs.188,000 were not provided for audit review.

Consequently, it could not be ascertained whether the bursary payments reached the intended beneficiaries and were properly accounted for.

2. Inaccuracy of Comparative Balances

The statement of assets reflects a comparative fund balance brought forward from 2017/2018 financial statements of Kshs.1,387,953 as disclosed under Note 13, which differs from Kshs.37,164,906 reflected in the audited financial statements for 2017/2018. The resultant variance of Kshs.35,776,953 was not reconciled or explained.

Further, Note 15.4 to the financial statements relating to other important disclosures reflect a comparative PMC account balance of Kshs.11,379,310 which differs by Kshs.68,605 from the audited account balance of Kshs.11,310,705 in 2017/2018 financial statements.

Consequently, the accuracy and completeness of these comparative balances could not be confirmed.

3. Net Liabilities

The statement of assets reflects net financial assets balance of Kshs.15,608,701 and nil financial liabilities as at 30 June, 2019. However, contrary to the guidelines issued by the Public Sector Accounting Standards Board, the statement of assets shows at the bottom net liabilities instead of net financial position of Kshs.15,608,701. No explanation was given for this anomaly.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Kiambaa Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

1. Budget Control and Performance

During the financial year under review, the Fund received a total of Kshs.101,810,616 from the National Government Constituencies Development Fund Board against a budget of Kshs.157,585,092 resulting in a shortfall of Kshs.55,774,475 or 35% of the budgeted amount.

Further, the total actual expenditure for the year was Kshs.86,201,915 out of a budget of Kshs.157,585,092 resulting in under absorption of Kshs.71,383,176 or 45%. Failure to absorb in full the funds disbursed and implement projects fully denied the residents of

Kiambaa Constituency the benefits accruing from the planned projects, programmes and activities.

2. Delayed Project Implementation

A review of project implementation status report revealed that the CDF Committee had identified and allocated funds amounting to Kshs.137,636,140 for development projects during the year but incurred an actual expenditure of Kshs.77,658,910 as analyzed below:

Project Category	No. of Projects Budgeted	No. Completed	No. On going	Projects not started	Budget Amount Kshs.	Actual Expenditure Kshs.	Variance Kshs.
Primary Schools	14	2	1	11	56,411,609	31,592,352	24,819,257
Secondary Schools	5	2	0	3	12,398,400	4,398,400	8,000,000
Tertiary Institutions	1	1	0	0	2,100,000	2,100,000	-
Security	4	0	1	3	21,377,027	6,600,000	14,777,027
Emergency	2	1	0	1	7,438,993	3,238,950	4,200,043
Sports	1	0	1	0	3,720,000	1,720,000	2,000,000
Bursary	0	0	0	0	30,970,111	26,289,206	4,680,905
Environment	1	0	0	1	3,220,000	1,720,002	1,499,998
Total	28	6	3	19	137,636,140	77,658,910	59,977,230

Further review of the implementation report revealed that, the CDF Committee had planned to undertake twenty-eight projects. However, six projects were completed, three were on-going while nineteen had not commenced during the year under review. Failure to implement and complete planned projects impacted negatively on service delivery to the residents of the Constituency.

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

Under Allocation of Bursary Fund

A review of the budget for the year ended 30 June, 2019 revealed that out of the original budget allocation of Kshs.109,040,876, the Fund Management set aside Kshs.20,941,804 or 19% for bursaries contrary to Section 21(5) of the National

Government Constituencies Development Fund Regulations, 2016, thus underfunding the bursary allocation by Kshs.6,318,415.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to 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 entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance 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 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 reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern 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 ability of the Fund 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 sustaining 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

01 October, 2021

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

Reports and Financial Statements

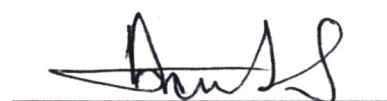
For the year ended June 30, 2019 (Kshs')

