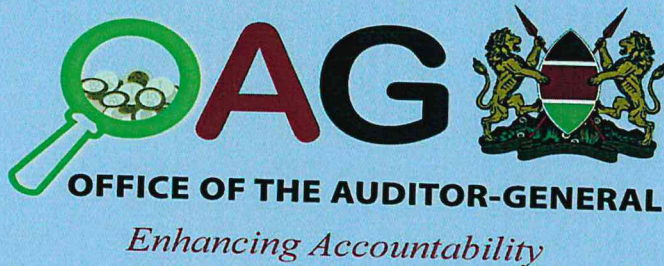



REPUBLIC OF KENYA



 REPORT NATIONAL ASSEMBLY	
DATE: 03 MAR 2022	
DAY: THUR	
TABLED BY:	LOM
CLERK AT DESK:	Ndlovu

THE AUDITOR-GENERAL

ON

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

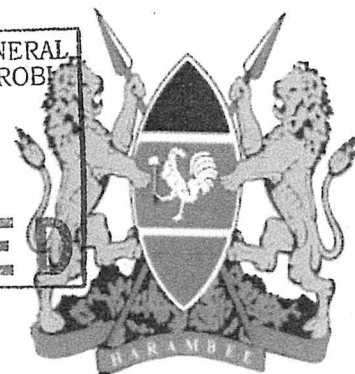
**FOR THE YEAR ENDED
30 JUNE, 2020**



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

30 SEP 2020

RECEIVED



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

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020**

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RARIEDA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Table of Content
Page

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	
II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE.....	
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES.....	
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING.....	
V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES.....	
VI. REPORT OF THE INDEPENDENT AUDITORS ON THE <i>NGCDF- GILGIL CONSTITUENCY</i>	
VII. STATEMENT OF RECEIPTS AND PAYMENTS	
VIII. STATEMENT OF ASSETS AND LIABILITIES.....	
IX. STATEMENT OF CASHFLOW.....	
X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED	
XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES.....	
XII. SIGNIFICANT ACCOUNTING POLICIES	
XIII. NOTES TO THE FINANCIAL STATEMENTS.....	

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) (hereafter referred to as the Fund) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through an Act of Parliament, the Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NG-CDF Act, 2015. At cabinet level, NG-CDF is represented by the Cabinet Secretary for Devolution, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RARIEDA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

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.

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2020 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Peter Nyajure Achar
2.	Sub-County Accountant	Kennedy O. Oluoch
3.	Chairman NGCDFC	Paul Ochanda Saoke
4.	Member NGCDFC	Emma Atieno Otieno

(d) Fiduciary Oversight Arrangements

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RARIEDA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

(e) NGCDF Rarieda Constituency Headquarters

P.O. Box 121

NYILIMA

The Office is situated at District Headquarters in Aram

(f) NGCDF Rarieda Constituency Contacts

Telephone: (254) 722713331

E-mail: cdfrarieda@ngcdf.go.ke

Website: www.go.ke

(g) NGCDF Rarieda Constituency Bankers

BANK: Cooperative Bank of Kenya Limited

BRANCH: Kisumu Branch

ACCOUNT NO: 0114129559700

(h) Independent Auditors

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GOP 00100

Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

The financial year 2019/2020 marks the 16th year since inception of CDF in the year 2003/2004. Over the years NG-CDF Rarieda implemented projects in various sectors with the major sectors being Education, Health, Water, Security, Roads, Sports and Environment.

With implementation of new NG-CDF Act 2015 in the financial year 2015-2016 to date NG-CDF Rarieda is now focusing only on the National Government projects as per the new Constitution promulgated in the year 2010. This resulted to NG-CDF Rarieda focusing on national government functions which are Education, Security, Environment and sports leaving out Health, Water and Roads projects to be implemented by the County Government as per the new NG-CDF Act 2015 amended in 2016.

