

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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THE NATIONAL ASSEMBLY	
DATE: 22 NOV 2022	
DAY: Tuesday	
TABLED BY:	LOM
CLERK-AT	Amuna

THE AUDITOR-GENERAL

ON

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

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



RONGAI CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

The Functions of the NG-CDF Committee is as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Kenneth K. Kamau
2.	Sub-County Accountant	Rahab W Mathu
3.	Chairman NGCDFC	Dr Richard C Moindi
4.	Member NGCDFC	Henry Koech Kipngok

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of RONGAI Constituency NG CDF . 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) RONGAI Constituency NG CDF Head quarters

Rongai Cdf
Kambi Ya Moto Bulding
Nakuru/Ravine Road
P.O.Box 12848-20100
Nakuru, Kenya

(f) RONGAI Constituency NGCDF Contacts

E-mail: info@rongaingcdf.go.ke
Website: www.rongaingcdf.co.ke

(g) RONGAI Constituency NGCDF Bankers

Bank Name: KENYA COMMERCIAL BANK
Branch: NAKURU BRANCH
Account Name: RONGAI NG - CDF
Account Number: 1101849169

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. RONGAI NG-CDFC CHAIRMAN’S REPORT



Dr Richard C Moindi- Chairman NGCDF Rongai

RONGAI NG-CDF has in the last financial year received a disbursement of **Kshs 161,367,724**. This includes unutilized funds of Ksh 69,367,724 from previous periods and Kshs 92,000,000 received as part of this year’s allocation of Kshs 137,088,879. This makes current balance of undisbursed funds from the Board to be Kshs 45,088,879.

Out of the **Kshs 161,367,724** received, the constituency spent **Kshs 154,754,616**. This translates to a favourable absorption rate of 95.9% despite operating with a unique environmental context of the Covid-19 pandemic. Further, the amounts spent was over the current year allocation by 17,665,737 as a result of utilizing prior years’ funds that had not been disbursed on time as at the closure of the FY 2019/20.

Below we present a graphical presentation of the annual allocation and actual amounts spent in FY 2020/ 2021.

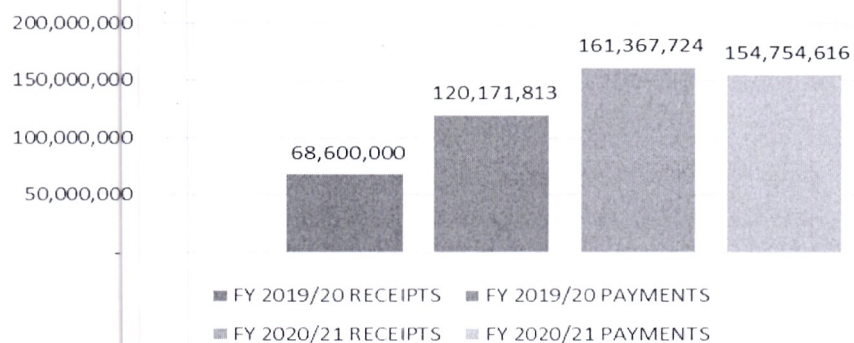
Comparison between Receipts and Payments:

COMPARISON BETWEEN RECEIPTS AND PAYMENTS FY 2020/21



Comparison between FY 2019/20 and FY 2020/21: Receipts and Payments

Comparison between FY 2019/20 and FY 2020/21: Receipts and Payments



SAMPLE OF THE PROJECTS IMPLEMENTED



Image 1: Chemasis Chief's Office; Construction of a chief's office to completion.

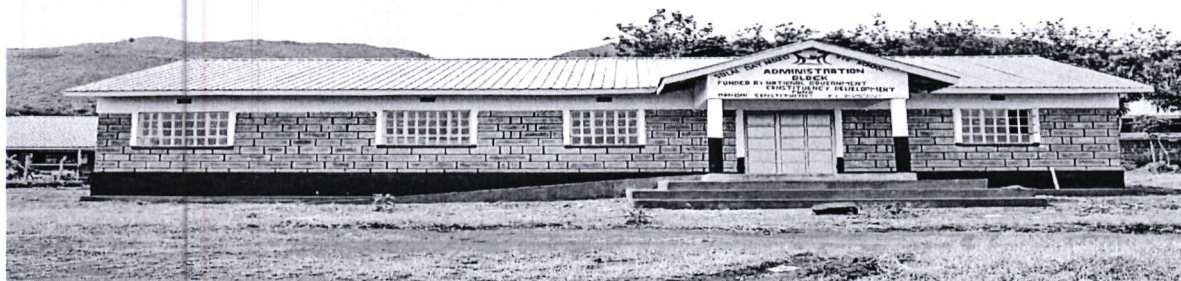


Image 2: Solai Day Mixed Secondary School; Construction of an administration block

Signature

CHAIRMAN NG-CDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

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

1: Education

Objective:

- To support provision of quality education, improving infrastructure and access to education.

Initiatives:

- To build, equip, furnish and renovate public Primary and Secondary schools in the constituency.
- To give bursaries to bright, needy and deserving pupils and students in secondary schools, colleges and universities; with priority to people with disability.
- To finance youth-based competency programs.

Two: Security

Objective:

- To support the national government in providing an enabling environment that enhances peace, security, efficiency and effectiveness in public administration.

Initiatives:

- To construct and equip chiefs and assistant chiefs' offices for improved service delivery.
- To improve public administration infrastructure in the constituency.
- To equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure.

Strategic Goal Four: Sports

Objective:

- To empower and develop youth and special groups to reduce dependence by nurturing talents economic through sports.

Initiatives:

- Nurture sports as a peace building avenue.
- Provide games equipment to identified talented and organised groups.
- Sponsor selected tournaments as an annual event.
- Improve by levelling game fields.

Strategic Goal Five: Environment

Objective:

- To compliment environmental conservation efforts in the constituency.

Initiatives:

- Support active communities in environmental conservation.
- Carry out tree planting activities.
- Support environmentally friendly initiatives such as solar use and biogas.
- Build toilets in public institutions and offices.

Strategic Goal Six: Staff Capacity building.

Objective:

- To improve the capacity of NG-CDF Rongai Committee and staff for effective and efficient running of constituency affairs.

Initiatives:

- Annual team building.
- Training on corporate governance and community mobilisation.
- Training on basic financial management knowledge.