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018 - 2019	2017 - 2018
		Kshs	Kshs
RECEIPTS			
Transfers from NG-CDF board-AIEs' Received	1	64,645,710	86,810,345
Proceeds from Sale of Assets	2		-
Other Receipts	3		-
TOTAL RECEIPTS		64,645,710	86,810,345
PAYMENTS			
Compensation of employees	4	2,092,348	1,875,908
Use of goods and services	5	6,550,657	2,583,184
Transfers to Other Government Units	6	38,090,752	18,300,000
Other grants and transfers	7	39,468,158	28,274,300
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		86,201,915	51,033,392
SURPLUS/DEFICIT		(21,556,205)	35,776,953

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KIAMBAA NG-CDF financial statements were approved on 10th March 2020 and signed by:


Fund Account Manager
Name: Caroline Kiama


Sub-County Accountant
Alfred Maina Muriu

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

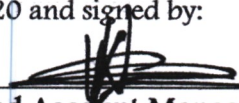
Reports and Financial Statements

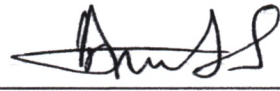
For the year ended June 30, 2019 (Kshs')

V. STATEMENT OF ASSETS

	Note	2018-2019	2017-2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	15,608,701	37,164,906
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		15,608,701	37,164,906
Current receivables - Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		15,608,701	37,164,906
FINANCIAL LIABILITIES			
Accounts Payable - Retentions	12	-	-
NET FINANCIAL ASSETS		15,608,701	37,164,906
REPRESENTED BY			
Fund balance b/fwd 1st July...2017	13	37,164,906	1,387,953
Surplus/Deficit for the year		(21,556,205)	35,776,953
Prior year adjustments	14	-	-
NET LIABILITIES		15,608,701	37,164,906

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KIAMBAA NG-CDF financial statements were approved on 10th March 2020 and signed by:


Fund Account Manager
Name: Caroline Kiama


Sub-County Accountant
Alfred Maina Muriu

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

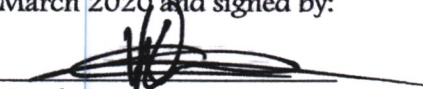
Reports and Financial Statements

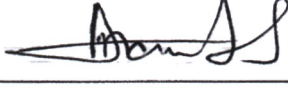
For the year ended June 30, 2019 (Kshs')

VI. STATEMENT OF CASHFLOW

Receipts for operating income		2018 - 2019	2017 - 2018
Transfers from NG-CDF Board	1	64,645,710	86,810,345
Other Receipts	3		-
		64,645,710	86,810,345
Payments for operating expenses			
Compensation of Employees	4	2,092,348	1,875,908
Use of goods and services	5	6,550,657	2,583,184
Transfers to Other Government Units	6	38,090,752	18,300,000
Other grants and transfers	7	39,468,158	28,274,392
Other Payments	9		-
		86,201,915	51,033,392
Adjusted for:			
Adjustments during the year	14	-	-
Net cash flow from operating activities		(21,556,205)	35,776,953
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		(21,556,205)	35,776,953
Cash and cash equivalent at BEGINNING of the year	13	37,164,906	1,387,953
Cash and cash equivalent at END of the year		15,608,701	37,164,906

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KIAMBAA NG-CDF financial statements were approved on 10th March 2020 and signed by:


Fund Account Manager
Name: Caroline Kiama


Sub-County Accountant
Alfred Maina Muriu

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs')


**VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT
COMBINED**

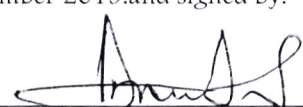
Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	109,040,876	48,544,216	157,585,092	101,810,616	55,774,475	65
Proceeds from Sale of Assets	0		0	0	0	0
Other Receipts	0	0	0	0	0	0
	109,040,876	48,544,216	157,585,092	101,810,616	55,774,475	65
PAYMENTS						
Compensation of Employees	2,645,910	771,600	3,417,510	2,092,348	1,325,162	70
Use of goods and services	7,167,768	4,759,386	11,927,154	6,550,657	5,376,497	57
Transfers to Other Government Units	50,746,400	18,829,966	69,576,366	38,090,752	31,485,614	55
Other grants and transfers	46,780,797	22,683,264	69,464,061	39,468,158	29,995,903	57
Other Payments	1,700,000	1,500,000	3,200,000	0	3,200,000	
TOTALS	109,040,876	48,544,216	157,585,092	86,201,915	71,383,176	55

In B, Give Explanation on all the items below 90% Utilization

Receipts – The total receipts from the NG-CDF Board is 65% which is due to delay of disbursement of funds from the board

The KIAMBAA NG-CDF financial statements were approved on 23rd September 2019 and signed by:


Fund Account Manager
Name: Caroline Kiama


Sub-County Accountant
Alfred Maina Muriu

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

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

VIII. 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-Kiambaa 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.

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 criterion is applied for loans received in the form of a direct payment.

During the year ended 30th June 2019, 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 - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

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

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 are amounts held at Cooperative Bank.

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 Funds

Unutilized funds consist of bank balances in the constituency account and previous year(s) balances not yet disbursed by the Board to the constituency at the beginning of the financial year. These balances are available for use in the year under review to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(1) of NGCDF Act, 2015.

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

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

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.

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.

15. Related Party Transactions

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

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs')

IX. NOTES TO THE FINANCIAL STATEMENTS

TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2018 - 2019	2017 - 2018
	Kshs	Kshs
NG-CDF Board		
AIE No. B005147	10,645,710	5,500,000
AIE No. B030253	10,000,000	37,905,172
AIE No. B006374	7,000,000	21,000,000
AIE No. B030432	13,000,000	22,405,173
AIE No. A699124	11,000,000	
AIE No. B042907	13,000,000	
TOTAL	64,645,710	86,810,345

PROCEEDS FROM SALE OF ASSETS

	2018 - 2019	2017 - 2018
	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	-	-

OTHER RECEIPTS

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

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs')

NOTES TO THE FINANCIAL STATEMENTS (Continued)

COMPENSATION OF EMPLOYEES

	2018- 2019 Kshs	2017 - 2018 Kshs
Basic wages of contractual employees	1,223,110	1,875,908
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		
House allowance	438,000	-
Transport allowance	174,000	-
Leave allowance	9,850	-
Gratuity	193,440	-
Employer contribution to NSSF	53,948	-
Total	2,092,348	1,875,908

USE OF GOODS AND SERVICES

	2018 - 2019 Kshs	2017 - 2018 Kshs
Committee Expenses	3,729,114	1,881,500
Office Rent	-	-
Utilities, supplies and services	-	59,023
Communication, supplies and services	-	10,000
Domestic travel and subsistence	33,600	35,000
Printing, advertising and information supplies & services	838,766	147,000
Rentals of produced assets	-	-
Training expenses	552,000	-
Hospitality supplies and services	973,440	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	423,737	357,881
Other operating expenses Bank Charges	-	57,780
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	35,000
Total	6,550,657	2,583,184

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs')

NOTES TO THE FINANCIAL STATEMENTS (Continued)

TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018 - 2019	2017 - 2018
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	31,592,352	12,100,000
Transfers to secondary schools (see attached list)	4,398,400	6,200,000
Transfers to tertiary institutions (see attached list)	2,100,000	-
Transfers to health institutions (see attached list)	-	-
TOTAL	38,090,752	18,300,000