This year, Rarieda Constituency Development Fund approved budget was Kshs. 137,367,774.55 of which NG-CDF Board disbursed Ksh.68,000,000 (49.5%) of the total approved budget for the financial year to the constituency. By the end of the financial year the Board had not disbursed Kshs. 69,367,774.55 (50.5%) to the constituency for the financial year.

The constituency was able to utilize Ksh.112, 137,801 out of funds available of Ksh. 112,220,261 translating to 99.9% usage compared to the financial year 2018/2019 where we were able to utilize 99.45% of the funds available hence an increase of 0.45% in the constituency's funds available utilization rate.

The major challenges faced in this financial year included the outbreak of COVID -19 disease, high demand for more NG-CDF funding as shown by the proposals from the wards stakeholders, low response on the youth, PWDs and women on the government 30% requirement and also the operations of Project Management Committees in implementation of NG-CDF projects.

The above challenges could be addressed by educating the constituents about the disease, allocation of more funds to NG-CDF to address the demand for more funding of the projects, more education on 30% youths, PWDs and women contracts requirements and training of Projects Management Committees on their roles.

The following are the pictorials of some of the projects implemented by NG-CDF Rarieda in the financial year 2019/2020

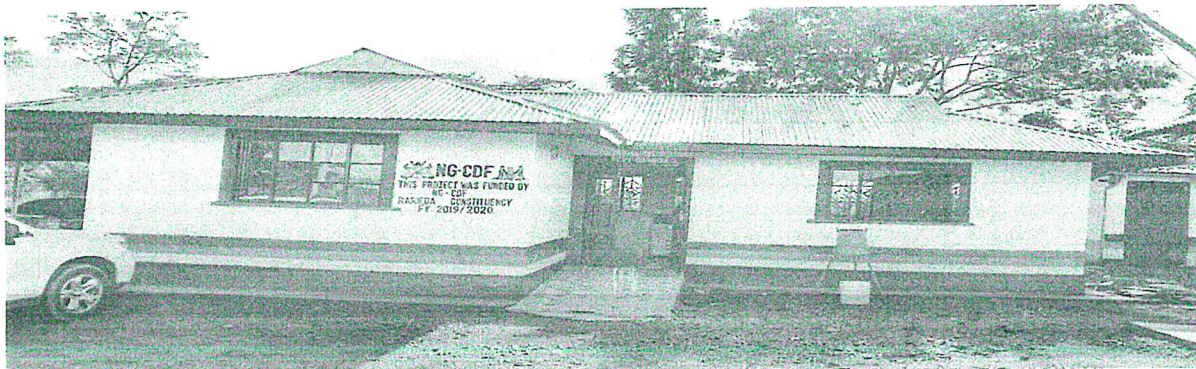


Figure 1: Security projects: Completed construction of Sub County Police Commander office