Progress on attainment of Strategic development objectives for purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and

Progress on attainment of Strategic development objectives

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

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Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	<ul style="list-style-type: none"> Develop and enhance school's infrastructure to enhance facilities and provide conducive learning environment for children. To acquire buses for schools to facilitate ease of movement. To give bursaries to bright, needy but deserving pupils and students in secondary schools, colleges and universities; with priority to people with disability. 	<ul style="list-style-type: none"> Number of usable physical infrastructure built in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all levels 	<p>Number of classrooms increased by 37 classes</p> <p>Number of laboratories increased from 6</p> <p>Number of dormitories increased by 4 .</p> <p>Number of administration increased by 5</p>
Security	Equip, facilitate and enhance capacity of Ministry of interiors officers and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	Number of chiefs' offices increased by 4.
Sports	To empower and develop youth and special groups to reduce dependence by nurturing talents economic through sports.	Provide games equipment to identified talented and organised groups.	Number of youth groups benefitting from the sports programme	55 youth groups benefited from the sports kitty.
Environment	-Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives. -Improve sanitation in Public institution.	<ul style="list-style-type: none"> -Equip schools and public institutions with sanitation facilities. -Provide tree seedlings to schools to improve the forest cover. -To provide water tanks and water harvesting equipment's 	<ul style="list-style-type: none"> -Number of sanitation facilities built in primary and secondary. -Number of water tanks installed and gutters. 	<ul style="list-style-type: none"> • Number of sanitation facilities increased by six • 4 primary school benefitted with water tanks and gutters.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile -

To ensure sustainability of Rongai NG CDF, the committee funds the following key sectors with the following sustainable priorities.

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

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

2. Environmental performance

In the FY 2020/21, the NG-CDF management did not carry out environmental awareness programme due to covid 19 pandemic

3. Employee welfare

We invest in providing the best working environment for our employees. Rongai constituency recruitment is guided by Employment Act, NG-CDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our

**Rongai Constituency
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employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Rongai constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

4. Market place practices-

Rongai - NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

The NG CDFF during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Rongai Constituency

*National Government Constituencies Development Fund (NGCDF)
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Public Awareness

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meetings.

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

**Rongai Constituency
National Government Constituencies Development Fund (NGCDF)
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V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

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

The Accounting Officer in charge of the NGCDF-Rongai 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 NGCDF-Rongai Constituency's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Rongai Constituency further confirms the completeness of the accounting records maintained for the NGCDF- Rongai Constituency, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

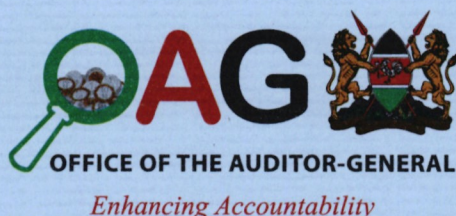
The NG-CDF- Rongai Constituency financial statements were approved and signed by the Accounting Officer on 29/06/2022 2022.

Chairman NGCDF Committee
Name:

Fund Account Manager
Name:

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – RONGAI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Rongai Constituency set out on pages 15 to 62, which comprise the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and summary statement of

Report of the Auditor-General on National Government Constituencies Development Fund – Rongai Constituency for the year ended 30 June, 2021

appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the 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 - Rongai Constituency as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

Several of the balances reflected in the financial statements were not supported with sufficient appropriate records, as discussed in the following paragraphs:

1. Cash and Cash Equivalents

The statement of financial assets and liabilities reflects cash and cash equivalents balance totalling Kshs.11,865,824. However, review of the bank reconciliation statement for the month of June, 2021 revealed unrepresented cheques totalling Kshs.16,070,067 which included stale cheques totalling Kshs.293,456 that had not been reversed in the cashbook.

In the circumstance, the validity and accuracy of the cash and cash equivalents balance totalling Kshs.11,865,824 could not be confirmed.

2. Fixed Assets Register

Annex 4 to the financial statements denotes the summary of the Fund's fixed assets register and which reflects transport equipment balance of Kshs.7,841,000. However, the asset register was not provided to support the balance.

In the circumstance, the accuracy, existence and completeness of the transport equipment balance totalling Kshs.7,841,000 could not be confirmed.

3. Transfers to Other Government Units

The statement of receipts and payments reflects transfers to other government entities totalling Kshs.99,400,000, as disclosed in Note 6 of the financial statements.

Included in the balance are the transfers to secondary schools' totalling Kshs.26,400,000 and transfers to primary schools totaling Kshs.73,000,000 both of which were not supported with expenditure returns and reports that confirmed that the projects were implemented. In addition, the respective Project Committee bank accounts were not provided for audit.

Also, review of available records indicated that a contract valued at Kshs.2,500,000 for construction of an administration block at Solai Kale Secondary School was awarded to the second lowest tender. No explanation was provided for the anomaly.

Further, there was no evidence that the primary school projects were implemented in consultation with relevant Government Departments.

In the circumstances, the validity, accuracy and propriety of transfers to secondary and primary schools totalling Kshs.26,400,000 and Kshs.73,000,000 respectively could not be confirmed.

4. Other Grants Transfers -Emergency Projects

The statement of receipts and payments includes other grants and transfers totalling Kshs.47,844,834 as disclosed in Note 7 to the financial statements. Included in the balance are payments totalling Kshs.3,450,000 incurred on three (3) projects costing Kshs.2,650,000. However, the nature of the emergency activities funded was not disclosed.

In the circumstances, the occurrence, validity, accuracy and propriety of emergency projects expenditure totalling Kshs.2,650,000 could not be confirmed.

5. Project Management Committee (PMC) Bank Balances

Note 17.4 to the financial statements reflects Project Management Committee (PMC) account balances totalling Kshs.23,709,732 as detailed in Annex 5 of the financial statements. However, the PMC bank account cash books, bank statements, bank reconciliations statements, quarterly reports to the Constituency Committee on the status of the projects and Management committee accounts were not provided for audit verification. In addition, the comparative PMC account balances for the year 2019/2020 have not been disclosed and further, the change from the prior year's closing PMC account balance totalling Kshs.53,532,080 has not been supported.

In addition, the PMC account balance totalling Kshs.23,709,732 shown in Appendix 3 includes Kshs.11,564,910 relating to completed projects that had as at 30 June, 2021 not been returned to the Constituency account contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015. The Act stipulates that all unutilized funds of the Project Management Committee shall be returned to the constituency account.

In the circumstances, the accuracy and existence of PMC account balances totalling Kshs.23,709,732 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 – Rongai 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

The audit report for the year ended 30 June, 2021 highlighted several issues relating to the financial statements for the year and on lawfulness and effectiveness in use of public funds. The report on progress in following up on auditor's recommendations appended to the financial statements for the year under review indicates that some of the issues have since been resolved. The actual status of the issues shall be confirmed after they are discussed by Parliament.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Bursaries Issued in Excess of Prescribed Threshold

Section 5 of the Bursary Policy provides for maximum financial assistance for the various categories of beneficiaries as follows; Kshs.20,000 for boarding secondary schools and Kshs.30,000 for colleges, tertiary institutions and universities. However, 33 students were awarded bursaries totalling Kshs.1,289,214 that exceeded their respective thresholds.

In the circumstances the Management acted in breach of the law.