OTHER GRANTS AND OTHER PAYMENTS

	2018 – 2019	2017 – 2018
	Kshs	Kshs
Bursary – secondary schools (see attached list)	26,289,206	8,250,000
Bursary – tertiary institutions (see attached list)	-	7,524,300
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Water projects (see attached list)	-	-
Agriculture projects (see attached list)	-	-
Electricity projects (see attached list)	-	-
Security projects (see attached list)	6,600,000	11,000,000
Roads projects (see attached list)	-	-
Sports projects (see attached list)	1,720,000	-
Environment projects (see attached list)	1,720,002	-
Emergency projects (see attached list)	3,138,950	1,500,000
Development-Factories/Stadiums	-	-
Total	39,468,158	28,274,300

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

ACQUISITION OF ASSETS

<u>Non-Financial Assets</u>	2018 - 2019 Kshs	2017 - 2018 Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
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	-	-

OTHER PAYMENTS

	2018 - 2019 Kshs	2017 - 2018 Kshs
specify	-	-
	-	-

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2018 - 2019 Kshs. 30.06.2019	2017 - 2018 Kshs. 30.06.2018
<i>Co-operative Bank, Ruaka Branch, Account No.01141475527500</i>	15,608,701	37,164,906
Total	15,608,701	37,164,906

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10B: CASH IN HAND

	2018 – 2019 Kshs	2017 – 2018 Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-

[Provide cash count certificates for each]

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>

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

12. RETENTION

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

[Provide short appropriate explanations as necessary]

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2018 - 2019 Kshs	2017 - 2018 Kshs
Bank accounts	37,164,906	1,387,953.00
Cash in hand		-
Imprest		-
Total	37,164,906	1,387,953.00

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2018- 2019 Kshs	2017- 2018 Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	-	-

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	-	-
Middle management (Gratuity)	-	212,970
Unionisable employees	-	-
Others (<i>specify</i>)	-	-
	-	212,970

For the year ended June 30, 2019 (Kshs')

15.3: UNUTILIZED FUNDS (See Annex 3)

	Kshs	Kshs
	2018/2019	2017/2018
Compensation to Employees	1,325,162	334,291
Use of Good & Services (see attached list)	5,376,497	5,798,709
Transfer to other Government Units (see attached list)	31,485,614	17,494,352
Amounts due to other grants and other transfers (see attached list)	29,995,903	24,183,264
An allocation awaiting approval or unallocated		733,600
Other Payments	3,200,000	
	71,383,176	48,544,216

15.4: PMC account balances (See Annex 5)

	Kshs	Kshs
PMC account Balances (see attached list)	7,212,901	11,379,310.34
	7,212,901	11,379,310.34

15.5: Amount Due from NG-CDF Board

	Kshs	Kshs
	F/Y 2018/19	F/Y 2017/18
	55,040,875	11,379 310.34
	55,040,875	11,379,310.34

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	Outstanding Balance 2018	Comments
	a	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
4.						
Sub-Total						
Construction of civil works						
5.						
6.						
7.						
Sub-Total						
Supply of goods						
8.						
9.						
10.						
Sub-Total						
Supply of services						
11.						
12.						
13.						
Sub-Total						
Grand Total						

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Outstanding Balance 2018
		a	b	c	d=a-c	
Senior Management						
1.						
2.						
3.						
Sub-Total						
Middle Management						
Sub-Total						
Unionisable Employees						
8.						
9.						
10.						
Sub-Total						
Others (specify)						
10.						

FOR THE YEAR ENDED JUNE 30, 2019 (KShS)

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Outstanding Balance 2018
11.						
12.						
Sub-Total						
Grand Total						

