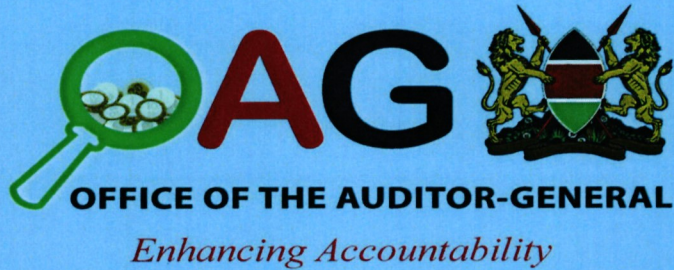


REPUBLIC OF KENYA



**REPORT** 23 NOV 2022

PARLIAMENT  
OF KENYA  
LIBRARY

THE NATIONAL ASSEMBLY	
P. 1000	
DATE: 23 NOV 2022	
DAY: Wednesday	
TABLED BY:	Majority Whip
OF	Christine

**THE AUDITOR-GENERAL**

**ON**

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

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





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**UGENYA CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

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

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





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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 Ugenya 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 30<sup>th</sup> June 2021 and who had direct fiduciary responsibility were:

<b>No</b>	<b>Designation</b>	<b>Name</b>
1.	A.I.E holder	Mr. Jackson Omari
2.	Sub-County Accountant	Mr. Caleb Omollo
3.	Chairman NGCDFC	Mrs. Caroline A. Owino
4.	Member NGCDFC	Mr. William E. Ohonde

#### **(d) Fiduciary Oversight Arrangements**

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

#### **(e) Ugenya Constituency NGCDF Headquarters**

P.O. Box 132 – 40614,  
UGENYA Building,  
Along the Kisumu – Busia Highway  
Sega, KENYA



**(f) Ugenya Constituency NG-CDF Contacts**

Telephone: (254) 721 467661

E-mail: [cdfugenya@ngcdf.go.ke](mailto:cdfugenya@ngcdf.go.ke)

Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(g) Ugenya Constituency NG-CDF Bankers**

KCB Bank,

Ugunja Branch,

P. O. Box 720,

UGUNJA,

**(h) Independent Auditors**

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

**(i) Principal Legal Adviser**

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

**II. NG-CDFC CHAIRPERSON'S REPORT**



**Mrs. Caroline Akinyi Owino,  
Ugenya NG-CDFC Chairperson**

The 2020 / 2021 Financial year was the second full year current Ugenya NG-CDF Committee since the by-election of 5<sup>th</sup> April, 2019 caused a change of representation in Parliament. This triggered a transition process within the Ugenya NG-CDF Committee whereby a new NG-CDF Committee was gazetted on 16<sup>th</sup> August, 2019.

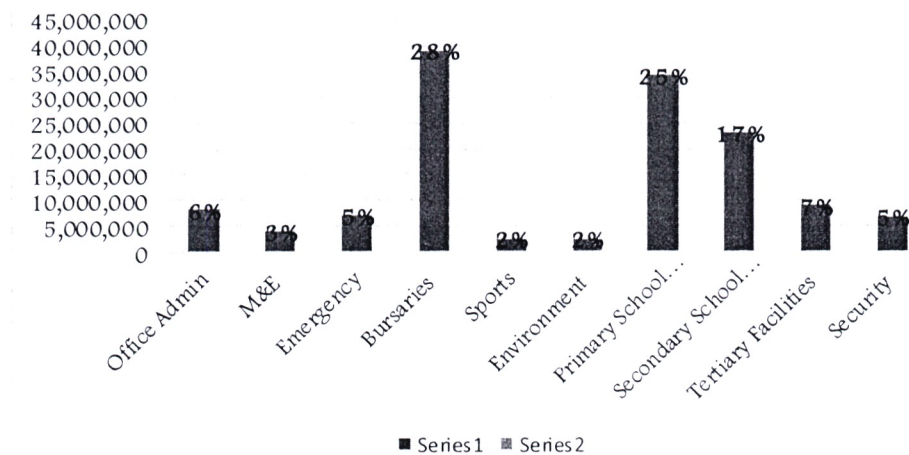
The committee has had a very steep learning curve as the expectations of wananchi have been very high especially as many people's livelihoods have been impacted negatively by the COVID 19 Pandemic. In the 2020 / 2021 Financial Year we saw an increased demand for the services offered by the Ugenya NG-CDF particularly bursaries as schools were finally opened after a long hiatus. We also saw an increased participation of bidders in all the tenders advertised during the year, indicating the confidence the public have in the Ugenya NG-CDF processes. With the opening of the schools saw an increased request for sanitation facilities like toilets, desks and handwash stations as heads of these institutions struggled to comply with the Ministry of Health's COVID 19 prevention protocols

Despite the negative impact COVID19 had on government revenues, the National Government through the NG-CDF Board was still able to finance NG-CDF activities albeit with understandable delays. Out of the budgeted Kshs. 137,088,879 for 2020/ 2021 Financial year, Kshs. 94,367,724 had been received by 30<sup>th</sup> June, 2020 while Kshs.58,000,000 pending from the 2019/ 2020 Financial year were also received.



Below find a graphical representation of the allocation of Kshs. 137,088,879 budgeted for in the -2020 / 2021 Financial year.

### 2020 / 2021 FY BUDGET ALLOCATION

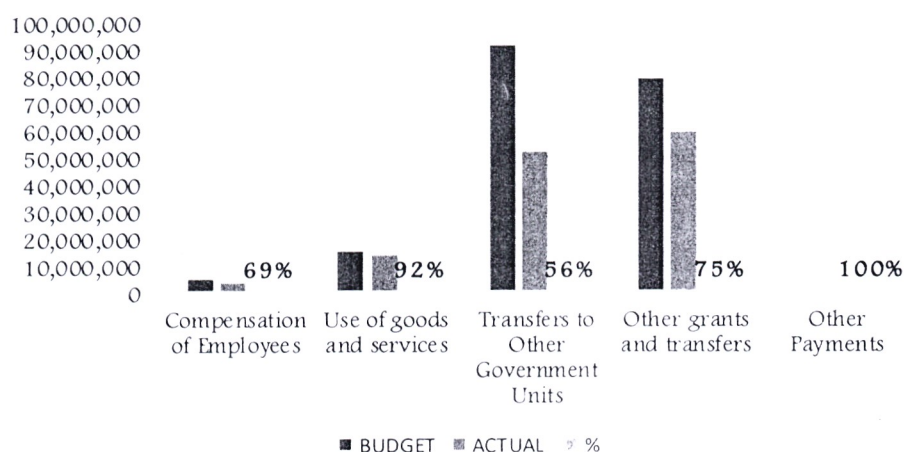


As is tradition for the Ugenya NG-CDF, a bulk of the allocation, 77% went to the education sector represented Primary, Secondary, Tertiary institutions and bursaries. This indicates that level of importance the Committee places on improving infrastructure in our educational institutions as well as improving access to educational opportunities for all our students.

On utilization of funds despite the challenges posed by slow disbursement of funds within the financial year and operations affected by COVID 19, we were still able to utilize a commendable 67% of our allocation.

Below is a graphical representation of Budgeted allocation Vs. Actual Utilized funds.