2. Unaccounted Bursaries Paid to Driving School

Bursary records indicated that Kshs.3,375,000 was transferred to a driving school for 250 students to pursue various driving courses. However, Management did not provide interim driving licenses to confirm that the students who were sponsored completed their respective courses.

In the absence of appropriate evidence valid and effective use of the bursaries totalling Kshs.3,375,000 could not be confirmed.

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, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Lack of Risk Management Policy

Review of risk management indicated that the Fund did not have a Risk Management Policy in place and had no approved processes and guidelines on how to mitigate operational, financial and other risks.

In the circumstances, the Fund did not comply with Section 165(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to establish systems for internal control and risk management that supports robust business operations.

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 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 basis of accounting unless Management is aware of intention to terminate the Fund or to cease operations.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to 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 Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

06 September, 2022

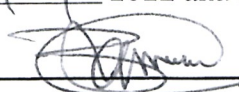
Report of the Auditor-General on National Government Constituencies Development Fund – Rongai Constituency for the year ended 30 June, 2021

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

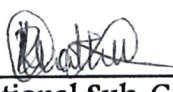
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 - 2021	2019 - 2020
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	161,367,724	68,600,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		161,367,724	68,600,000
PAYMENTS			
Compensation of employees	4	2,305,398	1,983,875
Use of goods and services	5	5,384,259	3,499,730
Transfers to Other Government Units	6	99,400,000	73,377,027
Other grants and transfers	7	47,844,834	39,706,181
Acquisition of Assets	8	-	320,000
Other Payments	9	-	1,285,000
TOTAL PAYMENTS		154,934,491	120,171,813
SURPLUS/DEFICIT		6,433,233	(51,571,813)

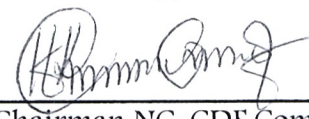
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-RONGAI Constituency financial statements were approved on 24/06/2022 and signed by:



Fund Account Manager
Name:



National Sub-County
Accountant
Name:
ICPAK M/No:

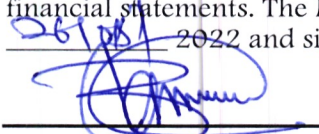


Chairman NG-CDF Committee
Name:

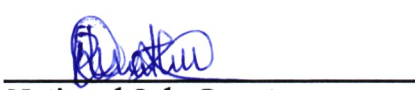
VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	11,865,824	5,415,761
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		11,865,824	5,415,761
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		11,865,824	5,415,761
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		11,865,824	5,415,761
REPRESENTED BY			
Fund balance b/fwd 1st July...		5,415,761	56,987,574
Prior year adjustments	14	16,830	
Surplus/Defict for the year		6,433,233	(51,571,813)
NET FINANCIAL POSITION		11,865,824	5,415,761

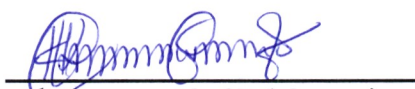
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-Rongai Constituency financial statements were approved on 26/08/2022 and signed by:



Fund Account Manager
Name:



National Sub-County
Accountant
Name:
ICPAK M/No:



Chairman NG-CDF Committee
Name:

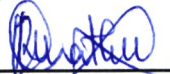
Rongai Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

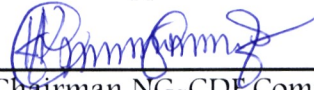
STATEMENT OF CASHFLOW

		2020-2021	2019-2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,367,724	68,600,000
Other Receipts	3	-	-
		161,367,724	68,600,000
Payments for operating activities			
Compensation of Employees	4	2,305,398	1,983,875
Use of goods and services	5	5,384,259	3,499,730
Transfers to Other Government Units	6	99,400,000	73,377,027
Other grants and transfers	7	47,844,834	39,706,181
Other Payments	9	-	1,285,000
		154,934,491	119,851,813
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		6,433,233	(51,251,813)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	(320,000)
Net cash flows from Investing Activities		-	(320,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		6,433,233	(51,571,813)
Cash and cash equivalent at BEGINNING of the year	10	5,415,761	56,987,574
Prior Years adjustment		16,830	-
Cash and cash equivalent at END of the year		11,865,824	5,415,761

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-Rongai Constituency financial statements were approved on 26/06/2022 and signed by:

Fund Account Manager
Name:


National Sub-County
Accountant
Name:
ICPAK M/No:


Chairman NG-CDF Committee
Name:

IX. SUMMARY STATEMENT OF APPROPRIATION

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		Opening Balance (C/Bk) and AIA				
Transfers from NG-CDF Board	137,088,879	69,367,724	211,872,364	166,783,485	45,088,879	78.7%
Proceeds from Sale of Assets			-	-	-	0.0%
Other Receipts			-	-	-	
TOTAL RECEIPTS	137,088,879	69,367,724	211,872,364	166,783,485	45,088,879	78.7%
PAYMENTS						
Compensation of Employees	2,684,000		4,428,552	2,305,398	2,123,154	52.1%
Use of goods and services	9,031,245	2,200,000	14,711,111	5,384,259	9,326,852	35.4%
Transfers to Other Government Units	68,100,000	48,600,000	116,700,000	99,400,000	17,300,000	85.2%
Other grants and transfers	57,273,634	18,567,724	76,032,701	47,844,834	28,187,867	62.9%
Acquisition of Assets			-	-	-	
Other Payments			-	-	-	
TOTAL	137,088,879	69,367,724	211,872,364	154,934,491	56,937,873	73.0%

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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	56,937,873
Less undisbursed funds receivable from the Board as at 30th June 2021	45,088,879
	12,028,869
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	(16,830)
Cash and Cash Equivalents at the end of the FY 202021	11,865,824

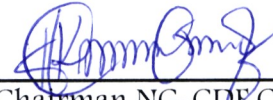
The NG-CDF-Rongai Constituency financial statements were approved on 26/06/2022 and signed by:



Fund Account Manager
Name:



National Sub-County
Accountant
Name:
ICPAK M/No:



Chairman NG-CDF Committee
Name:

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget(a) 2020/2021 Kshs	Adjustments(b)		Final Budget c = (a+b) 2020/2021 Kshs	Actual on comparable basis(d) 30/06/2021 Kshs	Budget utilization difference(e = c-d) Kshs	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
1.0 Administration and Recurrent							
1.1 Compensation of employees	2,684,000	1,744,552		4,428,552	2,305,398	2,123,154	52%
1.2 Committee allowances	3,026,168	999,930		4,026,098	1,526,300	2,499,798	38%
1.3 Use of goods and services	2,100,000	1,427,015		3,527,015	1,600,000	1,927,015	45%
Total	7,810,168	4,171,497	-	11,981,665	5,431,698	6,549,967	45%
2.0 Monitoring and evaluation							
2.1 Capacity building	1,305,077	1,052,921		2,357,998	648,000	1,709,998	27%
2.2 Committee allowances	1,700,000	-	2,200,000	3,900,000	530,084	3,369,916	14%
2.3 Use of goods and services	900,000		-	900,000	900,000	-	100%
Total	3,905,077	1,052,921	2,200,000	7,157,998	2,078,084	5,079,914	29%
3.0 Emergency							