ANNEX 3 – UNUTILISED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation to Employees				
		1,325,162	334,291	
Sub-Total		1,325,162	334,291	
Use of Good & Services				
Admin -Use of Goods & Services				
		1,739,622	556,630	
Admin -Committee Expenses				
		874,259	820,700	
M&E -Use of Goods & Services				
		500,000	1,000,000	
M&E-Committee Expenses				
		960,677		
M&E-Capacity Building				
		1,301,939	1,921,379	
Strategic Plan				
			1,500,000	
Sub-Total		5,376,497	5,798,709	
Amounts due to other Government entities				
Karuri Primary School				
		6,252,014		
Muchatha Primary School				
		2,000,000		
Kawaida Primary School				
		2,000,000		
Wangunyu Primary School				
		3,000,000		
Upper Kihara Primary School				
		3,000,000		
Karura Primary School				
		3,000,000		
Kamuiru Primary School				
		2,000,000		
Muthurwa Secondary school				
		2,500,000		
Gatono Primary School				
		733,600		
St. Angela Secondary school				
		5,000,000		
Karura Secondary school				
		2,000,000		
Muchatha Secondary School				
			2,500,000	
Karuri primary school				
			5,794,352	
Thimbigua primary school				
			1,000,000	
Kibathi primary school				
			3,000,000	
Muthurwa primary school				
			2,700,000	
Gachie Primary School				
			2,500,000	
Sub-Total		31,485,614	17,494,352	
Amounts due to other grants and other transfers				
Bursary				
		4,352,804	10,028,307	
Kiambaa Chief Office				
		6,100,000		
Street Lighting				
		4,000,000		
KMTCC Karuri				
			1,500,000	
Ruaka(Gacharage) Ap post				
			100,000	
Kiambaa football tournament				
		2,000,000	1,720,000	
Kiambaa Environment Programme				
		1,499,998	1,720,000	
Constituency Innovation hub at Muchatha Resource Centre				
		1,169,257	1,169,257	

For the year ended June 30, 2019 (Kshs')

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Constituency Innovation Hub at Muchatha Resourse Centre Wangunyu Pri Sch Hall		1,169,257	1,169,257	
Constituency Innovation Hub at Kihara DO Office		1,169,257	1,169,257	
Constituency Innovation Hub at Karuri AP line		1,169,257	1,169,257	
Emergency (5% of the Fund)		5,669,008	3,637,930	
Social Services Programmes 2016/17		800,000.00	800,000	
Sub-Total		29,995,903	24,183,263.99	
Unallocated Funds			733,600	
Sub-Total			733,600	
Other Payments				
Strategic Plan		3,200,000		
Sub-Total		3,200,000		
Grand Total		71,383,176	48,544,216	

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs')

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2018/19	Additions during the year (Kshs.)	Disposals during the year (Kshs.)	Historical Cost (Kshs) 2017/18
Land	-	-	-	-
Buildings and structures	26,476,000	-	-	26,476,000
Transport equipment	-	-	-	-
Office equipment, furniture and fittings	1,912,000	-	-	1,912,000
ICT Equipment, Software and Other ICT Assets	738,000	-	-	738,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	29,126,000	-	-	29,126,000

ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
GACHIE PRIMARY SCHOOL	Co operative	01141475679000	134,448	1,242
KIBATHI PRIMARY SCHOOL	Co operative	01141475681000	310,976	796
THIMBIGUA PRIMARY SCHOOL	Co operative	01141700517300	200,544	54,459
KARURI PRIMARY SCHOOL	Co operative	01141475858400	1,198,224	2,449
WAGUTHU PRIMARY SCHOOL	Co operative	01141475832400	35,137	35,137
GATONO PRIMARY SCHOOL	Co operative	01141700585900	36,895	604,527
MUTHURWA PRIMARY SCHOOL	Co operative	01141475833100	50,994	1,528
MUONGOIYA PRIMARY SCHOOL	Co operative	01141475837000	744	744
LOWER KIHARA PRIMARY SCHOOL	Co operative	01141700178800	4,721	4,721
GATATHA PRIMARY SCHOOL	Co operative	01141475852500	1,508,895	370,396
MUCHATHA HIGH SCHOOL	Co operative	01141475640600	382,623	1,463
ACK ST ANDREWS NDENDERU SECONDARY	Co operative	01141475608200	841,635	3,542,449
MUCHATHA HIGH SCHOOL	Co operative	01141700417700	382,623	
MUTHURWA SECONDARY SCHOOL	Co operative	01141475766800	50,828	17,772