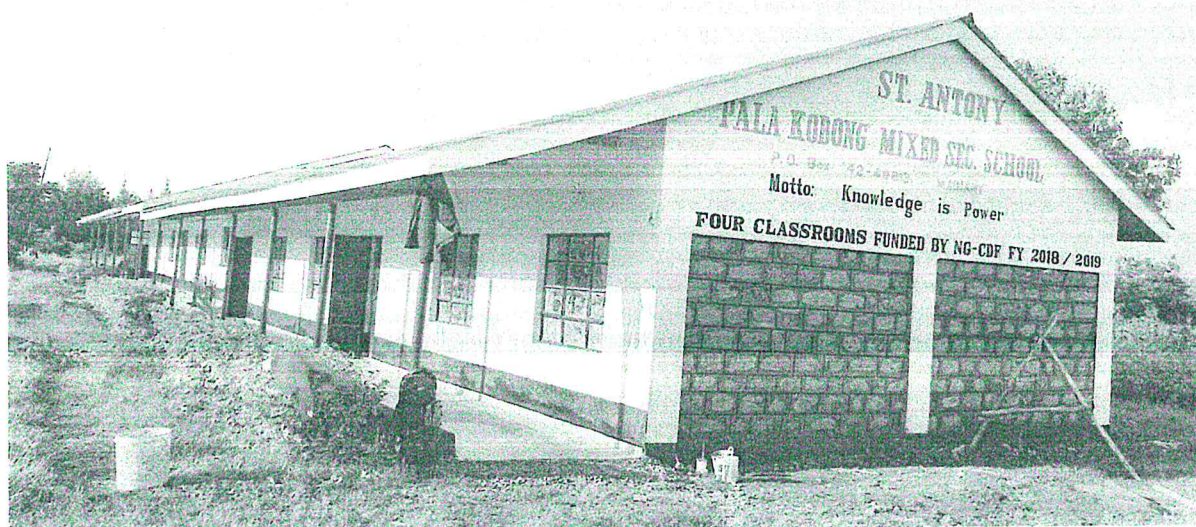


Figure 2: Secondary schools projects: St Antony Palakobong Secondary School construction of 4 classrooms



Figure 3: Flagship Project construction of Kisumu National polytechnic School of Agriculture-Rarieda campus