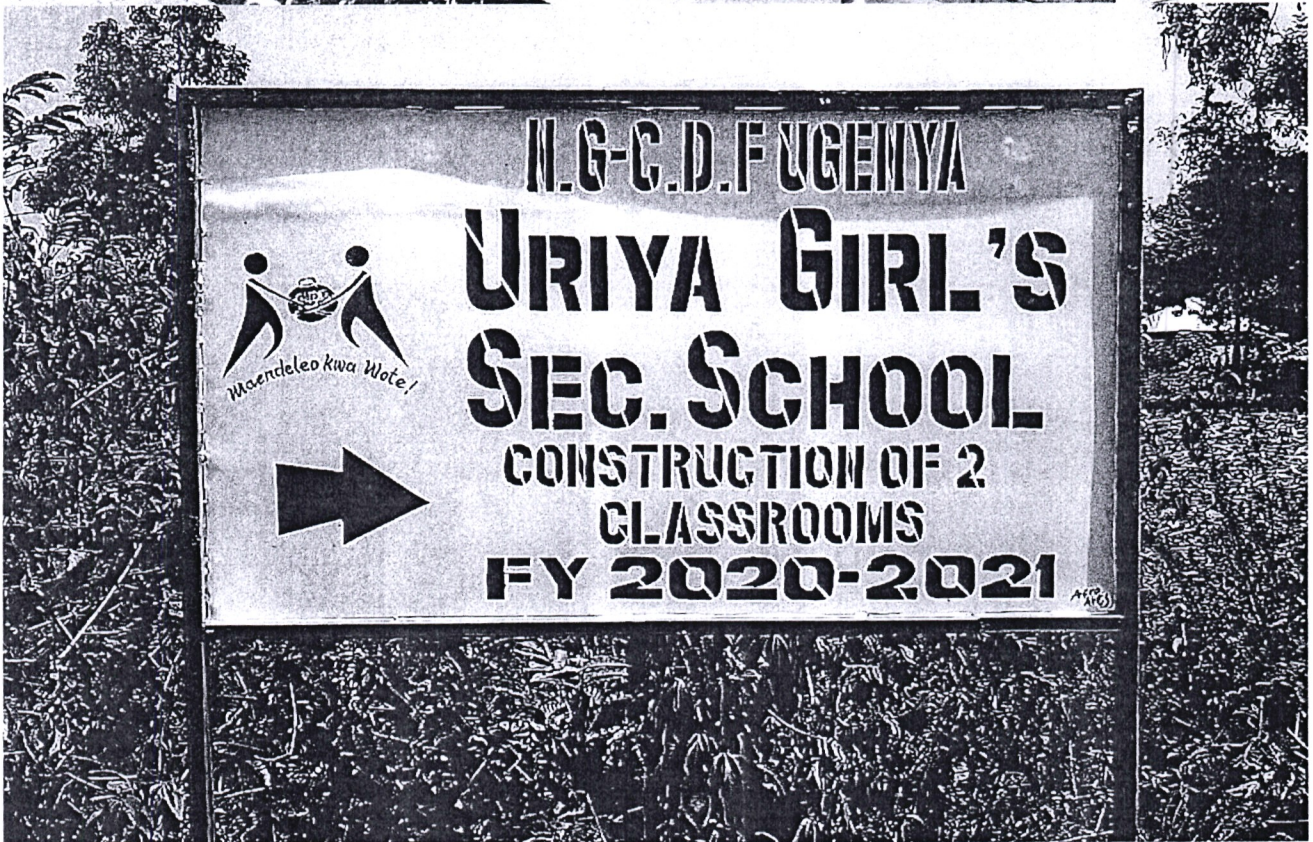
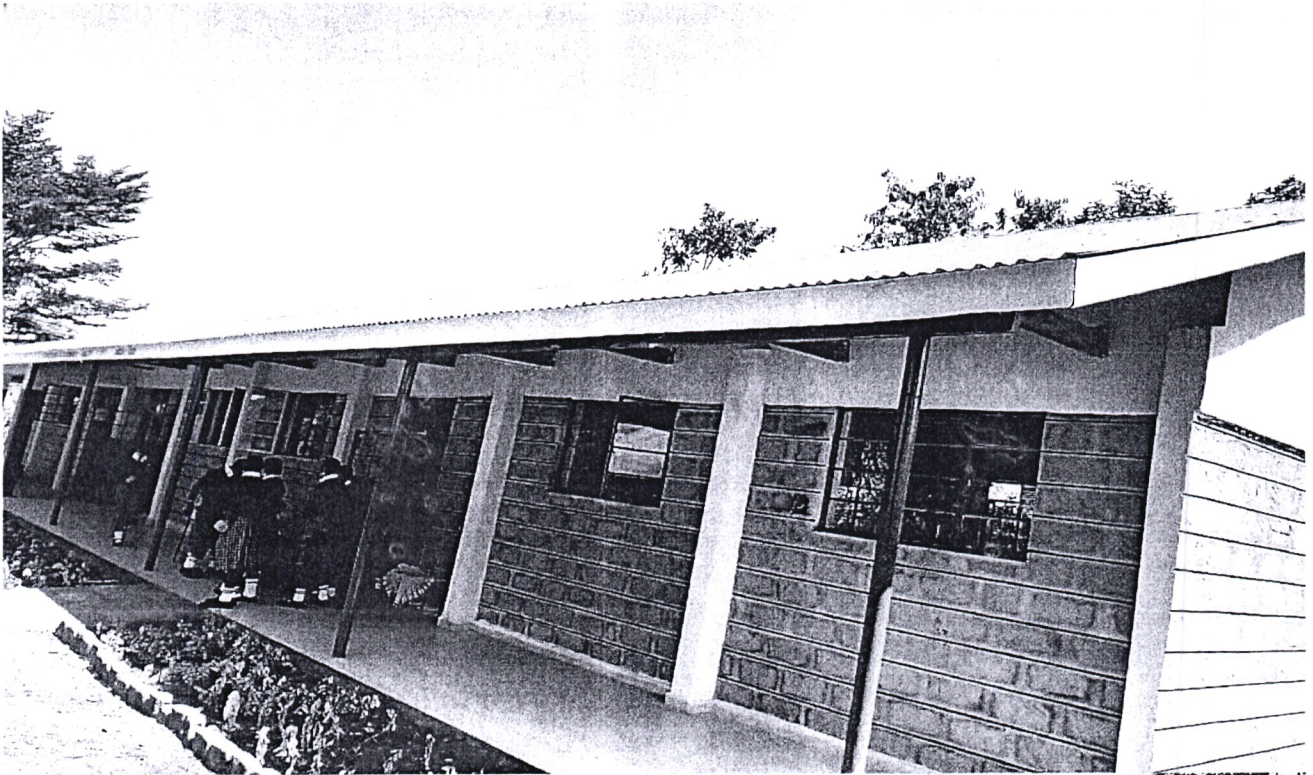
### Budget Vs. Actual



During the year we were able to launch the construction of Three new secondary schools, namely Uriya Girls, Bar Odar and Ugambe Secondary Schools. These schools were extensions of the



primary sections and this will go a long way to ensuring that the National Government achieves its 100% transition of students from Primary to Secondary Schools.



Uriya Girls Secondary School – Construction of Two (2) Classrooms.





Ugamba Secondary School – Construction of Three (3) Classrooms and a Three (3) Door Latrine





Bar Odar Secondary School – Construction of Two (2) Classrooms.

Among the many other project in our schools, we are most proud of the work done construct Administration Blocks at various schools using our cost effective standard design to ensure the teachers have a conducive environment within which to work.



Got Nanga Secondary School – Administration Block



An analysis of the happenings of the 2020 / 2021 Financial year cannot be complete without mentioning the effects of COVID 19 on the operations of the NG-CDF Committee, and our response to it. Our Priority was to assist schools, achieve social distancing through the procurement of additional desks. Thirty (30) out of our Eighty Eight (88) Primary Schools got Thirty Three (33) Desks, each of which could seat two students comfortably while maintaining social distancing.



Part of the Thirty Three (33) Desks issued to Thirty (30) Primary Schools.

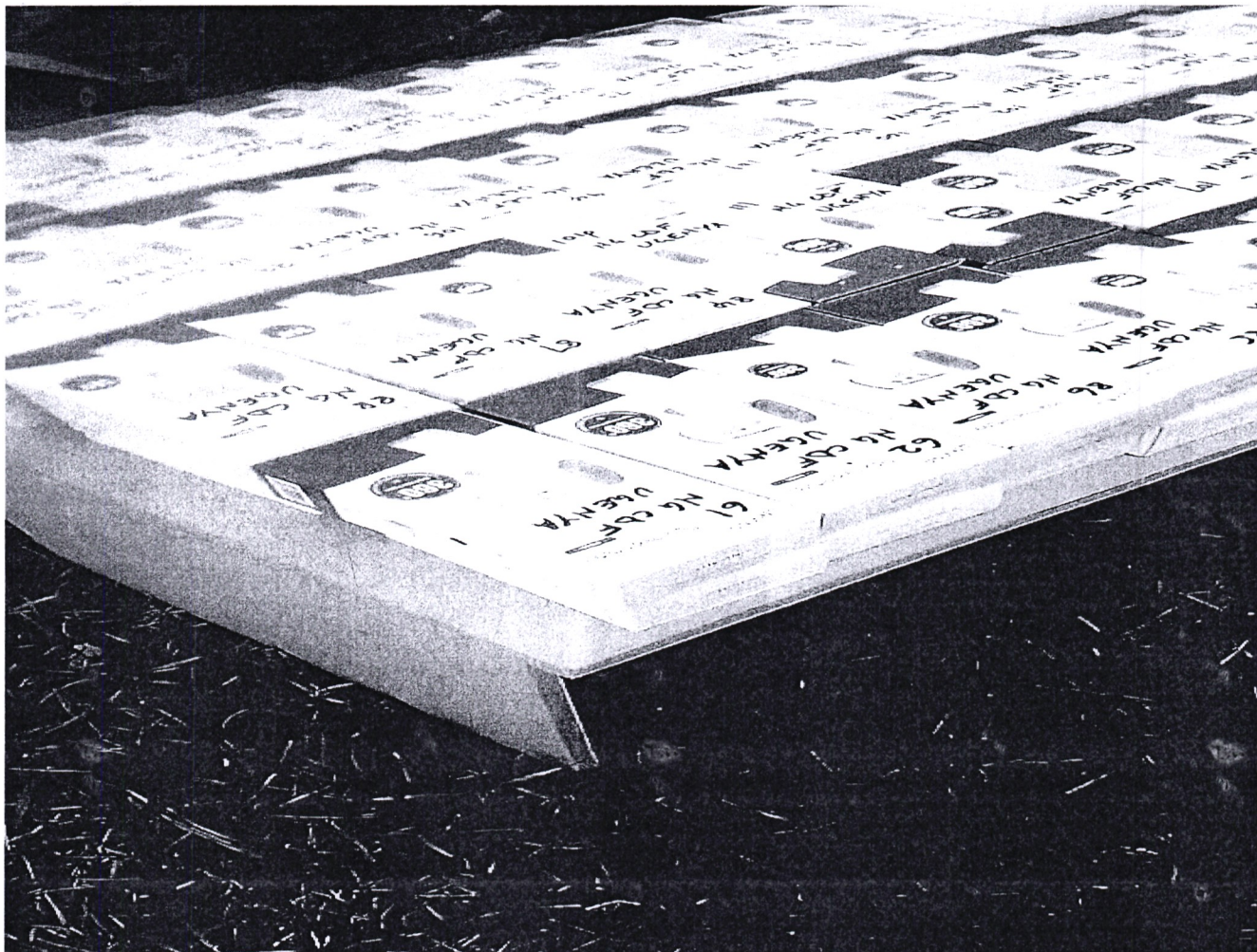
Thirteen (13) Secondary Schools were provided with Thirty Three (33) Locker and chairs. This project was funded from emergency.





To ensure sustainability of the project, we have made it a policy that every classroom we build or renovate in the future will have desks or lockers provided as part of the package.

We were also able to procure a total of One Hundred and Thirty Two (132) Thermal Guns in January, 2021 ensuring each of our Eighty Eight (88) Primary Schools and Thirty Four (34) Secondary Schools had at least one thermal gun as schools opened fully.



One Hundred & Fifty Two (152) Thermal Guns.

The Ugenya NG-CDF intends to continue strictly adhering to the various government directives regarding and will continue to do our part in implementing the Public Procurement Regulatory Authority Guidelines on Procurement activities during COVID and ensuring we continue to meet the expectations of our clients, the public in ensuring that our projects are rolled out as efficiently and transparently as possible despite the present challenges.

**Signed**

Mrs. Caroline Akinyi Owino,  
**Chairperson,**  
**UGENYA NGCDF COMMITTEE**



### **III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES**

#### **Introduction**

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

The key development objectives of NGCDF-UGENYA Constituency's upcoming *2020-2025* plan are to:

- a) Public Participation & Transparency and Accountability
- b) Universal Access to Educational Opportunities through upgrading of educational infrastructure in Primary, Secondary and Tertiary institutions.
- c) Improvement in Security Infrastructure.
- d) Conservation of the Environment to mitigate climate change.
- e) Engagement of the youth through sports and cultural activities.
- f) Mitigate disasters within the constituency.