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

	7,192,206				7,192,206		7,192,206	0%
3.1 Primary Schools							-	
Tuiyotich Primary School					2,000,000		(2,000,000)	
Kinoyo Primary School					400,000		(400,000)	
Keriko Primary School					400,000		(400,000)	
3.2 Secondary schools					-		-	
Umoja Secondary School					400,000		(400,000)	
3.3 Tertiary institutions					-		-	
3.4 Security projects					-		-	
Ruiyobei Chiefs Office					250,000		(250,000)	
3.5 Unutilised					-		-	
Total	7,192,206	-	-	7,192,206	3,450,000	3,742,206	48%	
4.0 Bursary and Social Security								
4.1 Secondary Schools	23,485,495	191,343	176,194	23,853,033	17,078,827	6,774,206	72%	
4.2 Tertiary Institutions	10,600,000		13,026,528	23,626,528	21,307,687	2,318,841	90%	

4.3 Social Security	1,998,000				1,998,000	-	1,998,000	0%
4.4 Special Needs	2,000,000				2,000,000	-	2,000,000	0%
Total	38,083,495	191,343	13,202,722		51,477,561	38,386,514	13,091,047	75%
5.0 Sports								
5	2,597,933		3,465,001.54		6,062,935	2,608,320	3,454,615	43%
Total	2,597,933	-	3,465,002		6,062,935	2,608,320	3,454,615	43%
6.0 Environment								
Chemasis Secondary School	400,000				400,000	-	400,000	0%
Lukungu Primary School	700,000				700,000	-	700,000	0%
Maciaro Primary School	700,000				700,000	700,000	-	100%
Sarambei Primary School	400,000				400,000	-	400,000	0%
Testai Primary School	400,000				400,000	-	400,000	0%
Total	2,600,000	-	-		2,600,000	700,000	1,900,000	27%
7.0 Primary Schools Projects								
Banita Primary School	2,200,000				2,200,000	2,200,000	-	100%
Belbur Primary School	2,000,000				2,000,000	2,000,000	-	100%

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

Boror Primary School	2,000,000			2,000,000		2,000,000		0%
Chemarmar Primary School	1,000,000			1,000,000	1,000,000		-	100%
Kanga Primary School	3,000,000			3,000,000		3,000,000		0%
Kaptera Primary School	2,000,000			2,000,000	2,000,000		-	100%
Kerma Primary School	1,800,000			1,800,000	1,800,000		-	100%
Kipsaos Primary School	2,000,000			2,000,000	2,000,000		-	100%
Kirobon Primary School	1,500,000			1,500,000	1,500,000		-	100%
Koimugul Primary School	2,000,000			2,000,000	1,000,000	1,000,000		50%
Koyuntich Primary School	1,000,000			1,000,000	1,000,000		-	100%
Losibil Primary School	1,500,000			1,500,000	1,500,000		-	100%
Lukungu Primary School	1,000,000			1,000,000	1,000,000		-	100%
Maciario Primary School	600,000			600,000	300,000	300,000		50%
Menengai Primary School	1,500,000			1,500,000	1,500,000		-	100%
Mirema Primary School	1,800,000			1,800,000	1,800,000		-	100%
Mogoiwet Primary School	1,000,000			1,000,000	1,000,000		-	100%

Morop Primary School	1,000,000			1,000,000	1,000,000	1,000,000	-	100%
Mwiteithia Primary School	2,000,000			2,000,000	1,000,000	1,000,000	1,000,000	50%
Naithuiti Primary School	2,000,000			2,000,000	2,000,000	2,000,000	-	100%
Ngata Primary School	2,000,000			2,000,000	2,000,000	2,000,000	2,000,000	0%
Ngessumin Primary School	1,200,000			1,200,000	1,200,000	1,200,000	-	100%
R.V.S.T Primary School	2,000,000			2,000,000	2,000,000	2,000,000	-	100%
Rafiki Primary School	2,000,000			2,000,000	2,000,000	2,000,000	2,000,000	0%
Sarambei Primary School	1,000,000			1,000,000	1,000,000	1,000,000	-	100%
Set Kobor Primary School	2,000,000			2,000,000	1,000,000	1,000,000	1,000,000	50%
Thirando Primary School	2,000,000			2,000,000	1,000,000	1,000,000	1,000,000	50%
Tumaini Primary School	2,000,000			2,000,000	1,000,000	1,000,000	1,000,000	50%
Tuyomoi Primary School	1,000,000			1,000,000	1,000,000	1,000,000	-	100%
Belbur primary school				1,400,000	1,400,000	1,400,000	-	100%
kokwomoi primary school				1,000,000	1,000,000	1,000,000	-	100%
Athinai primary school				2,500,000	2,500,000	2,500,000	-	100%

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

Olrongai Primary School			2,700,000	2,700,000	2,700,000	2,700,000	-	100%
Morop Primary School			2,000,000	2,000,000	2,000,000	2,000,000	-	100%
Sigito primary School			700,000	700,000	700,000	700,000	-	100%
Chelilit Primary School			1,400,000	1,400,000	1,400,000	1,400,000	-	100%
Kayanet Primary School			2,400,000	2,400,000	2,400,000	2,400,000	-	100%
Kipsyenani Primary School			3,300,000	3,300,000	3,300,000	3,300,000	-	100%
Lords Rajuera Primary School			2,000,000	2,000,000	2,000,000	2,000,000	-	100%
RVST Primary School			2,900,000	2,900,000	2,900,000	2,900,000	-	100%
Tuiyotich Primary School			3,000,000	3,000,000	3,000,000	3,000,000	-	100%
Rafiki Primary School			2,000,000	2,000,000	2,000,000	2,000,000	-	100%
Kapkechui primary school			1,000,000	1,000,000	1,000,000	1,000,000	-	100%
Lengetio Primary School			2,000,000	2,000,000	2,000,000	2,000,000	-	100%
Nyamamithi Primary School			2,700,000	2,700,000	2,700,000	2,700,000	-	100%
Matuiku Secondary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100%
Total	48,100,000	-	34,000,000	82,100,000	67,800,000	14,300,000		83%