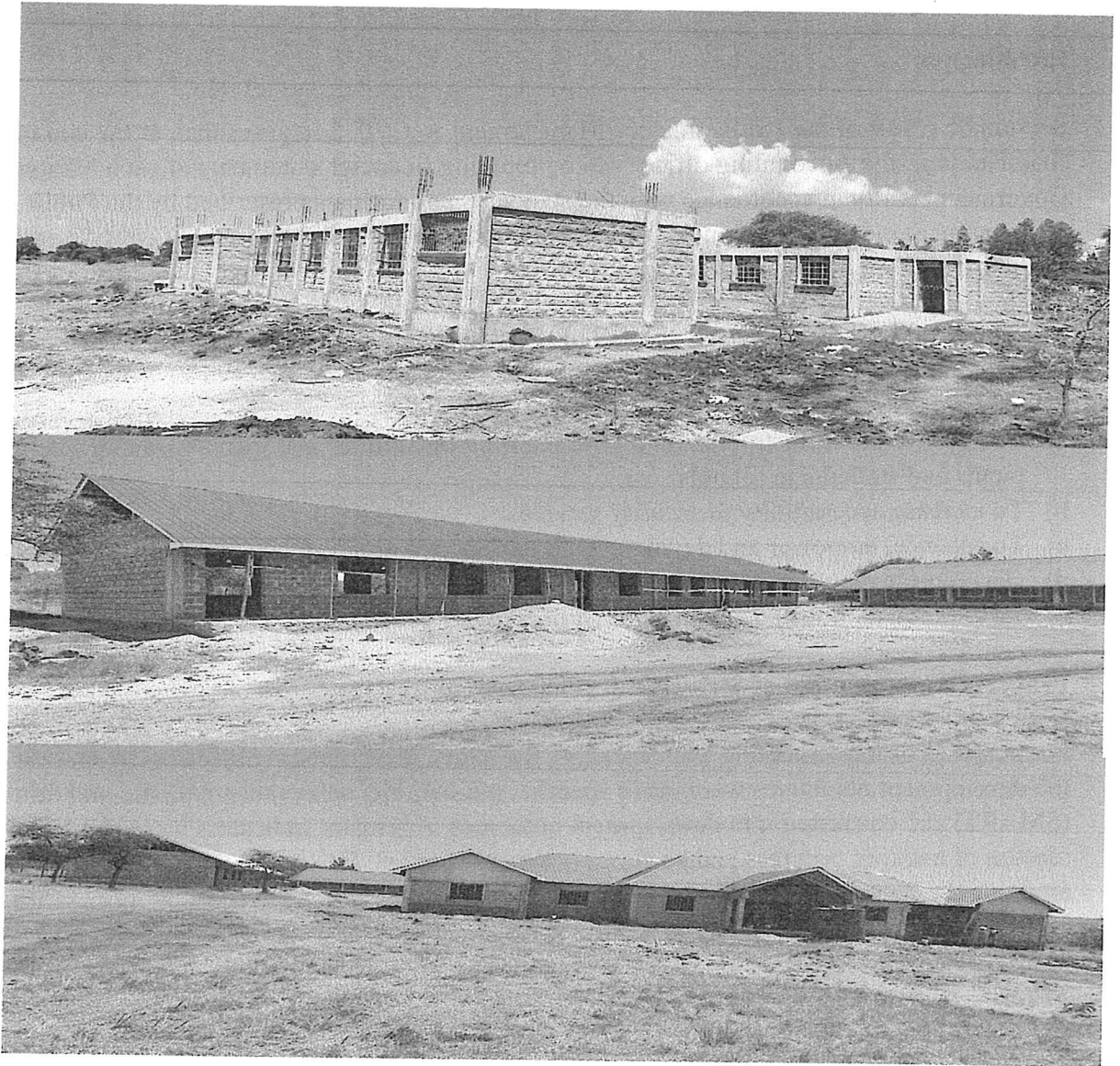


Figure 3: Flagship Project: On-going construction of KMTC Rarieda Hostels, 6No classrooms and Administration Block

Sign



CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

The key development objectives of NGCDF-RARIEDA Constituency's 2018-2022 Strategic plan is to:

- a) To improve the infrastructure in all our learning institutions and increase rate of retention of pupils and students in schools.
- b) To increase accessibility to security services
- c) To enhance, empower and develop youth and special groups talent in sports in the constituency
- d) To promote maintenance and conservation of clean environment
- e) To improve monitoring and evaluation of NGCDF projects

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To improve the infrastructure in all our learning institutions and increase rate of retention of pupils and students in schools.	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	In FY 19/20 Number of classrooms increased from 1204 to 1254 Number of laboratories increased from 20 to 25 Number of

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

RARIEDA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

				<p>dormitories increased from 25 to 29</p> <p>Number of administration blocks increased from 97 to 102</p> <p>- Bursary beneficiaries at all levels were as per the attached schedules</p>
Security	To increase accessibility to security services	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrasture built in locations, sub locations and police stations.	<p>Number of renovated chiefs offices increased from 2 to 5</p> <p>Number assistant chiefs offices increased from 2 to 4</p> <p>Number of police stations increased from 1 to 3</p>
Environment	To promote maintenance and conservation of clean environment	<p>Equip schools and public facilities with sanitation facilities</p> <p>Provide tree seedlings to schools to improve the forest cover</p>	Number of sanitation facilities built in primary ,secondary and tertiary institutions	Number of sanitation facilities increased from 257 to 270
Sports	To enhance, empower	Reduced	Number of youths	Number of

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**RARIEDA CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2020**

	and develop youth and special groups talent in sports in the constituency	dependence and spur economic growth through sports	benefiting from sports programme	youths benefitting from sports increased from 440 to 495
Monitoring and Evaluation	To improve monitoring and evaluation of NGCDF projects	Stakeholder participation and regular progress shared	Number of stakeholders participating in Monitoring and Evaluation	Number M & Es increased to once per month.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – RARIEDA 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

The NG-CDF Rarieda Committee endeavoured to work within the existing policy guidelines that helped in focusing on the service deliver and drive to better performance with the involvement of both internal and external stakeholders on matters development. The relevance of this was attributed to our vision, mission and core values as provided for in our strategic plan.

Model	Definition	Relevance to sustainable Strategy
Vision	A model constituency that prudently manages public resources to support all constituents realize their full potential in education and where every household has a decent source of livelihood and full access to affordable social amenities.	What the constituency is striving for in the future that influence the strategies, purpose and aspirations put in place
Mission	To provide an enabling environment in which all stakeholders participate in and contribute to the development of Rarieda constituency.	This communicates what the office does to attain sustainable developments
Core Values	Accountability, Equity, Transparency, Efficiency, Effectiveness, Participation and Inclusivity	These are the norms , principles and beliefs that the office upholds in order to follow the right path towards attainment of the set objectives