#### **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:

<b>Constituency Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Public Participation	Ensure public are involved in all our activities.	Better linkages with public in project identification and implementation	<p>Hosting of Ward meetings in each ward for purposes of project identification.</p> <p>Distribution of Bursary Cheques in each ward.</p> <p>Hosting Project Management Committee trainings at least once every quarter as funds are received from the board.</p>	<p>In the 2020 / 2021 FY we;</p> <p>Hosted a round of ward meetings in each ward</p> <p>Organized four (4) PMC Trainings</p> <p>Distributed Bursary cheques in January and February, 2021</p>
Education	100% Transition to Secondary and Tertiary institutions.	Improved transition to secondary schools and	Increase in number of usable physical infrastructure	<p>In FY 20/21 we;</p> <p>Built Twenty Five (25) new</p>

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

		tertiary institutions	build in secondary schools.  Development of tertiary institutions Number of bursary beneficiaries at all levels	Classrooms and refurbished (20) Classrooms and Five (5) new administration blocks in the schools listed in the Schedules for Transfers to Primary Schools, Secondary Schools and Tertiary Institutions.  Gave Bursaries to Two Thousand Seven Hundred and Fifty (2,750) beneficiaries in Secondary Schools and One Thousand Two Hundred & Seventy Seven (1,277) Student in Tertiary institutions.
Security	Development of Police Posts in line with the new National Police Service structure in the Sub-County.	Improved access to security Services	New Police Buildings.  Rehabilitation of buildings.	In FY 20/21 We;  Constructed Three (3) new offices for Our Assistant Chief's, and one chief's office. We also erected toilets at the Ukwala Police Station and Critial Infrastructure Police Unit (CIPU).
Environment	Upgrading of sanitation in our Primary and Secondary Schools	Improved access to sanitation facilities	Installation of rain catchment tanks	In FY 20 / 21 due to slow disbursement we were nit bale to implement any environment project but will do so in 2021 / 2022 Financial



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

				Year.
Sports	Engaging the youth through sports.	Develop and nurture sporting talent in the constituency.	Organizing a constituency wide sports tournament.	In FY 20/21 due to COVID restrictions there were no organized sports tournaments allowed, so we concentrated on distributing uniforms and balls to teams in each ward for their own unofficial games.
Disaster Management	Emergency Interventions at various levels	Mitigate Emergencies	Mitigate emergencies	In the FY 20/21 we undertook the following emergency interventions;  Purchased thermal guns to mitigate the COVID 19 threat.  We also purchased desks for Thirty (30) Primary Schools and Thirteen (13) Secondary Schools to ensure social distancing in the classroom was achieved.



#### **IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

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

##### **1. Sustainability strategy and profile -**

In its operations, the Ugenya NG-CDF strives to ensure the people, more specifically the constituents of Ugenya are at the centre of all the development activities by ensuring that all the projects identified at the Wards are the ones that are prioritized for implementation at the preparation of proposals and further ensuring that during implementation of projects broad segments of the community, that is women, youth and persons with disability are well represented in the membership of the Project Management Committees. This is to guarantee that the projects implemented and owned and utilized by the community from the onset.

##### **2. Environmental performance**

The mitigation of climate change is among the key strategic objectives of the constituency. Though this is limited by the fact that the Ugenya NG-CDF must limit itself to the National Government Functions as outlined in the constitution as well as ensuring we adhere to the budget ceilings for the vote. However in the past year we had placed emphasis on ensuring we installed tanks and gutters in various institutions to harvest rain water, both to provide the institutions with water for handwashing, cooking and cleaning but also reduce erosion caused by surface runoff.

##### **3. Employee welfare**

All employees are hired openly through a competitive recruitment process which involves advertising all positions widely. During the recruitment process, it was ensured that while considering merit and qualifications, positions were also balanced between the four (4) wards of the constituency as well as taking into account gender considerations to ensure the one third gender rule was adhered to.

We recognise that the employees are the first line of engagement between the Ugenya NG-CDF and the public and therefore have to be knowledgeable on all aspects of the Ugenya NG-CDF operations. On hiring they were taken through orientation to understand the structure and laws guiding the operations of the NG-CDF.

As part of their development, the Ugenya NG-CDF encourages its staff to upgrade their skills by giving time off to attend classes and exams and on the personal development we have also entered into an agreement with our bankers to provide access to loan facilities should the staff require them.

On occupational health and safety, this past year the Ugenya NG-CDF has invested in ensuring that the office has more than one water source, ensuring constant supply of water to the office, ensuring the ablution facilities can be used throughout. The Ugenya NG-CDF also provides the staff with clean bottled water from dispensers and has ensured that the office is accessible through ramps.

##### **4. Market place practices-**

The Ugenya NG-CDF procurement processes strictly adhere to the Public Procurement and Asset Disposal Act of 2015 and its regulations. We endeavour to ensure that our key stakeholders, the Project Management Committees, through whom projects are implemented are capacity built on its requirements.

Key considerations in the procurement process is ensuring it is as open and competitive as possible by ensuring tender advertisements are circulated as widely as possible and dealing with any appeals arising as expeditiously as possible.



The Ugenya NG-CDF deals conscientiously with its contractors and suppliers by ensuring funds are fully transferred to the PMC's before any work starts to avoid issues of pending bills and ensuring that once a payment request has been lodged by contractors, through PMC's it is dispensed with within Three (3) Working days. This practice has enhanced confidence the contractors have in bidding for our projects as they are sure they will be paid for works done.

The Ugenya NG-CDF strives to ensure that the contractors undertaking works utilize as much local labour and materials where available and ensures that contractors maintain good working relations with the community by paying promptly for supplies and wages.

#### **5. Community Engagements -**

As part of the corporate social responsibility during this COVID 19 pandemic, the Ugenya NG-CDF was able to procure and distribute 152 thermal guns to our Eighty Eight (88) Primary Schools, Thirty Four (34) Secondary Schools, Four (4) Special Schools and Three (3) Tertiary institutions.



**V. STATEMENT OF MANAGEMENT RESPONSIBILITIES**

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

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

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

**Approval of the financial statements**

The NGCDF-UGENYA Constituency financial statements were approved and signed by the Accounting Officer on \_\_\_\_\_ 2021.

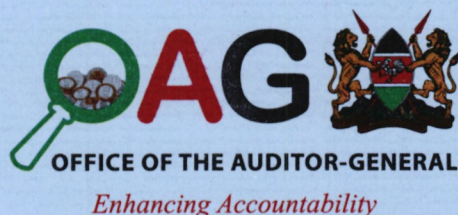
\_\_\_\_\_  
**Chair NGCDF Committee**  
**Name: Caroline A. Owino**

\_\_\_\_\_  
**Fund Account Manager**  
**Name: Jackson Omari.**



# REPUBLIC OF KENYA

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**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSITUENCIES DEVELOPMENT FUND UGENYA - CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

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### 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, gazetted 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 control, 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 - Ugenya Constituency set out on page 19 to 60, which



comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows, summary statement of appropriation for the year ended June, 2021, 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 the National Government Constituencies Development Fund - Ugenya 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 the Public Finance Management Act, 2012.

## **Basis for Qualified Opinion**

### **1. Discrepancies in the Financial Statements**

Review of the financial statements indicated that the following discrepancies:

- i. The statement of assets and liabilities reflects a brought forward Fund balance totalling Kshs.5,025,551. However, no explanatory note has been provided in relation to the balance.
- ii. The summary statement of appropriation reflects budget adjustments totalling Kshs.76,579,442 for the year under review. However, Note 17.3 to the financial statements reflects unutilized funds for the financial year 2019/2020 totalling Kshs.75,076,400 resulting to an unreconciled variance of Kshs.1,503,042.
- iii. Headings for Note 16 and Annex 5 to the financial statements are marked '2020/2019' and '2018/2019'; and '2019/20' and '2018/19' respectively, instead of '2019/2020' and '2020/21'.
- iv. The prior year issues reflected in the report on progress on follow-up of auditors' recommendations relate to the financial year 2017/2018 financial year instead of 2019/2020.
- v. Many of the Notes to the financial statements reflect the standard information provided in the financial reporting template, or are blank.
- vi. Casting of balances in the budget execution by programmes and subprograms statement is incorrect.

In view of these discrepancies, the financial statements do not comply with the reporting requirements prescribed by the Public Sector Accounting Standards Board.



## 2. Unconfirmed Balances

Several balances reflected in the financial statements were not supported with sufficient appropriate evidence:

### 2.1 Transfers from National Government Constituencies Development Fund Board

The statement of receipts and payments reflects transfers from National Government Constituencies Development Fund Board totalling Kshs.152,367,724, as further disclosed in Note 1 to the financial statements. However, re-computation of amounts reflected in the respective Authority-to-Incur-Expenditure (AIE) records yielded Kshs.150,367,724 resulting to an unreconciled variance of Kshs.2,000,000.

In view of the discrepancy, the accuracy of transfers from National Government Constituencies Development Fund Board totalling Kshs.152,367,724 could not be confirmed.

### 2.2 Other Grants and Other Payments

The statement of receipts and payments reflects other grants and other payments totalling Kshs.59,924,937, as further disclosed in Note 7 to the financial statements. However, the following payments totalling Kshs.10,826,341 included in the balance were not supported with sufficient records:

<b>Expenditure Item</b>	<b>Unsupported Amount (Kshs)</b>
Security Projects	3,450,000
Sports Projects	3,281,000
Emergency Projects	4,095,341
<b>Total</b>	<b>10,826,341</b>

As a result, the accuracy of other grants and transfers totalling Kshs.59,924,937 could not be confirmed.

### 2.3 Cash and Cash Equivalents

The statement of assets and liabilities and Note 10A to the financial statements reflects cash and cash equivalents totalling Kshs.27,602,273. However, the bank reconciliation statement for the month of June, 2021 reflected unrepresented cheques totalling Kshs.16,358,622 which included stale cheques totalling to Kshs.953,863 that had not been reversed in the cash book.

In the circumstances, the accuracy of the cash and cash equivalents balance totalling Kshs.27,602,273 could not be confirmed.

### 2.4 Projects Management Committee Bank Balances

Note 17.4 to the financial statements reflects Project Management Committee bank account balances totalling Kshs.10,716,301 as at 30 June, 2021, as further disclosed at



Annex 5 of the financial statements. However, the bank account balances for the thirty accounts were not supported with bank balance confirmation certificates.

As a result, the accuracy and existence of the Project Management Committee bank accounts balances totalling Kshs.10,716,301 could not be confirmed.

## **2.5 Comparative Balances**

The comparatives balances reflected in the statement of assets and liabilities and statement of cash flows do not tally with the balances reflected in the audited financial statements for the year ended 30 June, 2020, as indicated in the attached **Appendix**.

Management did not explain the variances and as a result, the opening balances reflected in the financial statements are not fairly stated.