8.0 Secondary Schools Projects									
Kapsatek Secondary School	2,000,000				2,000,000	2,000,000			100%
Kiamunyi Secondary School	2,000,000				2,000,000	2,000,000			100%
Mercy Njeri Secondary School	2,700,000				2,700,000	2,700,000			100%
Mimwaita Primary School	1,500,000				1,500,000	1,500,000			100%
Muhiga Secondary School	3,500,000				3,500,000	3,000,000	500,000		86%
Olrongai Secondary School	2,200,000				2,200,000		2,200,000		0%
Sarambei Secondary School	1,000,000				1,000,000	1,000,000			100%
Solai Day Secondary School	600,000				600,000	600,000			100%
Solai Kale Secondary School	2,500,000				2,500,000	2,500,000			100%
Testai Secondary School	1,000,000				1,000,000	1,000,000			100%
Tulwobmoi Secondary School	1,000,000				1,000,000	-	1,000,000		0%
Umoja secondary school				2,000,000	2,000,000	2,000,000			100%
Mimwaita secondary school				1,500,000	1,500,000	1,500,000			100%
Solai day secondary school				1,500,000	1,500,000	1,500,000			100%

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Leldet Secondary School			2,000,000	2,000,000	2,000,000	-	100%
Solai day Secondary School			500,000	500,000	500,000	-	100%
Kipsyenani Secondary School			300,000	300,000	300,000	-	100%
Kipsyenani Secondary School			1,000,000	1,000,000	1,000,000	-	100%
Lenginet Secondary School			300,000	300,000	300,000	-	100%
Mercy Njeri Secondary school			2,000,000	2,000,000	2,000,000	-	100%
Kerma Secondary School			3,500,000	3,500,000	3,500,000	-	100%
Total	20,000,000		14,600,000	34,600,000	30,900,000	3,700,000	89%
9.0 Tertiary institutions Projects							
Total							
10.0 Security Projects							
Chemasis Assistant Chiefs Office	1,500,000			1,500,000	1,500,000	-	100%
East Gate Police Post	300,000			300,000	-	300,000	0%

Ngata Assistant County Commissioner	2,500,000				2,500,000	-	2,500,000		2,500,000	0%
Ngata Police Post	2,500,000				2,500,000		2,500,000		2,500,000	0%
Mwiteithia Chiefs office			1,900,000		1,900,000	1,900,000			-	100%
Total	6,800,000	-	1,900,000		8,700,000	3,400,000			5,300,000	39%
11.0 Acquisition of assets										
11.1 Motor Vehicles	-		-		-				-	
11.2 Construction of CDF office	-		-		-				-	
11.3 Purchase of furniture and equipment	-		-		-				-	
11.4 Purchase of computers	-		-		-				-	
Total	-	-	-		-	-			-	
12.0 Other payments										
Total	-	-	-		-	-			-	
13.0 unallocated fund										

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Unapproved projects									
AIA									
PMC savings									
Total	137,088,879	5,415,761	69,367,724	211,872,364	154,754,616	57,117,748	73%		

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

STATEMENT OF APPROPRIATION EXTRACT (FOR COMPARISON OF APPROPRIATION STATEMENT PAYMENTS TOTALS AND BUDGET EXECUTION TOTALS)									
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 %			
PAYMENTS									
Compensation of Employees	2,684,000	1,744,552	4,428,552	2,305,398	2,123,154	52%			
Use of goods and services	9,031,245	3,479,866	14,711,111	5,204,384	9,506,727	35%			
Transfers to Other Government Units	68,100,000	-	68,100,000	98,700,000	18,000,000	85%			
Other grants and transfers	57,273,634	191,343	76,032,701	48,544,834	27,487,867	64%			
Acquisition of Assets	-	-	-	-	-				
Other payments	-	-	-	-	-				
UNALLOCATED FUND	-	-	-	-	-				
TOTAL	137,088,879	5,415,761	211,872,364	154,754,616	57,117,748	73%			

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XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 11 June 2020 for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
	2019/2020/232		4,000,000
Normal Allocation	2018/2020/747		600,000
	2018/2020/848		6,000,000
	2018/2020/1096		14,000,000
	2018/2020/845		20,000,000
	2018/2020/1417		24,000,000
	2019/2020/1410	20,000,000	
	2019/2020/1558	35,000,000	
	2019/2020/1585	14,367,724	
	2020/2021/0173	9,000,000	
	2020/2021/0295	10,000,000	
	2020/2021/0295	12,000,000	
	2020/2021/0295	6,900,000	
	2020/2021/0224	6,000,000	
	2020/2021/0295	12,000,000	
	2020/2021/0224	6,000,000	
	2020/2021/0295	7,000,000	
	2020/2021/0295	11,100,000	
	2020/2021/0295	12,000,000	
Conditional Grants	AIE NO...		
Receipt from other Constituency			
TOTAL		161,367,724	68,600,000

2. PROCEEDS FROM SALE OF ASSETS

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

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Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

*NOTES TO THE FINANCIAL STATEMENTS (Continued)***3. OTHER RECEIPTS**

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

4. COMPENSATION OF EMPLOYEES

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,186,358	1,719,875
Basic wages of casual labour	-	240,000
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	119,040	-
Employer Contributions Compulsory National Social security schemes	-	-
TOTAL	2,305,398	1,983,875

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Utilities, supplies and services	-	24,500
Electricity	-	-
Water & sewerage charges	38,280	-
Office rent	-	-
Communication, supplies and services	-	9,540
Domestic travel and subsistence	90,250	78,800
Printing, advertising and information supplies & services	297,774	531,462
Rentals of produced assets	-	-
Training expenses	648,000	-
Hospitality supplies and services	-	214,600
Other committee expenses	-	-
Committee allowance	1,296,000	720,500
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	1,164,000	988,000
Fuel , oil & lubricants	531,950	580,000
Other operating expenses	-	-
Bank service commission and charges	179,845	109,748
Other Operating Expenses	1,007,000	115,000
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	131,160	127,580
Routine maintenance- other assets	-	-
TOTAL	5,384,259	3,499,730

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Transfers to Primary Schools	73,000,000	44,477,027
Transfers to Secondary Schools	26,400,000	28,900,000
Transfers to Tertiary Institutions		
TOTAL	99,400,000	73,377,027

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Bursary - Secondary (see attached list)	17,078,827	24,872,502
Bursary -Tertiary (see attached list)	21,307,687	8,769,179
Bursary- Special Schools	-	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)		
Security Projects (see attached list)	3,400,000	-
Sports Projects (see attached list)	2,608,320	2,214,500
Environment Projects (see attached list)		2,450,000
Emergency Projects (see attached list)	3,450,000	1,400,000
TOTAL	47,844,834	39,706,181

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets	2020 - 2021	2019 - 2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles Vehicles and Other Transport Equipment	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and and General Equipment	-	-
Purchase of computers ,printers and other IT equipments	-	320,000
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	-	320,000

9. OTHER PAYMENTS

Strategic Plan	-	1,285,000
ICT Hubs	-	-
		-
TOTAL	-	1,285,000

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	Account Number	2020 - 2021	2019 - 2020
Closing cash book bank balance		Kshs (30/6/2021)	Kshs (30/6/2020)
<i>KCB Account</i>	<i>1101849169</i>	11,865,824	5,415,761
		-	-
		-	-
TOTAL		11,865,824	5,415,761
10B: CASH IN HAND)			
		2020 - 2021	2019 - 2020
		Kshs (30/6/2021)	Kshs (30/6/2020)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
TOTAL		-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

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

12A. RETENTION

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

[Provide short appropriate explanations as necessary.]