To realize effective suitability, the constituency relied on the set targets as a sign of performance ambition. The Goals as provided in our strategic plan remained the focal point for inside and outside Stakeholders with a clear set of objectives for management, and a yardstick by which external audiences can judge our progress and achievements against their expectations. The frameworks under which we operated included projects identification, allocation of funds, approval, implementation and monitoring

2. ENVIRONMENTAL PERFORMANCE

Environment Policy and Action Plan Protection of the environment in which we live and operate is part of Rarieda NG-CDF initiatives Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations. Our Environmental Policy In this policy statement Rarieda NG-CDF commits to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice
 - Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- Managing and disposing of all wastage in a responsible manner;
- Providing training for our CDFC and staff so that we all work in accordance with this and within an environmentally aware culture
- Regularly communicating our environmental performance to our employees and other significant stakeholders
- Developing our management processes to ensure that environmental factors are considered during planning and implementation
- Monitoring and continuously improving our environmental performance.
- Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance Our Environmental Action Plan Rarieda NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts. These four areas together with our approach and targets for each are shown below:

Impact Area	Approach
Capacity Building	<ul style="list-style-type: none"> • Promote environmental awareness by sensitizing the Rarieda NG-CDFC, NGCDFC staff and PMCs on good conservation practices • To encourage, through regular communication to Rarieda NG-CDFC, staff , and other stakeholders changes in individual behaviour to reduce usage
Conservation of Energy and Resources	<ul style="list-style-type: none"> • To maximize use of available technologies to remove the need to use paper • To encourage our clients to engage with us using electronic means where possible • To maximize on rain water harvesting • To make energy efficiency a key factor in the selection of any new energy devise being purchased • To invest in available energy saving technologies and devices within our existing premises
Environmental Protection and Conservation	<ul style="list-style-type: none"> • To construct sanitary facilities in public

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RARIEDA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

	institutions <ul style="list-style-type: none"> • To encourage tree planting in the constituency to improve the forest cover. • To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires
Pollution Control and Waste Management	<ul style="list-style-type: none"> • To ensure segregation of waste • To ensure proper human waste disposal through construction of pit latrines, septic and soak pit tanks

3. EMPLOYEES WELFARE TERMS AND CONDITIONS OF SERVICE

This highlights the general rules governing employment of NG-CDFC staff in such matters as appointments, promotions and related matters. Categories of Employment Rarieda NG-CDFC offers only categories of employment, which are Contract employees who are employed for 5 years. Such employees are eligible for employee benefits in line with the statutory requirements. Casual employees are hired to perform specific duties on a daily or weekly basis on a piece rate payment system. Casuals are not allowed to work continuously for more than three (3) months and are not eligible for any employee benefits in line with statutory requirements.

Recruitment Procedure

The Fund Account Manager declares vacancies in the office through the NG-CDFC, an approval is then sought for advertisement within the constituency to be done

The Advertisement contains the following:

- Job title
- Main purpose of the job
- A brief description of the key responsibilities of the job
- Education, experience, skills and competencies required for the job
- Location of the job
- Clear instructions on how to apply and information to be submitted in the application
- Closing date for receipt of applications

Appointment of a selection and Interview subcommittee

A selection and interview subcommittee is appointed to oversee the selection strategy for application review, determination of testing methodology, administration of tests and scoring, and reference check criteria.

Interviews

Interviews for staff employment are conducted in a manner that complies with the office's commitment to equal employment opportunity, to ensure that qualified candidates are not discriminated based on ethnicity, religion, gender, age, disability, status etc.

Offer of Appointment

A person appointed to the office will be given the appropriate letter of offer of appointment, as the case may be, which may be accepted or rejected by the candidate within the stipulated time.

Letters of Appointment

A written contract of service that is signed by the Fund Account Manager and the NG-CDFC Chairman is then issued, which states particulars of employment which include, the name and address of the employee, job description, date of commencement of the job, form and duration of the contract, place of work, hours of work, remuneration, termination, terms and conditions of employment which the employee is entitled to.