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

## **Key Audit Matters**

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

## **Other Matter**

### **1. Budgetary Control and Performance**

The summary statement of appropriation reflects final receipts budget and actual on comparable basis totalling Kshs.213,671,821 and Kshs.157,396,775 respectively resulting to a shortfall of revenue of Kshs.56,275,046 or 26% of the budget. Similarly, the statement reflects an expenditure budget of Kshs.213,671,821 and actual expenditure of Kshs.129,794,502 resulting to an under-expenditure of Kshs.83,877,319 or 39% of the budget.

The shortfall of revenue and under-expenditure constrained execution of planned activities and may have impacted negatively on the Fund's delivery of services to the residents of Ugenya Constituency.

### **2. Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under the Report on Financial Statements. However, Management had not resolved the issues as at 30 June, 2021. Further contrary to the reporting requirements set by the Public Sector



Accounting Standards Board, and as indicated elsewhere in this report, Management did not disclose the progress made in resolving any of the prior year matters.

## 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. Failure to Report Emergency Projects**

Examination of records on other grants and other payments indicated that Kshs.10,310,117 was incurred on emergency projects in the year under review. However, contrary to Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016, Management did not report to the Board the expenditure on emergency projects. The Regulation requires that any use of the emergency reserve to be reported to the Board within thirty days of the occurrence of the emergency.

In the circumstances, Management was in breach of the law

#### **2. Irregular Reallocation of Funds**

Examination of records on transfers to other Government units indicated that a grant amounting to Kshs.2,500,000 disbursed to Ugambe Secondary School for construction of two (2) classrooms and two (2) blocks of three-door pit latrines in the 2018/2019 budget were instead spent on purchase of land. However, contrary to Regulation 25(2) of the National Government Constituencies Development Fund Regulations, 2016, the reallocation was made without Management's approval.

In the circumstances, the Project Management Committee acted in breach of the law.

#### **3. Failure to Insure Assets**

The Fund had fixed assets with historical costs totalling Kshs.24,441,031 as at 30 June, 2021. However, contrary to Section 36(3) of the National Government Constituencies Development Fund Act, 2015, the assets were not insured. The law requires that all fixed and movable assets, including equipment bought under the Act for use by the Constituency Committee to be insured in the name of the Board.

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



#### **4. Unbudgeted Expenditure**

Expenditure records indicated that the Fund spent Kshs.700,000 on fencing and purchase of furniture for Ugenya National Treasury Office in spite of the project not having been budgeted for. In addition, authority to reallocate funds to the project and payment vouchers for the expenditure were not provided for audit review.

The funding of the project was done contrary to Regulation 25(2) of the National Government Constituencies Development Fund Regulations, 2016. The Regulation provides that a Constituency Committee shall not incur expenditure unless such expenditure is supported by an approved work plan and budget.

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

#### **5. Delay in Implementation of Projects**

The Project Implementation Status report indicated that, the Fund had planned to implement ninety-one (91) projects allocated with an aggregate budget of Kshs.133,088,879. The report indicated that sixty-five (65) projects costing Kshs.103,311,995 were completed in the year under review, six (6) allocated Kshs.16,039,191 were ongoing and twenty (20) allocated Kshs.17,737,694 had not started.

In view of the delay in completing the twenty six (26) projects, the services and other benefits the projects were expected to provide to the residents of Ugenya Constituency were not realized.

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

### **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

#### **Conclusion**

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

#### **Basis for Conclusion**

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



## **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls 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 services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in



an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 noncompliance. 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 Fund policies and procedures may deteriorate.

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

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



- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and 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**

**30 September, 2022**



## APPENDIX

### Unexplained Variances in Comparative Balances


Component	Balance as Per 2020-2021 Financial Statements (Kshs.)	Balance as Per 2019-2020 Audited Financial Statements (Kshs.)	Variances (Kshs.)
<b>Statement of Assets and Liabilities</b>			
Fund Balance Brought Forward	23,219,831	22,536,707	683,124
Prior Year Adjustment	(1,182,000)	498,876	(1,680,876)
<b>Statement of Cash Flows</b>			
Other Receipts	0	13,277	(13,277)
Total Receipts	121,890,876	121,904,153	(13,277)
Increase or decrease in Accounts Payable	(1,182,000)	498,876	(1,680,876)
Prior Year Adjustments	(1,182,000)	498,876	(1,680,876)
Net Cash Flow from Operating Activities	(15,930,807)	14,735,530	(30,666,337)
Acquisition of Assets	0	2,276,750	(2,276,750)
Net increase in Cash and Cash Equivalent	(15,930,807)	17,695,404	(33,626,211)
Cash and Cash Equivalent at the beginning of the Year	23,219,831	22,037,831	1,182,000




VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	152,367,724	121,890,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	3,500	13,277
<b>TOTAL RECEIPTS</b>		<b>152,371,224</b>	<b>121,904,153</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,556,980	4,290,819
Use of goods and services	5	13,959,600	6,523,352
Transfers to Other Government Units	6	51,652,985	60,197,331
Other grants and transfers	7	59,924,937	65,628,180
Acquisition of Assets	8	-	2,276,750
Other Payments	9	700,000	-
<b>TOTAL PAYMENTS</b>		<b>129,794,502</b>	<b>138,916,432</b>
<b>SURPLUS/(DEFICIT)</b>		<b>22,576,722</b>	<b>(17,012,280)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-UGENYA Constituency financial statements were approved on 19/ 2021 and signed by:

  
Fund Account Manager,  
Name: Jackson Omari

  
National Sub-County  
Accountant  
Name: Caleb Omollo

  
Chair NG-CDF Committee  
Name: Caroline A. Owino.



VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019-2020	2018-2019
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	27,602,273	5,025,551
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>27,602,273</b>	<b>5,025,551</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>27,602,273</b>	<b>5,025,551</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	-	-
Gratuity	12B	-	-
<b>TOTAL FINANCIAL LIABILITES</b>		<b>27,602,273</b>	<b>5,025,551</b>
<b>NET FINANCIAL ASSETS</b>			
<b>REPRESENTED BY</b>			
<b>Fund balance b/fwd</b>		5,025,551	23,219,831
Prior year adjustments	14	-	(1,182,000)
Surplus/Deficit for the year		22,576,722	(17,012,280)
<b>NET FINANCIAL POSITION</b>		<b>27,602,273</b>	<b>5,025,551</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-UGENYA Constituency financial statements were approved on 19 2021 and signed by:



Fund Account Manager,  
Name: Jackson Omari



National Sub-County  
Accountant




Chair NG-CDF Committee  
Name: Caroline A. Owino.



IX. STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	152,367,724	121,890,876
Other Receipts	3	3,500	-
<b>Total receipts</b>		<b>152,371,224</b>	<b>121,890,876</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	3,556,980	4,290,819
Use of goods and services	5	13,959,600	6,523,352
Transfers to Other Government Units	6	51,652,985	60,197,331
Other grants and transfers	7	59,924,937	65,628,180
Other Payments	9	700,000	-
<b>Total payments</b>		<b>129,794,502</b>	<b>136,639,682</b>
<b>Total Receipts Less Total Payments</b>			
<b>Adjusted for:</b>		-	-
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	(1,182,000)
Prior year adjustments	14	-	(1,182,000)
		<b>22,576,722</b>	<b>(15,930,807)</b>
<b>Net cash flow from operating activities</b>			
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
<b>Net cash flows from Investing Activities</b>		-	-
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>22,576,722</b>	<b>(15,930,807)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>10</b>	<b>5,025,551</b>	<b>23,219,831</b>
<b>Cash and cash equivalent at END of the year</b>		<b>27,602,273</b>	<b>5,025,551</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-UGENYA Constituency financial statements were approved on 11<sup>th</sup> 2021 and signed by:



Fund Account Manager,  
Name: Jackson Omari



National Sub-County  
Accountant



Chair NG-CDF Committee  
Name: Caroline A. Owino.



X. SUMMARY STATEMENT OF APPROPRIATION


Receipt/Expense Item	Original Budget <sup>a</sup>	Adjustments		Final Budget <sup>c=a+b</sup>	Actual on Comparabl e Basis <sup>d</sup>	Budget Utilization Difference <sup>e=c-d</sup>	% of Utilizatio n <sup>f=d/c %</sup>
		Opening Balance (C/BK) and ALA	Previous years Outstanding Disbursement <sup>s</sup>				
RECEIPTS							
Transfers from NG-CDF Board	137,088,879	5,025,551	71,553,891	213,668,321	157,393,275	56,275,046	74%
Proceeds from Sale of Assets	0	0	0	0	0	0	0%
Other Receipts	0	3,500	0	3,500	3,500	0	100%
<b>TOTAL RECEIPTS</b>	<b>137,088,879</b>	<b>5,029,051</b>	<b>71,553,891</b>	<b>213,671,821</b>	<b>157,396,775</b>	<b>56,275,046</b>	<b>74%</b>
PAYMENTS							
Compensation of Employees	3,692,400	0	1,500,000	5,192,400	3,556,980	1,635,420	69%
Use of goods and services	8,638,399	5,025,551	1,499,355	15,166,805	13,959,600	1,207,205	92%
Transfers to Other Government Units	66,150,000	0	25,272,143	91,422,143	51,652,985	39,769,158	56%
Other grants and transfers	58,608,080	0	33,582,393	92,190,473	59,924,937	32,265,536	65%
Acquisition of Assets	0	0	0	0	0	0	0%
Other Payments	0	0	9,700,000	9,700,000	700,000	9,000,000	0%
Funds Pending Approval***	0	3,500	0	0	0	0	
<b>TOTAL</b>	<b>137,088,879</b>	<b>5,029,051</b>	<b>71,553,891</b>	<b>213,671,821</b>	<b>129,794,502</b>	<b>83,877,319</b>	<b>61%</b>

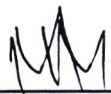



- (a) The Previous outstanding years adjustments of Kshs. 71,553,891 is composed of Kshs. 60,367,723.84 which were balances from the Financial year 2019 / 2020 received in 2020 / 2021 Financial year and Kshs. 9,000,000 from 2020 / 2021 Financial year, Kshs. 1,150,000 from the 2018 / 2019 Financial Year and as well as Kshs. 1,036,167.16 from the 2017 / 2018 all of which were undisbursed.
- (b) Commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]
- i. Compensation of Employees is at 69% as there were balances from the previous year which became available this year and the contracted employees fell from Fourteen (14) to Twelve (12).
  - ii. Transfers to other government units was at 56% due to the slow disbursement of funds from the NG-CDF Board.
  - iii. Other Grants and transfers were at 65% mainly due to payment of bursaries that were prioritized for funding following the full opening of schools. However projects in Security and Environment were not fully implemented due to the slow disbursement of funds from the NG-CDF Board.