12B. GRATUITY

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

[Provide short appropriate explanations as necessary]

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13. BALANCES BROUGHT FORWARD

	2020- 2021	2019- 2020
	Kshs (1/7/2020)	Kshs (1/7/2019)
Opening cash book bank balance		
Bank accounts	5,415,761	56,987,574
Cash in hand		
Imprest		
TOTAL	5,415,761	56,987,574

14. PRIOR YEAR ADJUSTMENTS

Description of the error	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	(-)	-	(-)
Receivables	-	16,830	-
Others (<i>specify</i>)	-	-	-
TOTAL	-	16,830	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST*

	2020- 2021	2019- 2020
	Kshs	Kshs
Outstanding Imprest as at 1st July (A)	-	-
Imprest issued during the year (B)		2,400,000
Imprest surrendered during the Year (C)	-	2,400,000
Net changes in accounts receivables (D=A+B-C)	-	-

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

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

17.3: UNUTILIZED FUND (See Annex 3)

	2020- 2021	2019- 2020
	Kshs	Kshs
Compensation of employees	2,123,154	1,744,552
Use of goods and services	9,326,852	5,679,866
Amounts due to other Government entities (see attached list)	18,000,000	48,600,000
Amounts due to other grants and other transfers (see attached list)	24,033,253	18,759,067
Acquisition of assets	-	-
Others (<i>specify</i>)	-	-
Funds pending approval		-
	56,937,873	74,783,485

Rongai Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	23,709,732.09	53,532,080
	23,709,732.09	53,532,080

***RONGAI Constituency
National Government Constituencies Development Fund (NGCDF)
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1. Betty Chebet	Clerk of works	1 st September 2019	181,145.00	
2. Jebet Cheruyot	Records officer	1 st September 2019	145,156.00	
3. Walter Kibue	Account assistant	1 st March 2020	74,125.00	
4. Micheal Ekal	Office Assistant	1 st September 2014	37,154.00	
5. Dominic Kipkoech Too	Driver	1 st September 2014	84,125.00	
6. Sylvia Jepkogei	Administrator	1 st March 2020	74,125.00	
Sub-Total			595,830.00	
Grand Total			595,830.00	

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2020/21	2019/20	
1.0 Administration and Recurrent		Kshs		
1.1 Compensation of employees	Payment of NGCDF staff salaries	2,123,154	1,744,552	Ongoing
1.2 Committee allowances	Payment of the committee sitting allowances transport conferences	2,499,798	999,930	Ongoing
1.3 Use of goods and services	Purchase of fuel repair and maintenance printing stationery telephone, travel and subsistence office tea,	1,927,015	1,427,015	Ongoing
Total		6,549,967	4,171,497	
2.0 Monitoring and evaluation		-		
2.1 Capacity building	Undertake training of the PMCS/NG-CDF related issues	1,709,998	1,052,921	Ongoing
2.2 Committee allowances	Payment of the committee sitting allowances transport conferences	3,369,916	2,200,000	Ongoing
Total		5,079,914	3,252,921	
3.0 Primary Schools Projects				Ongoing

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Boror Primary School	Renovation Of seven Classrooms Floor Screeding, Plastering Window Glazing and Painting And Replacement Of Iron Sheets to completion	2,000,000	Ongoing
Kanga Primary School	Renovation of nine classrooms , floor screeding , plastering, window glazing and painting and replacement of iron sheets to completion.	3,000,000	Ongoing
Koimugul Primary School	Construction of two classrooms to completion.	1,000,000	Ongoing
Maciario Primary School	Fencing a distance of 486 meters,with treated eucalyptus posts and chain link to completion	300,000	Ongoing
Mwiteithia Primary School	Construction Of two Classrooms To Completion.	1,000,000	Ongoing
Ngata Primary School	Renovation Of three Classrooms Floor Screeding, Plastering Window Glazing And Painting And Replacement Of Iron Sheets	2,000,000	Ongoing
Rafiki Primary School	Construction of two classrooms to completion	2,000,000	Ongoing
Set Kobar Primary School	Renovation Of seven Classrooms Floor Screeding, Plastering Window Glazing and Painting and Replacement Of Iron Sheets to completion	1,000,000	Ongoing
Thirando Primary School	Construction of two classrooms to completion.	1,000,000	Ongoing

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	Construction of two classroom to completion	1,000,000	Ongoing
Tumaini Primary School			
Belbur primary school			Funds disbursed to PMC
kokwomoi primary school			Funds disbursed to PMC
Athinai primary school			Funds disbursed to PMC
Olrongai Primary School			Funds disbursed to PMC
Morop Primary School			Funds disbursed to PMC
Sigito primary School			Funds disbursed to PMC
Chelitit Primary School			Funds disbursed to PMC
Kayanet Primary School			Funds disbursed to PMC
Kipsyenani Primary School			Funds disbursed to PMC
Lords Rajuera Primary School			Funds disbursed to PMC
RVST Primary School			Funds disbursed to PMC
Tuiyotich Primary School			Funds disbursed to PMC
Rafiki Primary School			Funds disbursed to PMC
Kapkechui primary school			Funds disbursed to PMC
Lengetio Primary School			Funds disbursed to PMC
Nyamamithi Primary School			Funds disbursed to PMC
Matuiku Secondary School			Funds disbursed to PMC
Total		14,300,000	34,000,000

4.0 Secondary Schools Projects			
Muhiga Secondary School	Construction and equipping of 80 student laboratory to completion	500,000	ongoing
Olrongai Secondary School	Construction of 80 student capacity Dormitory School to completion	2,200,000	ongoing
Tulwobmoi Secondary School	Construction of one classroom to completion	1,000,000	
Umoja secondary school			Funds disbursed to FMC
Mimwaita secondary school			2,000,000
Solai day secondary school			1,500,000
Leldet Secondary School			1,500,000
Solai day Secondary School			2,000,000
Kipsyenan Secondary School			500,000
Kipsyenan Secondary School			300,000
Kipsyenan Secondary School			1,000,000
Lenginet Secondary School			300,000
Mercy Njeri Secondary school			2,000,000
Kerma Secondary School			3,500,000
Total		3,700,000	14,600,000
5.0 Security Projects			
East Gate Police Post	Construction of four door toilets and urinal to completion	300,000	Ongoing
Ngata Assistant County Commissioner	Construction of an office comprising of 5 rooms to completion .	2,500,000	Ongoing