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2019 (Kshs')

RUAKA GACHARAGE AP POST	Co operative	01141475881700	13,920	695
KARURI POLICE STATION	Co operative	01141475392600	2,059,694	1,481,074
TOTAL			7,212,901	6,119,452

**NATIONAL GOVERNMENT - CONSTITUENCY DEVELOPMENT FUND – KIAMBAA
CONSTITUENCY**

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

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)	Time frame: (Put a date when you expect the issue to be resolved)																									
1.	Kiambaa NG-CDF had budgeted to spend Kshs 99,577,608 but the actual expenditure was Kshs. 51,033,392 or 51% resulting to under-utilization of Kshs. 48,544,216 or 49% of the total budget which has not been satisfactorily explained. The development budget was 88,958,517 against an actual expenditure of 46,574,300 or 52%, resulting to an under expenditure of Ksh 42,411,217 or 48% of the total budget which equally has not been explained.	The underutilization was due to late disbursement of funds from the board. Kiambaa NG-CDF received the following A.I. Es late (Annex i) <ul style="list-style-type: none"> • A.I.E NO. A896900 of Kshs. 22,404,172.80 was received on 19th June 2018 • A.I.E NO. A896830 of Kshs. 21,000,000.00 was received on 28th May 2018 • A.I.E NO. B005147 of Kshs. 10,645,710.35 was received on 7th August 2018 	NGCDF Board	Yet to be Resolved																										
2.	The Contract for construction of the toilet block, fitting and painting of Gatatha Primary School was awarded to a contractor at Ksh. 2,610,750 however, the Contract does not indicate the starting date and the Completion date. Examination of the records show that the contractor has been paid Ksh. 1,793,979as at 30th June 2018 while the bank statement of the PMC shows unexplained payments amounting to Ksh1,611,436 as follows: <table border="1" data-bbox="242 1467 794 1747"> <thead> <tr> <th>N o.</th> <th>Date</th> <th>Cheque No</th> <th>Payee</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>9/3/2017</td> <td>16</td> <td>JOMBTO Enterprises</td> <td>100,000</td> </tr> <tr> <td>2</td> <td>21/4/2017</td> <td>19</td> <td>JOMBTA Enterprises</td> <td>688,578</td> </tr> <tr> <td>3</td> <td>5/5/2017</td> <td>20</td> <td>SOMBET Enterprises</td> <td>688,578</td> </tr> <tr> <td>4</td> <td>24/5/2017</td> <td>21</td> <td>Mochacha Electricals</td> <td>134,280</td> </tr> </tbody> </table> Examination of the records further show that Kshs. 2,500 due to cheque number 19 for Kshs. 688,587 which bounced and was later replaced by cheque number 20 for similar amount. The Audit Inspection done on 7th May 2019 revealed the following anomalies;	N o.	Date	Cheque No	Payee	Amount	1	9/3/2017	16	JOMBTO Enterprises	100,000	2	21/4/2017	19	JOMBTA Enterprises	688,578	3	5/5/2017	20	SOMBET Enterprises	688,578	4	24/5/2017	21	Mochacha Electricals	134,280	The above cheques were paid to Jombutc Enterprises limited however there was a typing error by the clearing bank. Aailed for audit review is the Contractors Bank Statements where the cheques were credited. The management has aailed the drawings and has instructed the contractor to go back to site	FAM	Resolved	
N o.	Date	Cheque No	Payee	Amount																										
1	9/3/2017	16	JOMBTO Enterprises	100,000																										
2	21/4/2017	19	JOMBTA Enterprises	688,578																										
3	5/5/2017	20	SOMBET Enterprises	688,578																										
4	24/5/2017	21	Mochacha Electricals	134,280																										