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	83,877,319
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2021	56,275,046
	27,602,273
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	27,602,273

The NGCDF-UGENYA Constituency financial statements were approved on 11/9 2021 and signed by:

  
 Fund Account Manager,  
 Name: Jackson Omari

  
 National Sub-County  
 Accountant

  
 Chair NG-CDF Committee  
 Name: Caroline A. Owino.



**X. BUDGET EXECUTION BY SECTORS AND PROJECTS**

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	
	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021	
	Kshs		Kshs	Kshs	Kshs	
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	3,692,400		1,500,000	5,192,400	3,556,980	1,635,420
1.2 Committee allowances	2,978,133	1,200,000	-	4,181,632	4,160,000	21,632
1.3 Use of goods and services	1,550,000	1,500,645	632,880	3,683,525	2,896,000	787,525
<b>Total</b>	<b>8,220,533</b>	<b>2,700,645</b>	<b>2,132,880</b>	<b>13,057,557</b>	<b>10,612,980</b>	<b>2,444,577</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,200,000	500,000	-	1,700,000	1,603,000	97,000
2.2 Committee allowances	2,110,266	1,458,431	-	3,568,697	3,300,164	268,533
2.3 Use of goods and services	800,000	366,475	866,475	2,032,950	2,000,436	32,514
<b>Total</b>	<b>4,110,266</b>	<b>2,324,906</b>	<b>866,475</b>	<b>7,301,647</b>	<b>6,903,600</b>	<b>398,047</b>
<b>3.0 Emergency</b>						
<b>3.1 Primary Schools</b>						
3.11 St. Mary's Ukwala Pri	500,000			500,000	500,000	-
<b>3.2 Secondary schools</b>						
3.21 Ndenga Sec Sch.	500,000			500,000	500,000	-
<b>3.3 Tertiary institutions</b>						
	0			-		



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

<b>3.4 Security projects</b>									
3.41 Segga Police Post	400,000			400,000			400,000		-
3.42 Kanyumba Police Post	370,015			370,015			370,015		-
3.43 Ukwala Police Station	150,000			150,000			150,000		-
3.44 Stantech Motors	146,721			146,721			146,721		-
<b>Total Security Projects</b>	<b>1,066,736</b>			<b>1,066,736</b>			<b>1,066,736</b>		<b>-</b>
<b>3.5 Other Projects</b>									
3.51 Image Trends (Thermal Guns)	462,000			462,000			462,000		-
3.52 Purchase of Handwash stations	975,350			975,350			975,350		-
3.53 CDF Office Construction	490,605			490,605			490,605		-
3.54 Purchase of Desks	6,265,426			6,265,426			6,265,426		-
<b>Total Other Projects</b>	<b>8,193,381</b>			<b>8,193,381</b>			<b>8,193,381</b>		<b>-</b>
3.6 Unutilized	0			1,428,226			1,428,226		
<b>Total</b>	<b>7,192,207</b>			<b>1,428,226</b>			<b>8,620,433</b>		<b>(1,839,682)</b>
<b>4.0 Bursary and Social Security</b>									
4.1 Secondary Schools	24,609,287			11,000,000			35,609,286		14,160,786
4.2 Tertiary Institutions	13,175,314			15,000,000			28,175,314		7,660,164
4.3 Social Security	0			-			-		-
4.4 Special Needs	1,250,918			-			1,250,918		546,748
<b>Total</b>	<b>39,035,518</b>			<b>26,000,000</b>			<b>65,035,518</b>		<b>22,367,698</b>
<b>5.0 Sports</b>									
5.1 Sports Tournament	2,740,178			167,999			2,908,177		(588,823)
<b>Total</b>	<b>2,740,178</b>			<b>167,999</b>			<b>2,908,177</b>		<b>(588,823)</b>



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

<b>6.0 Environment</b>								
6.1 Nyalenda Primary School	300,000	-	-	300,000	-	300,000	-	300,000
6.2 Umer Primary School	300,000	-	-	300,000	-	300,000	-	300,000
6.3 St. Joseph's Ochiel Primary School	150,000	-	-	150,000	-	150,000	-	150,000
6.4 Magombe Primary School	300,000	-	-	300,000	-	300,000	-	300,000
6.5 Nyaharwa Chief's Office	150,000	-	-	150,000	-	150,000	-	150,000
6.6 Mauna Primary School	300,000	-	-	300,000	-	300,000	-	300,000
6.7 Assistant County Commissioner – Sihayi Division	340,178	-	-	340,178	-	340,178	-	340,178
6.8 Ugambe Secondary School	300,000	-	-	300,000	-	300,000	-	300,000
6.9 Nzola Primary School	600,000	-	-	600,000	-	600,000	-	600,000
6.10Jera Sec. Sch.	0	-	500,000	500,000	-	500,000	-	500,000
6.11 Kamrembo Siwanthe Pri. Sch.	0	-	500,000	500,000	-	500,000	-	500,000
612 Tree Planting	0	-	1,150,000	1,150,000	-	1,150,000	-	1,150,000
613 Tree Planting	0	-	1,036,167	1,036,167	-	1,036,167	-	1,036,167
<b>Total</b>	<b>2,740,178</b>	<b>-</b>	<b>3,186,167</b>	<b>5,926,345</b>	<b>-</b>	<b>5,926,345</b>	<b>-</b>	<b>5,926,345</b>
<b>7.0 Primary Schools Projects</b>								
7.1 Anyiko Special School	1,000,000	-	-	1,000,000	-	1,000,000	-	1,000,000
7.2 Sihayi Primary School	1,000,000	-	-	1,000,000	-	1,000,000	-	1,000,000
7.3 Nyangungu Primary School	1,000,000	-	-	1,000,000	-	1,000,000	-	1,000,000
7.4 Umer Primary School	400,000	-	-	400,000	-	400,000	-	400,000
7.5 Inungo Primary School	1,800,000	-	-	1,800,000	-	1,800,000	-	1,800,000



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7.6 Mahwi Primary School	1,000,000	-	-	1,000,000	1,000,000	-
7.7 Luthehe Primary School	1,000,000	-	-	1,000,000	1,000,000	-
7.8 Luanda Primary School	2,000,000	-	-	2,000,000	2,000,000	-
7.9 Baranga Primary School	1,200,000	-	-	1,200,000	1,200,000	-
7.10 Uring Primary School	900,000	-	-	900,000	900,000	-
7.11 Nyalenda Primary School	800,000	-	-	800,000	800,000	-
7.12 Ndenga Primary School	500,000	-	-	500,000	500,000	-
7.13 Nganga Primary School	1,000,000	-	-	1,000,000	1,000,000	-
7.14 Got Rembo Primary School	400,000	-	-	400,000	400,000	-
7.15 Nyalenda Primary School	2,000,000	-	-	2,000,000	2,000,000	-
7.16 Uyundo Primary School	1,000,000	-	-	1,000,000	1,000,000	-
7.17 Kanyaudo Primary School	650,000	-	-	650,000	650,000	-
7.18 Lunga Primary School	800,000	-	-	800,000	800,000	-
7.19 Humwend Primary School	800,000	-	-	800,000	800,000	-
7.20 Bar Anyanga Primary School	200,000	-	-	200,000	200,000	-
7.21 Mlambo Primary School	600,000	-	-	600,000	600,000	-
7.22 Miyare Primary School	1,250,000	-	-	1,250,000	1,250,000	-
7.23 Sega Township Primary School	1,400,000	-	-	1,400,000	1,400,000	-
7.24 Jera Primary School	2,000,000	-	-	2,000,000	2,000,000	-
7.26 Got Nanga Primary School	1,000,000	-	-	1,000,000	1,000,000	-
7.27 Ralak Primary School	700,000	-	-	700,000	700,000	-
7.28 Nzoia Primary School	1,250,000	-	-	1,250,000	1,250,000	-



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7.29 Ukwala Girls Primary School	1,800,000	-	-	1,800,000	1,800,000	-
7.30 Undhine Primary School	600,000	-	-	600,000	600,000	-
7.31 Got Omalo Primary School	1,000,000	-	-	1,000,000	1,000,000	-
7.32 Lifunga Primary School	600,000	-	-	600,000	600,000	-
7.33 Simur Primary School	800,000	-	-	800,000	800,000	-
7.34 Siranga Primary School	1,000,000	-	-	1,000,000	1,000,000	-
7.35 Yenga Primary School	700,000	-	-	700,000	700,000	-
7.36 Got Odima Pri Sch	0	0	1,500,000	1,500,000	1,500,000	-
7.37 Buranga Pri Sch	0	0	200,000	200,000	200,000	-
7.38 Ndenga Primary Sch	0	0	700,000	700,000	700,000	-
7.39 Simur Primary Sch	0	0	102,000	102,000	102,000	-
7.40 Sihayi Primary Sch	0	0	700,000	700,000	700,000	-
7.41 Ukela Primary Sch	0	0	800,000	800,000	800,000	-
7.42 Lela Primary Sch	0	0	2,000,000	2,000,000	2,000,000	-
7.43 Nyaharwa Primary Sch	0	0	1,330,000	1,330,000	1,330,000	-
7.44 Siwar Primary School	0	0	1,200,000	1,200,000	1,200,000	-
7.45 Umer Primary Sch	0	0	1,100,000	1,100,000	1,100,000	-
7.46 Udhine Primary Sch	0	0	102,000	102,000	102,000	-
7.47 Konya Primary School	0	0	900,000	900,000	900,000	-
7.48 Inungo Primary School	0	0	300,000	300,000	300,000	-
7.49 Nyamsenda Primary Sch	0	0	1,000,000	1,000,000	1,000,000	-
7.50 Mauna Primary Sch	0	0	1,200,000	1,200,000	1,200,000	-