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Ngata Police Post	Construction of 4 roomed offices and 2 holding cells to completion	2,500,000		Ongoing
Mwiteithia Chiefs office			1,900,000	Funds disbursed to PMC
Total		5,300,000	1,900,000	
6.0 Emergency	To cater for any foreseen emergency that may arise in the constituency.		-	
Total		3,742,206	-	Ongoing
7.0 Bursary and Social Security				
7.1 Secondary Schools	To cater for bursaries for students with special needs.	6,774,206	367,537	Ongoing
7.2 Tertiary Institutions	To cater for bursaries for students in secondary schools.	2,318,841	13,026,528	Ongoing
7.3 Social Security	To cater for bursaries for students in tertiary institutions.	1,998,000	-	Ongoing
7.4 Special Needs	To cater for health insurance cover for vulnerable groups in the constituency through provision of National Health Insurance Fund (NHIF) for 334 beneficiaries within the constituency.	2,000,000	-	Ongoing
Total		13,091,047	13,394,065	
8.0 Sports	Carry out constituency sport tournament	3,454,615	3,465,002	Ongoing
Total		3,454,615	3,465,002	
9.0 Environment				
Chemasis Secondary School	Construction Of eight door toilets to completion, due to poor quality of the stone walling is done for 30 feet	400,000		Ongoing

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Lukungu Primary School	Construction Of eight door toilet to completion, due to poor quality of the stone walling is done for 30 feet	700,000	Ongoing
Sarambei Primary School	Construction Of eight door Toilets to completion	400,000	Ongoing
Testai Primary School	Construction Of eight door Toilets to completion	400,000	Ongoing
Total		1,900,000	Ongoing
Total		56,937,873	74,783,485

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/2021
Land	-	-	-	-
Buildings and structures	-	-	-	-
Transport equipment	7,841,000.00	-	-	7,841,000.00
Office equipment, furniture and fittings	432,820.00	-	-	432,820.00
ICT Equipment, Software and Other ICT Assets	631,552.00	-	-	631,552.00
Total	8,955,372.00			8,955,372.00

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

PMC NAME	ACCOUNT NUMBER	BANK	BALANCE AS AT 30/6/2021
A.I.C KABARNET FARM PRIMARY SCHOOL	40130000006	ACCESS BANK	175.00
ARUS PRIMARY SCHOOL	80130000101	ACCESS BANK	33,423.00
ATHINAI PRIMARY SCHOOL	80130000066	ACCESS BANK	5,069.00
BANITA PRIMARY SCHOOL	80130000099	ACCESS BANK	419,058.00
BARINA PRIMARY SCHOOL	80130000069	ACCESS BANK	71,467.00
BARINA SECONDARY SCHOOL	80130000045	ACCESS BANK	2,040.00
BELBUR PRIMARY SCHOOL	80130000056	ACCESS BANK	43,759.00
BOROR SECONDARY SCHOOL	80130000030	ACCESS BANK	1,422.00
BRIGHT HOPE LOMOLO PRIMARY SCHOOL	80130000076	ACCESS BANK	50,138.00
CHELITIT PRIMARY SCHOOL	80100000069	ACCESS BANK	398,078.38
CHEMARMAR PRIMARY SCHOOL	80130000072	ACCESS BANK	1,001,774.00
CHEMASIS SECONDARY SCHOOL	40100000363	ACCESS BANK	271,720.00
EMARANGISHU PRIMARY SCHOOL	80130000039	ACCESS BANK	3,125.00
KAYANET PRIMARY SCHOOL	130280201751	EQUITY BANK	84,675.20
KAMOSOP SECONDARY SCHOOL	80130000070	ACCESS BANK	214,757.00
KAMPI YA MOTO PRIMARY SCHOOL	80100000099	ACCESS BANK	376.00
KAPKECHUI-SARAMBEI PRIMARY SCHOOL	80130000051	ACCESS BANK	80,003.00
KAPSETEK SECONDARY SCHOOL	80130000098	ACCESS BANK	606,848.00
KAPTCH -KINOYO PRIMARY SCHOOL	80130000067	ACCESS BANK	402,601.00

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KAPTERA PRIMARY SCHOOL	80100000048	ACCESS BANK	621,309.85
KIRIKO-SUBUKIA PRIMARY SCHOOL	80130000079	ACCESS BANK	5,620.00
KERMA PRIMARY SCHOOL	1109755430	KCB BANK	67,384.00
KERMA SECONDARY SCHOOL	80130000062	ACCESS BANK	192,785.25
KIMANGU DAY SECONDARY SCHOOL	40130000011	ACCESS BANK	1,583.00
KIPSAOS PRIMARY SCHOOL	80130000027	ACCESS BANK	542,743.00
KIPSYENAN PRIMARY SCHOOL	80130000054	ACCESS BANK	134,198.00
KIPSYENAN SECONDARY SCHOOL	80130000058	ACCESS BANK	932.00
KIROBON PRIMARY SCHOOL	130280564973	EQUITY BANK	41,610.00
KOIMUNGUL PRIMARY SCHOOL	80100000135	ACCESS BANK	99,475.00
KOISAMO MIXED SECONDARY SCHOOL	80130000100	ACCESS BANK	45,258.50
KOKWOMOI PRIMARY SCHOOL	80130000055	ACCESS BANK	21,484.00
KOYUMTICH PRIMARY SCHOOL	80130000094	ACCESS BANK	234,336.00
LAKE SOLAI SECONDARY SCHOOL	80130000042	ACCESS BANK	265,910.00
LEGETIO PRIMARY SCHOOL	130280302547	EQUITY BANK	1,487.50
LELDET SECONDARY SCHOOL	80130000036	ACCESS BANK	88,022.00
LELECHWET PRIMARY SCHOOL	80130000077	ACCESS BANK	919.00
LENGINET SECONDARY SCHOOL	80130000083	ACCESS BANK	57,581.00
LORDS RAJUERA PRIMARY SCHOOL	130280302564	EQUITY BANK	1,127.50
LOSIBIL PRIMARY SCHOOL	80130000112	ACCESS BANK	226,105.00