Orientation and Induction of employees

The NG-CDFC ensures orientation and induction of new employees. This is carried out in order to familiarize the employees with the mandate, vision, mission and operations of the office and how their jobs contribute to this. Induction and orientation is done within the first three months of employment.

Promotions

In selecting candidates for promotion, regard is given to merit and extra ordinary ability as reflected in work performance and results after the annual performance appraisal Recommendations for promotion is only made by the NG-CDFC resolution

HEALTH, SAFETY AND WELL BEING

This provides guidelines on the health, safety and well-being of the office staff

Guidelines to General Safety

The office has maintain healthy and safe working conditions for its employees to ensure there is no personal injury caused by accidents.

All the staff must always consider safety to themselves and others when performing their duties. They should not compromise on quality, cause injury, ill health, loss or environmental damage.

Emergency Preparedness

Every Department depending on the nature of work and services shall plan for foreseeable incidents such as accidents, explosions, fire, floods etc. and prepare and outline procedures to be followed in such events. Fire precautions The fire protection facilities have been provided both inside and outside the building and they are adequate and maintained annually General information on fire precautions and fire equipment is contained in stickers on the wall next to the fire extinguishers Provision of protective equipment and clothing The Fund Account Manager ensures that officers who are employed in any process involving exposure to wet or to any injurious or offensive substances are provided with adequate, effective and suitable protective clothing and appliances.

Reporting of an Accident

Immediately an accident or development of an occupational disease resulting in death or injury to an officer comes to the notice of the officer under whom he/she is directly deployed, the supervisor should make a claim for compensation in accordance with the procedure set out in the Occupational Safety and Health Act 2007 and Work Injury Benefits act 2007.

Guidance and Counselling

The current challenges in the workplace and family environment affects the performance and wellbeing of an officer. To address these challenges, the office undertakes guidance and counselling of the affected staff however, consultation with family members or support system may be sought when deemed necessary.

Health Care Services

The staff, including spouses and children, are eligible to affordable health care services and to benefit from the NHIF medical scheme as statutory deductions are done and remitted on a monthly basis

HIV/AIDS

HIV and AIDS is a major challenge facing officers in and out of the Institute. It poses a big threat to the individual, the family and the public Service. It is in cognizance of this that the Institute has put in place care and support programs for the infected and affected officers to enable them remain productive.

HIV/AIDS shall be treated like any other challenging issue at the workplace. All officers of the Institute shall have a role to play in the wider struggle to mitigate the effects of the pandemic. An officer shall not be discriminated or stigmatized on the basis of HIV status. It is an offence for any person to discriminate another on the ground of actual, perceived or suspected HIV status.

It is the responsibility of the Fund Account Manager in liaison with NG-CDFC to minimize the risk of HIV/AIDS transmission by adopting first aid/universal infection control precautions at the workplace.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RARIEDA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

HIV/AIDS screening shall not be a requirement for job seekers, recruitment or for persons in employment. Screening shall be confidential, voluntary and shall be after counselling. There shall be no disclosure of HIV/AIDS test results of any related assessment results to any person without the written consent of the officers.

Drug and Substance Abuse

Addiction to drugs or substance will be treated like any other disease. An officer who is determined to deal with drug and substance abuse problem by engaging in rehabilitation services will be referred by the office by a Government doctor for evaluation, within the limits and budgets endorsed by the NG-CDFC.

Persons Living with Disability

An employee with an impairment in his/her body will be expected to confirm their disability status with a doctor after medical examination. Once it is confirmed that he/she is disabled, the employee will register with the National Council for Person with Disabilities. The employee will then present the registration certificate from the National Council for Persons with Disabilities to the Institute which will then recognize them as employees living with disabilities. The office shall provide facilities and effect such modification, whether physical, administrative or otherwise, in the workplace as may be reasonably required to accommodate persons with disabilities.