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7.51 Got Rembo Pri Sch	0	0	600,000	600,000	600,000	600,000	-
7.52 Udhine Primary Sch	0	0	400,000	400,000	400,000	400,000	-
7.53 Lunga Pri Sch	0	0	430,000	430,000	430,000	430,000	-
7.54 Ogeya Pri Sch	0	0	300,000	300,000	300,000	300,000	-
7.55 Uchola Pri Sch	0	0	1,800,000	1,800,000	1,800,000	1,800,000	-
7.56 Kogere Pri Sch	0	0	1,000,000	1,000,000	1,000,000	1,000,000	-
7.57 Simur Primary Sch	0	0	1,000,000	1,000,000	1,000,000	1,000,000	-
7.58 Siranga Pri Sch	0	0	1,000,000	1,000,000	1,000,000	1,000,000	-
7.59 Nzoia Pri Sch	0	0	1,000,000	1,000,000	1,000,000	1,000,000	-
7.60 Nzoia Pri Sch	0	0	1,250,000	1,250,000	1,250,000	1,250,000	-
7.61 Ndenga Primary Sch	0	0	100,000	100,000	100,000	100,000	-
7.62 Umer Primary Sch	0	0	300,000	300,000	300,000	300,000	-
7.63 Pap Olang Pri Sch	0	0	800,000	800,000	800,000	800,000	-
7.64 Bar Odar Primary	0	0	2,000,000	2,000,000	2,000,000	2,000,000	-
7.65 Uriya Primary School	0	0	2,600,000	2,600,000	2,600,000	2,600,000	-
7.66 Ralak Primary Sch	0	0	400,000	400,000	400,000	400,000	-
7.67 Umer Primary Sch	0	0	400,000	400,000	400,000	400,000	-
7.68 Magombe Pri School	0	0	300,000	300,000	300,000	300,000	-
7.69 Uyundo Primary Sch	0	0	1,000,000	1,000,000	1,000,000	1,000,000	-
7.70 Magombe Pri School	0	0	300,000	300,000	300,000	300,000	-
<b>Total</b>	<b>34,150,000</b>	<b>-</b>	<b>15,272,143</b>	<b>49,422,143</b>	<b>30,114,000</b>	<b>19,308,143</b>	<b>300,000</b>
<b>8.0 Secondary Schools Projects</b>			300,000	300,000			300,000



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8.10 Konya Secondary School	500,000	-	-	500,000	500,000	-
8.11 Anyiko Secondary School	1,000,000	-	-	1,000,000	1,000,000	1,000,000
8.12 Uriya Girls Secondary School	2,600,000	-	-	2,600,000	2,600,000	-
8.13 Jera Secondary School	1,000,000	-	-	1,000,000	1,000,000	-
8.14 Ugambe Secondary School	3,000,000	-	-	3,000,000	3,000,000	-
8.15 Bar Odar Secondary School	2,000,000	-	-	2,000,000	2,000,000	-
8.16 Segwa Township Secondary School	7,500,000	-	-	7,500,000	7,500,000	7,500,000
8.17 Udira Secondary School	2,000,000	-	-	2,000,000	2,000,000	-
8.18 Yenga Secondary School	500,000	-	-	500,000	500,000	-
8.19 St. Mary's Ukwala High School	2,000,000	-	-	2,000,000	2,000,000	2,000,000
8.20 Lifunga Secondary Sch	700,000	-	-	700,000	700,000	700,000
8.21 Ndenga Sec. Sch.	200,000	-	-	200,000	200,000	200,000
8.22 Siwar Sec School	0	-	500,000	500,000	500,000	-
8.23 Humwend Sec Sch	0	-	1,000,000	1,000,000	1,000,000	-
8.24 Lifunga Sec Sch	0	-	2,000,000	2,000,000	2,000,000	-
8.25 Sigingga Sec Sch	0	-	2,000,000	2,000,000	2,000,000	-
8.26 Got Nanga Sec	0	-	2,000,000	2,000,000	2,000,000	-
8.27 Ndenga Sec Sch	0	-	138,985	138,985	138,985	-
8.28 Yenga Sec Sch	0	-	1,500,000	1,500,000	1,500,000	-
8.29 Ndenga Sec Sch	0	-	200,000	200,000	200,000	-
8.30 Yenga Sec Sch	0	-	500,000	500,000	500,000	-
8.31 Ugambe Sec Sch	0	-	250,000	250,000	250,000	-

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8.32 Ugamba Sec Sch	0	-	2,000,000	-	2,000,000	2,000,000	2,000,000	-
8.33 Ugamba Sec Sch	0	-	3,000,000	-	3,000,000	3,000,000	3,000,000	-
8.34 Luanda Sec School	0	-	2,000,000	-	2,000,000	2,000,000	2,000,000	-
8.35 Konya Sec School	0	-	500,000	-	500,000	500,000	500,000	-
<b>Total</b>	<b>23,000,000</b>	<b>-</b>	<b>6,050,000</b>	<b>-</b>	<b>29,050,000</b>	<b>17,588,985</b>	<b>11,461,015</b>	<b>-</b>
<b>9.0 Tertiary institutions Projects</b>								
9.10 Ugenda Teachers College	1,500,000	-	-	-	1,500,000	-	1,500,000	-
9.12 Ugenda Technical & Vocational College	7,500,000	-	-	-	7,500,000	-	7,500,000	-
9.13 School Of Agriculture	0	-	500,000.00	-	500,000	500,000.00	-	-
9.14 School Of Agriculture	0	-	650,000.00	-	650,000	650,000.00	-	-
9.15 Ugenda Forestry College	0	-	800,000.00	-	800,000	800,000.00	-	-
9.16 Ugenda Forestry College	0	-	2,000,000.00	-	2,000,000	2,000,000.00	-	-
<b>Total</b>	<b>9,000,000</b>	<b>-</b>	<b>3,950,000</b>	<b>-</b>	<b>12,950,000</b>	<b>3,950,000</b>	<b>9,000,000</b>	<b>-</b>
<b>10.0 Security Projects</b>								
10.1 Ligege Police Post.	1,000,000	-	-	-	1,000,000	-	1,000,000	-
10.2 Asst. Chiefs Office – Kathieno A	850,000	-	-	-	850,000	-	850,000	-
10.3 Nyaharwa Police Post	2,000,000	-	-	-	2,000,000	-	2,000,000	-
10.4 Asst. Chiefs Office – Sifuyo West.	950,000	-	-	-	950,000	-	950,000	-
10.5 Asst. Chiefs Office – Masat West.	800,000	-	-	-	800,000	-	800,000	-
10.6 Chiefs Office - Nyaharwa	300,000	-	-	-	300,000	-	300,000	-
10.7 Asst. Chiefs Office - Yenga	700,000	-	-	-	700,000	-	700,000	-
10.8 Asst. Chiefs Office – Masat East	150,000	-	-	-	150,000	-	150,000	-



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10.9 Wedewo Chief's Office	150,000	-	1,000,000	1,150,000	1,050,000	100,000
10.10 Ugenya Ap Cipu	0	-	300,000	300,000	300,000	-
10.11 Ukwala Housing Ng-Cdf	0	-	1,000,000	1,000,000	1,000,000	-
10.12 Masat East Asst. Chief	0	-	700,000	700,000	700,000	-
<b>Total</b>	<b>6,900,000</b>	-	<b>2,800,001</b>	<b>9,700,001</b>	<b>3,500,000</b>	<b>6,400,000</b>
<b>11.0 Acquisition of assets</b>						
11.1 Motor Vehicles	0	-	-	-	-	-
11.2 Construction of CDF office	0	-	-	-	-	-
11.3 Purchase of furniture and equipment	0	-	-	-	-	-
11.4 Purchase of computers	0	-	-	-	-	-
<b>Total</b>	<b>0</b>	-	-	-	-	-
<b>12.0 Other payments</b>						
21.1 Ugenya	0	-	700,000	700,000	700,000	-
12.2 Seed Depot	0	-	9,000,000	9,000,000	-	9,000,000
<b>Total</b>	<b>0</b>	-	<b>9,700,000</b>	<b>9,700,000</b>	<b>700,000</b>	<b>9,000,000</b>
<b>13.0 unallocated fund</b>						
Unapproved projects						
ALA						
Erroneous Banking			3,500			
<b>Total</b>	<b>0</b>	<b>3,500</b>	<b>71,553,891</b>	<b>213,671,820</b>	<b>129,794,502</b>	<b>83,877,319</b>
	<b>137,088,879</b>	<b>5,029,051</b>				

## **XI. SIGNIFICANT ACCOUNTING POLICIES**

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

### **1. Statement of Compliance and Basis of Preparation**

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

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

### **2. Reporting Entity**

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

### **3. Reporting Currency**

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

### **4. Significant Accounting Policies**

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

#### **a) Recognition of Receipts**

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

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

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

#### **Proceeds from Sale of Assets**

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

#### **Other receipts**

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

#### **Unutilized Funds from PMCs.**

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



#### **External Assistance**

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

#### **b) Recognition of payments**

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

#### **Compensation of Employees**

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

#### **Use of Goods and Services**

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

#### **Acquisition of Fixed Assets**

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

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

### **5. In-kind contributions**

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

### **6. Cash and Cash Equivalents.**

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

### **7. Accounts Receivable**

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

### **8. Accounts Payable**

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

#### **9. Pending Bills**

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

#### **10. Unutilized Fund**

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

#### **11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2020 for the period 1<sup>st</sup> July 2020 to 30<sup>th</sup> 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 30<sup>th</sup> 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
NGCDF Board			
AIE NO	B 040145		53,890,876
AIE NO	B 041235		4,000,000
AIE NO	B 047668		20,000,000
AIE NO	B 049197	0	6,000,000
AIE NO	B 104173	0	15,000,000
AIE NO	B 096510	0	23,000,000
AIE NO	B104756	20,000,000	
AIE NO	A 823738	35,000,000	
AIE NO	B124684	9,000,000	
AIE NO	B105115	10,000,000	
AIE NO	B115676	3,000,000	
AIE NO	B119721	13,000,000	
AIE NO	B128305	6,900,000	
AIE NO	B132066	6,000,000	
AIE NO	B132374	6,000,000	
AIE NO	B124561	12,000,000	
AIE NO	B119673	10,000,000	
AIE NO	B126320	7,100,000	
AIE NO	B140759	12,000,000	
AIE NO	B143567	2,367,724	
<b>TOTAL</b>		<b>152,367,724</b>	<b>121,890,876</b>

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**3. OTHER RECEIPTS**

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from sale of tender documents	0	0
Hire of plant/equipment/facilities	0	0
Unutilized funds from PMCs	0	0
Other Receipts Not Classified Elsewhere (Wrongful banking)	3,500	13,277
<b>Total</b>	<b>3.500</b>	<b>13,277</b>

**4. COMPENSATION OF EMPLOYEES**

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,279,440	2,555,779
<b>Personal allowances paid as part of salary</b>		
House Allowance	552,000	576,000
Transport Allowance	276,000	288,000
Leave allowance	-	-
Gratuity to contractual employees	289,700	321,080
Employer Contributions Compulsory national social security schemes	159,840	549,960
<b>Total</b>	<b>3,556,980</b>	<b>4,290,819</b>