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OWER SOLAI PRIMARY SCHOOL	80130000032	ACCESS BANK	3,062.00
LUKUNGA PRIMARY SCHOOL	40130000010	ACCESS BANK	332,472.20
MACIARO PRIMARY SCHOOL	80130000117	ACCESS BANK	300,200.00
MAGARE PRIMARY SCHOOL	80130000053	ACCESS BANK	970.00
MAJANI MINGI PRIMARY SCHOOL	80130000095	ACCESS BANK	1,949.00
MAJANI MINGI SECONDARY SCHOOL	80130000057	ACCESS BANK	11,918.00
MAMA NGINA KENYATTA SECONDARY SCHOOL	80130000088	ACCESS BANK	61,930.00
MANGU PRIMARY SCHOOL	80130000081	ACCESS BANK	6,783.00
MATUIKU PRIMARY SCHOOL	80130000085	ACCESS BANK	210.00
MATUIKU SECONDARY SCHOOL	80130000044	ACCESS BANK	609,000.00
MERCY NJERI SECONDARY SCHOOL	130280201370	EQUITY BANK	377,308.40
MIMWAITA PRIMARY SCHOOL	80100000132	ACCESS BANK	43,847.00
MIMWAITA SECONDARY SCHOOL	80100000054	ACCESS BANK	665,580.00
MIREMA PRIMARY SCHOOL	40100000229	ACCESS BANK	266,482.61
MOGOIWET PRIMARY SCHOOL	40100000160	ACCESS BANK	292,584.70
MOROP PRIMARY SCHOOL	80100000060	ACCESS BANK	814,818.00
MUHIGIA SECONDARY SCHOOL	80130000103	ACCESS BANK	3,001,507.00
MURICHO PRIMARY SCHOOL	80130000096	ACCESS BANK	44,695.00
MWITEITHIA CHIEFS OFFICE	130280201581	EQUITY BANK	4,247.50
MWITEITHIA PRIMARY SCHOOL	80130000073	ACCESS BANK	1,004,668.00

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NAITHUITI PRIMARY SCHOOL	80100000133	ACCESS BANK	1,998,750.00
NGATA PRIMARY SCHOOL	80130000038	ACCESS BANK	70,706.00
NGESUMIN PRIMARY SCHOOL CDF	80130000040	ACCESS BANK	1,206,104.00
NYAMAMITHI PRIMARY SCHOOL	80130000052	ACCESS BANK	7,840.00
OGILGEI PRIMARY SCHOOL	80130000102	ACCESS BANK	7,462.00
OLONGAI PRIMARY SCHOOL	80130000041	ACCESS BANK	1.00
OLRONGAI SECONDARY SCHOOL	80100000025	ACCESS BANK	300,990.00
R.V.S.T PRIMARY SCHOOL	80130000080	ACCESS BANK	2,407.00
RAFIKI PRIMARY SCHOOL	80130000071	ACCESS BANK	77,851.00
RONGAI SECONDARY SCHOOL	80130000111	ACCESS BANK	404,202.00
RUIYOBEL CHIEFS OFFICE	80130000035	ACCESS BANK	7,130.00
SARAMBEI PRIMARY SCHOOL	80130000114	ACCESS BANK	998,750.00
SARAMBEI SECONDARY SCHOOL	80130000090	ACCESS BANK	56,033.00
SAWATII PRIMARY SCHOOL	80130000028	ACCESS BANK	9,045.00
SET KOBOR SECONDARY SCHOOL	40100000211	ACCESS BANK	47,316.00
SIGITO PRIMARY SCHOOL	80130000034	ACCESS BANK	1,883.00
SOLAI DAY SECONDARY SCHOOL	130280201406	EQUITY BANK	2,187.50
SOLAI KALE SECONDARY SCHOOL	80130000087	ACCESS BANK	319,354.00
TESTAI PRIMARY SCHOOL	80130000059	ACCESS BANK	286,512.00
TESTAI SECONDARY SCHOOL	80130000059	ACCESS BANK	286,512.00
THIRANDU PRIMARY SCHOOL	80130000097	ACCESS BANK	95,250.00
TUIYOMOI PRIMARY SCHOOL	80100000134	ACCESS BANK	410,545.00

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UIYOTICH MIXED SECONDARY SCHOOL	80130000105	ACCESS BANK	258,216.00
TUIYOTICH PRIMARY SCHOOL	40130000007	ACCESS BANK	1,318,734.00
A.I.C ULWOBMOI PRIMARY SCHOOL	80130000084	ACCESS BANK	652.00
TUMAINI PRIMARY SCHOOL	80130000074	ACCESS BANK	217,663.00
UMOJA SECONDARY SCHOOL	80130000107	ACCESS BANK	1,806.00
UMOJA CHIEFS OFFICE	40130000004	ACCESS BANK	3,076.00
MENENGAI PRIMARY SCHOOL	1178907570	KCB BANK	204,971.00
KIAMUNYI SECONDARY SCHOOL	1257838024	KCB BANK	872,579.00
KIAMUNYI PRIMARY SCHOOL	12044787212	KCB BANK	50,593.00
			23,709,732.09

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor and subsequent progress made on the resolution of the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Focal Point person to resolve the issue (Name and designation)	Management comments
<p>Note 7 to the financial statements reflects bursary to secondary schools of Kshs.1,425,399</p> <p>for the year ended 30 June 2019. However, the supporting schedule provided for audit reflected a balance of Kshs.1,006,000 and hence a variance of Kshs.419,399.</p> <p>No explanation has been given for the variance.</p>	<p>The financial statement were amended as advised by the your office.</p>	<p>Kenneth K Kamau-F.A.M Rongai</p>	<p>Resolved</p>
<p>The statement of cash flows reflects net cash flow from operating activities of Kshs.46,434,645 instead of negative Kshs.3,029,473 and therefore the statement is inaccurate.</p> <p>No explanation has been given for the misstatement.</p>	<p>The financial statement were amended as advised by the your office.</p>	<p>Kenneth K Kamau-F.A.M Rongai</p>	<p>Resolved</p>

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<p>The statement of receipts and payments for the year ended 30 June 2019 reflects an expenditure of Kshs.4,842,702 was incurred on use of goods and services. Out of this amount, an expenditure of Kshs.108,330 was incurred on printing, advertising and information supplies and Kshs.95,000 on routine maintenance- vehicles and other transport equipment. However, no store ledgers cards were maintained and it was therefore not possible to confirm delivery and usage of the items bought.</p> <p>In the circumstances, the propriety of the expenditure of Kshs.203,330 could not be confirmed.</p>	<p>The documents were availed to the Auditor for verification</p>	<p>Kenneth K Kamau-F.A.M Rongai</p>	<p>Resolved</p>
<p>During the year under review, an expenditure of Kshs.1,425,399 was incurred in</p>	<p>The CDFC committee through ward for</p>	<p>Kenneth K Kamau-F.A.M Rongai</p>	<p>Resolved</p>

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<p>disbursement of bursary to secondary as disclosed under note 7 to financial statements. It was however, noted that only Kshs.565,070 was acknowledged by various schools leaving a balance of Kshs.860,329 unaccounted for.</p> <p>No explanation was given for non-acknowledgement of the bursary despite the NGCDFC having a bursary committee in place and the monitoring and evaluation team.</p>		
<p>final budget of Kshs107,192,018.86. However, only Kshs.43,405,172 was received from the CDF Board and thus leaving a budget deficit of Kshs.63,786,846.86</p> <p>The underfunding has not been explained despite the board having approved the budget.</p> <p>Consequently, the Constituents of Rongai Constituency were denied the much needed development activities.</p>		

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	<p>It is therefore not clear why the Board approved a budget it could not finance.</p>
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