*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Committee Expenses	0	0
Utilities, supplies and services	76,200	18,900
Communication, supplies and services	16,498	0
Domestic travel and subsistence	0	33,600
Printing, advertising and information supplies & services	130,500	351,140
Rentals of produced assets	0	0
Training expenses	1,603,000	674,600
Hospitality supplies and services	355,000	0
Other committee expenses	1,776,115	0
Committee allowance	5,684,049	2,329,639
Insurance costs	0	0
Specialized materials and services	0	76,200
Office and general supplies and services	0	400,000
Other operating expenses	515,120	0
Bank Service Commission & Charges	0	362,550
Fuel, Oil & Lubricants	3,557,020	1,800,035
Routine maintenance – vehicles and other transport equipment	199,500	379,248
Routine maintenance – other assets	46,598	97,440
<b>Total</b>	<b>13,959,600</b>	<b>6,523,352</b>

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	30,114,000	43,850,361
Transfers to secondary schools (see attached list)	17,588,985	9,219,970
Transfers to tertiary institutions (see attached list)	3,950,000	7,127,000
<b>TOTAL</b>	<b>51,652,985</b>	<b>60,197,331</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	21,448,500	28,411,015
Bursary – tertiary institutions (see attached list)	20,515,150	22,549,100
Bursary – special schools (see attached list)	704,170	0
Mock & CAT (see attached list)	0	0
Social Security programmes (NHIF)	0	0
Security projects (see attached list)	3,450,000	1,400,000
Sports projects (see attached list)	3,497,000	2,579,355
Environment projects (see attached list)	0	890,000
Emergency projects (see attached list)	10,310,117	9,798,710
	0	0
<b>Total</b>	<b>59,924,937</b>	<b>65,628,180</b>



## NOTES TO THE FINANCIAL STATEMENTS (Continued)

**8. ACQUISITION OF ASSETS**

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	2,276,750
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	0	0
Purchase of ICT Equipment, Software and Other ICT Assets	0	0
Purchase of Specialized Plant, Equipment and Machinery	0	0
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets	0	0
<b>Total</b>	<b>0</b>	<b>2,276,750</b>

**9. OTHER PAYMENTS**

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	0	0
ICT Hub	0	0
Ugenya Sub-County Treasury Project	700,000	
	<b>700,000</b>	<b>0</b>

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**10: CASH BOOK BANK BALANCE**

**10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)**

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>KCB Bank, Ugunja Branch Account No. 1108398081</i>	27,602,273	5,025,551
<b>Total</b>	<b>27,602,273</b>	<b>5,025,551</b>
<b>10B: CASH IN HAND</b>		
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other Locations ( <i>specify</i> )	0	0
	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<i>[Provide cash count certificates for each]</i>		



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>	0	0	0
<i>Name of Officer</i>	<i>dd/mm/yy</i>	0	0	0
<i>Name of Officer</i>	<i>dd/mm/yy</i>	0	0	0
<i>Name of Officer</i>	<i>dd/mm/yy</i>	0	0	0
<i>Name of Officer</i>	<i>dd/mm/yy</i>	0	0	0
<i>Name of Officer</i>	<i>dd/mm/yy</i>	0	0	0
<i>Total</i>		<b>0</b>	<b>0</b>	<b>0</b>

12A. RETENTION

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
Retention as at 1 <sup>st</sup> July (A)	0	0
Retention held during the year (B)	0	0
Retention paid during the Year (C)	0	0
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	<b>0</b>	<b>0</b>

12B. GRATUITY

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)	0	0
Gratuity held during the year (B)	289,700	0
Gratuity paid during the Year (C)	289,700	0
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	<b>0</b>	<b>0</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 <sup>st</sup> July 2020)	2019-2020 (1 <sup>st</sup> July 2019)
	Kshs	Kshs
Bank accounts	5,025,551	23,219,831
Cash in hand		
Imprest		
<b>Total</b>	<b>5,025,551</b>	<b>23,219,831</b>

/

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances			0
Cash in hand			0
Accounts Payables			0
Receivables			0
Others (Unpaid Cheque)			(1,182,000)
<b>TOTAL</b>			<b>(1,182,000)</b>

The amount of Ksh.1,182,000 relates to unpaid amount in FY2019/2020 that had been captured as transfer to other government units in that specific financial year.

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST\*

	2020-2021 KShs	2019-2020 KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	498,876
Imprest issued during the year (B)	7,815,164	2,264,363
Imprest surrendered during the Year (C)	7,815,164	2,763,239
closing accounts in account receivables D= A+B-C	-	-



NOTES TO THE FINANCIAL STATEMENTS (Continued)

**16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS**

	2020 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July (A)	0	0
Deposit and Retentions held during the year (B)	0	0
Deposit and Retentions paid during the Year (C)	0	0
closing account payables D= A+B-C	0	0

## 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	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	<b>0</b>	<b>0</b>

## 17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	0	0
Others ( <i>specify</i> )	0	0
	<b>0</b>	<b>0</b>

## 17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	1,635,420	1,500,000
Use of goods and services	1,207,205	6,525,551
Amounts due to other Government entities (see attached list)	39,769,158	50,867,316
Amounts due to other grants and other transfers (see attached list)	32,265,536	5,040,640
Acquisition of assets	-	973,250
Others ( <i>specify</i> )	9,000,000	10,169,643
Funds pending approval		0
	<b>83,877,319</b>	<b>75,076,400</b>



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**17.4: PMC account balances (See Annex 5)**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	10,716,301	10,081,384
	<b>10,716,301</b>	<b>10,081,384</b>

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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

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



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**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

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

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**ANNEX 3 – UNUTILIZED FUNDS**

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2020 / 2021</b>	<b>Outstanding Balance 2019 / 2020</b>	<b>Comments</b>
<b>Compensation of employees</b>		1,635,420	1,500,000	
<b>Use of goods &amp; services</b>		1,207,205	6,525,551	
<b>Amounts due to other Government entities</b>				
Ahyiko Special School	Construction a Single Dormitory	1,000,000		
Sihayi Primary School	Renovation of Three (3) Classrooms	1,000,000		
Nyangungu Primary School	Renovation of Three (3) Classrooms	1,000,000		
Umer Primary School	Fencing of the School	400,000		
Inungo Primary School	Renovation of Six (6) Classrooms	1,800,000		
Mahwi Primary School	Renovation of Three (3) Classrooms	1,000,000		
Luthehe Primary School	Renovation of Three (3) Classrooms	1,000,000		
Luanda Primary School	Renovation of Six (6) Classrooms	2,000,000		
Buranga Primary School	Renovation of Four (4) Classrooms	1,200,000		
Uring Primary School	Renovation of Three (3) Classrooms	900,000		
Nyalenda Primary School	Renovation of Two (2) Classrooms	800,000		
Ndenga Primary School	Renovation of Two (2) Classroom	500,000		
Nganga Primary School	Completion of Two (2) Classrooms	1,000,000		
Got Rembo Primary School	Renovation of Two (2) Classrooms	400,000		
Nyalenda Primary School	Construction of Admin. Block	2,000,000		
Uyundo Primary School	Renovation of Three (3) Classrooms	1,000,000		
Kanyauudo Primary School	Fencing of the School	650,000		
Lunga Primary School	Renovation of Two (2) Classrooms	800,000		



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Humwend Primary School	Renovation of Two (2) Classrooms	800,000		
Bar Anyanga Primary School	Renovation of One (1) Classroom	200,000		
Milambo Primary School	Renovation of Three (3) Classrooms	600,000		
Miyare Primary School	Renovation of Four (4) Classrooms	1,250,000		
Sega Township Primary School	Renovation of 4 Classrooms to completion	1,400,000		
Jera Primary School	Construction of Two (2) Classrooms	2,000,000		
Got Nanga Primary School	Renovation of Three (3) Classrooms	1,000,000		
Ralak Primary School	Renovation of Two (2) Classrooms	700,000		
Ukwala Girls Primary School	Renovation of Six (6) Classrooms	1,800,000		
Urdhine Primary School	Completion of Two (2) Classrooms	600,000		
Got Omalo Primary School	Renovation of Three (3) Classrooms	1,000,000		
Lifunga Primary School	Renovation of Two (2) Classrooms	600,000		
Simur Primary School	Renovation of Two (2) Classrooms	800,000		
Siranga Primary School	Renovation of Three (3) Classrooms	1,000,000		
Yenga Primary School	Renovation of Two (2) Classrooms	700,000		
Jera Secondary School	Construction Dormitory s	1,000,000		
St. Mary's Ukwala High School	Fencing of the School and Purchase and installation of a 18kVa Three Phase Generator	2,000,000		
Lifunga Secondary Sch	Completion of Two (2) Classrooms	700,000		
Ugenya Teachers College	Renovation of Six (6) Classrooms	1,500,000		
KMTC UGENYA	Purchase of a Bus	1,669,158		
Siranga Pri. Sch.	Construction of Classrooms		1,000,000	
Simur Pri. Sch.	Construction of Classrooms		1,200,000	
Kamrembo Siwanthe Pri. Sch.	Construction of Classrooms		900,000	
Siwar Pri. Sch.	Construction of Classrooms		1,200,000	

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Magombe Pri. Sch.	Construction of Classrooms	-	14,809	
Got Rembo Pri. Sch.	Construction of Classrooms	-	250,000	
Ndenga Pri. Sch.	Construction of Classrooms	-	435,000	
Ogeya Pri. Sch.	Construction of Classrooms	-	300,000	
Milambo Pri. Sch.	Construction of Classrooms	-	400,000	
Pap Olang Pri. Sch.	Construction of Classrooms	-	800,000	
Lunga Pri. Sch.	Construction of Classrooms	-	230,000	
Sihayi Pri. Sch.	Construction of Classrooms	-	144,500	
Sirisia Pri. Sch.	Construction of Classrooms	-	1,100,000	
Uchola Pri. Sch.	Construction of Classrooms	-	1,800,000	
Konya Pri. Sch.	Construction of Classrooms	-	900,000	
Ukela Pri. Sch.	Construction of Classrooms	-	800,000	
Bar Ndege Pri. Sch.	Construction of Classrooms	-	131,200	
Komoro Pri. Sch.	Construction of Classrooms	-	2,000,000	
Buranga Pri. Sch.	Construction of Classrooms	-	200,000	
Umer Pri. Sch.	Construction of Classrooms	-	1,100,000	
Nyamsenda Pri. Sch.	Construction of Classrooms	-	1,000,000	
Kogere Pri. Sch.	Construction of Classrooms	-	1,000,000	
Mauna Pri. Sch.	Construction of Classrooms	-	1,200,000	
Got Odima Pri. Sch.	Construction of Classrooms	-	550,000	
Kanyaudo Pri. Sch.	Construction of Classrooms	-	500,000	



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Ligese Pri. Sch.	Construction of Classrooms	-	250,000	
Luanda Pri. Sch.	Construction of Classrooms	-	500,000	
Lwero Pri. Sch.	Purchase of Desks	-	102,000	
Mathiwa Pri. Sch.	Construction of Classrooms	-	2,000	
Nganga Pri. Sch.	Construction of Classrooms	-	250,000	
Nyandarwa Pri. Sch.	Construction of Classrooms	-	1,330,000	
Nyambari Pri. Sch.	Construction of Classrooms	-	150,000	
Nzoia Pri. Sch.	Construction of Classrooms	-	1,000,000	
Sifuyo Pri. Sch.	Construction of Classrooms	-	250,000	
Simur Pri. Sch.	Purchase of Desks	-	102,000	
Siranga Pri. Sch.	Purchase of Desks	-	102,000	
Sirisia Pri. Sch.	Construction of Classrooms	-	400,000	
Siwar Pri. Sch.	Purchase of Desks	-	102,000	
Ukwala Boys Pri. Sch.	Construction of Classrooms	-	250,000	
Undhine Pri. Sch.	Purchase of Desks	-	102,000	
Uriya Pri. Sch.	Refurbishment	-	400,000	
Usinda Pri. Sch.	Construction of Classrooms	-	200,000	
Yenga Pri. Sch.	Construction of Classrooms	-	423,717	
Lifunga Girls Sec. Sch.	Refurbishment	-	2,000,000	
Yenga Sec. Sch.	Construction of Classrooms	-	1,200,000	
Humwend Sec. Sch.	Construction of Classrooms	-	1,000,000	

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Luanda Sec. Sch.	Construction of Classrooms	-	2,000,000	
Got Nanga Sec. Sch.	Construction of Classrooms	-	2,000,000	
Ugenya High Sch	Construction of Classrooms	-	1,984,105	
Ndenga Sec. Sch.	Purchase of Furniture	-	138,985	
Ugenya Medical Training College	Construction of Classrooms	-	7,500,000	
Ugenya Forestry College	Construction of Classrooms	-	4,500,000	
Ugenya Technical Training Institute	Construction of Classrooms	-	1,000,000	
School of Agriculture	Construction of Classrooms	-	2,473,000	
<b>Sub-Total</b>			<b>39,769,158</b>	<b>50,867,316</b>
<b>Amounts due to other grants and other transfers</b>				
Nyalenda Primary School	Construction of a Four (4) Door Pit Latrines		300,000	-
Umer Primary School	Construction of a Four (4) Door Pit Latrines		300,000	-
St. Joseph's Ochiel Primary School	Construction of a Two (2) Door Pit Latrine.		150,000	-
Magombe Primary School	Construction of a Four (4) Door Pit Latrine		300,000	-
Nyabarwa Chief's Office	Construction of a Two (2) Door Pit Latrine .		150,000	-
Mauna Primary School	Construction of a Four (4) Door Pit Latrine		300,000	-
Assistant County Commissioner – Sihayi Division	Construction of a Two (2) Door Pit Latrine and bathroom for Staff & the public		340,178	-
Ugambe Secondary School	Construction of a Four (4) Door Pit Latrine		300,000	-
Nzoia Primary School	Construction of a Four (4) Door Pit Latrine		600,000	-
Nyabarwa Police Post	Completion of Report Office		2,000,000	-



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Asst. Chiefs Office – Sifuyo West.	Construction of Office Block	950,000	-	
Asst. Chiefs Office – Masat West.	Construction of Office Block	800,000	-	
Chiefs Office – Nyaharwa	Completion of Renovation	300,000	-	
Asst. Chiefs Office – Yenga	Construction of Office Block	700,000	-	
Bursaries		11,589,191	-	
Emergency	Emergency	-	954,524	
Primary Schools	Bursaries	-	2,501,836	
Secondary Schools	Bursaries	-	-3,837,246	
Tertiary Institutions	Bursaries	-	106,526	
Jera Sec. Sch	Environment	-	500,000	
Kamrembo Siwanthe Pri.	Environment	-	500,000	
Ugenya Kmtc	Environment	-	100,000	
Chief North West Ugenya	Environment	-	100,000	
Chief North East Ugenya	Environment	-	90,000	
Sports	Sports	-	168,000	
Security OCPD Ugenya	Security	-	1,500,000	
Chiefs Office Awendo	Security	-	57,000	
Asst. Chiefs Office - Masat East	Security	-	600,000	
Ligega Police Post	Security	-	1,000,000	
Asst. Chiefs Office – Lygala	Security	-	700,000	
Environment	Tree Planting	1,150,000		
Environment	Tree Planting	1,036,167		
Secondary Bursaries	Bursaries	11,000,000		
<b>Sub-Total</b>		<b>32,265,536</b>	<b>5,040,640</b>	

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Acquisition of assets					
Purchase of furniture	Purchase of furniture	-		973,250	
Sub-total		-		973,250	
Others (specify)		-		-	
		-		-	
Seed Depot	Construction of a depot	9,000,000		-	
Sub-Total		9,000,000		-	
Funds pending approval					
<b>Grand Total</b>		<b>83,877,319</b>		<b>75,076,400</b>	



**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

<b>Asset class</b>	<b>Historical Cost b/f (Kshs) 2019/20</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) 2020/21</b>
Land	900,000	0	0	900,000
Buildings and structures	17,476,750	0	0	17,476,750
Transport equipment	5,514,500	0	0	5,514,500
Office equipment, furniture and fittings	192,986	0	0	192,986
ICT Equipment, Software and Other ICT Assets	330,000	0	0	330,000
Other Machinery and Equipment	26,795	0	0	26,795
Heritage and cultural assets	0	0	0	0
Intangible assets	0	0	0	0
<b>Total</b>	<b>24,441,031</b>	<b>0</b>	<b>0</b>	<b>24,441,031</b>

ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2021

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
DIRAHO PRI SCH	KCB UGUNJA	1134953992	10,245	0
HARUNGU PRI SCH	KCB UGUNJA	1125628642	1,040	0
KOMORO PRI SCH	KCB UGUNJA	1110619170	3,457	0
UKWALA GIRLS PRI	KCB UGUNJA	1117240398	543	0
NYAMBIRO PRI SCH	KCB UGUNJA	1110938942	4,200	0
YENGA SEC SCH	KCB UGUNJA	1237151899	503,000	0
INUNGO SEC SCH	KCB UGUNJA	1110815271	2,154	0
BAR ODAR SPECIAL SCH	KCB UGUNJA	1134806280	1,234	0
USINDA SEC SCH	KCB UGUNJA	1183598114	654	123
UYUNDO SEC SCHOOL	KCB UGUNJA	1240555288	890	0
UYUNDO PRI SCHOOL	KCB UGUNJA	1182403913	12,367	0
KONYA SEC SCH	KCB UGUNJA	1175279951	45,600	0
KAMREMBO SIWAN THE PRI	KCB UGUNJA	1235088634	200	0
RAMUNDE PRI SCH	KCB UGUNJA	1117222837	23,454	0
URING PRI SCH	KCB UGUNJA	1151605042	7,004	0
UKWALA BOYS PRI	KCB UGUNJA	1137358475	3,490	945,237
YENGA PRI SCH	KCB UGUNJA	1182087256	2,390	300,000
GOT OMALO PRI	KCB UGUNJA	1110906412	3,908	0
NGANGA PRI SCH	KCB UGUNJA	1210927608	9,087	0
MATHIWA PRI SCHOOL	KCB UGUNJA	1116904179	523,000	506,000
LWERO PRIMARY SCHOOL	KCB UGUNJA	1149968923	7,900	0



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PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
KAGONYA SEC SCHOOL	KCB UGUNJA	1239998821	2,334	0
SCHOOL OF AGRICULTURE	KCB UGUNJA	1183599714	2,456,800	405,000
BAR NDENGE PR SCH	KCB UGUNJA	1239341776	1,000,000	0
MUHWAYO PRI SCH	KCB UGUNJA	1116896397	654,000	0
WALIERA PRI SCH		1134953992	450,000	0
MILAMBO PRI SCH	KCB UGUNJA	1125628642	990,600	0
USINDA PRI SCH	KCB UGUNJA	1110619170	498,700	0
KAGONYA PRI SCH	KCB UGUNJA	1117240398	1,498,250	0
RALAK PRI SCH	KCB UGUNJA	1110938942	1,999,800	0
<b>Total</b>			<b>10,716,301</b>	<b>2,156,360</b>

**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Ref: KSM- HUB/Ugenya/ NG- CDF/2017/2018	<b>1. Unsupported Expenditure.</b> Kshs. 870,000 were not supported by relevant documentations such as committee minutes	Minutes have been submitted	Jackson Omari, FAM – Ugenya	Un- resolved	September, 2020
Ref: KSM- HUB/Ugenya/ NG- CDF/2017/2018	Payments of Kshs. 900,000 with respect to Ugenya Medical Training College not supported with PV's and file for returns not availed	PMC has submitted returns	Jackson Omari, FAM – Ugenya	Un- resolved	September, 2020
Ref: KSM- HUB/Ugenya/ NG- CDF/2017/2018	<b>2. Variances in Ledger &amp; Supporting Documents</b> Unexplained variance of Kshs. 1,710,423 reflected under Use of Goods & Services as at 30 <sup>th</sup> June, 2018 could not be confirmed.	Explanation was given while answering the second management letter response	Jackson Omari, FAM – Ugenya	Un- resolved	September, 2020
Ref: KSM- HUB/Ugenya/ NG- CDF/2017/2018	<b>3. Summary of Statement of Appropriation.</b> An Adjustment of Kshs. 19,789,321 in the appropriation statement could not be supported by any documentary evidence.	1. An explanation was given when answering the second management letter response that Kshs. 19,789,321 in the adjustments column is composed of Kshs.	Jackson Omari, FAM – Ugenya	Un- resolved	September, 2020



*Ugenda Constituency  
National Government Constituencies Development Fund (NGCDF)  
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p><i>8,410,011 as Balances brought forward from the previous financial year and Kshs. 11,379,310 which was additional funds allocated to all constituencies over and above the Kshs. 86,810,345 during the financial year 2017/18 due to a supplementary budget passed by parliament.</i></p>			