Sexual harassment and other Forms of Harassment

Any staff of the office should not harass another officer sexually through, direct or indirect request for favours, use of language whether written or spoken of a sexual nature, use visual material of a sexual nature and show physical behaviour of a sexual nature which directly or indirectly subjects the person to behaviour that is unwelcome or offensive.

Disciplinary action will be taken against an officer of the Institute for harassing another person. Harassment may be based on racial, tribal, gender, marital status, religious or ethical belief, disability, age, political opinion, employment status, family status, sexual orientation, or involvement in the activities of an employee's organization.

The improper use of power based on administrative or Managerial status (i.e. the use of a position to insult, bully, dominate, manipulate, disadvantage or discriminate) may also constitute harassment. Bullying – which means repeated, deliberate and targeted conduct by a person towards a staff member which is offensive, intimidating or humiliating and which detrimentally affects that member's well-being.

Reporting Harassment Cases

Any staff who believes that they have experienced some form of harassment should report harassment cases as outlined in the office complaints procedures manual.

4. MARKET PLACE PRACTICES

NG-CDFC fund was designed to support constituency-level, grass-root development projects. It is aimed to achieve equitable distribution of development resources across regions and to control imbalances in regional development brought about by partisan politics. It targets all constituency-level development projects, particularly those aiming to combat poverty at the grassroots and entrench equitable distribution of development in line with the NG-CDFC Act 2015 provisions

The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

a) Responsible competition practice.

During projects implementation the office transfers funds to the Project Management Committees who are thereafter guided during tendering process, to ensure that the locals benefit competitively in the provision of services and materials to the projects. How the organisation ensures responsible competition practices with issues like anticorruption, responsible political involvement, fair competition and respect for competitors

b) Responsible Supply chain and supplier relations

Payments to suppliers are done promptly upon presentation of requisite supporting documents

c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices

Advertisement for tenders is done publicly and no form of discrimination is applied to unfairly lock out interested bidders

d) Product stewardship

In order to safeguard consumer rights and interests, the Rarieda NG-CDF came up with a service charter and the complaints handling policy, principles and procedures brochure. The service charter points out our commitment in ensuring that we provide quality services to our customers with high level professionalism, dignity, integrity and courtesy, whereas complaints handling policy, principles and procedures shows our commitment to consistent, fair and confidential complaint handling and to resolve complaints as quickly as possible

5.COMMUNITY ENGAGEMENTS

Public Participation in Project Identification and Implementation and Monitoring

The NG-Constituency Development Act 2015 stipulates in part 5 section 27 subsection 1 and 2 that the chairperson of the NG-CDFC shall, within the first year of the commencement of a new Parliament and at least once every two years thereafter, convene open forum public meetings in every ward in the constituency to deliberate on development matters in the ward and in the constituency.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RARIEDA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

The NG-CDFC shall then deliberate on project proposals from all the wards in the constituency and any other projects which the Constituency Committee considers beneficial to the constituency, including joint projects with other constituencies, consider the national development plans and policies and the constituency strategic development plan, and identify a list of priority projects, both immediate and long term, out of which the list of projects to be submitted in accordance with the Act shall be drawn from. There after the list of proposed constituency based projects to be covered under this Act shall be submitted by NG-CDFC to the Board.

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

Public's engagement is a vital part of many projects and the benefits of it are well documented, such as better outcomes for all stakeholders, community ownership and lower project costs. When the public is involved in a project, they feel motivated to work together, recognize the benefits of their involvement and have ownership of the projects and the decision making process, which is key to a successful project outcome and their sustainability. Effective public engagement is about recognising that involving the public in a project is no longer about information dissemination and telling the people what is being done, but is a two way information sharing tool. The more views gathered in the process of making a decision, the more likely the final product will meet the most needs and address the most concerns possible.

In summary stakeholders participation is important since:

- Providing information helps them understand the issues, options, and solutions available for the projects
- Consulting with the public aids in obtaining their feedback on alternatives or decisions
- Involving the public to ensures their concerns are considered throughout the decision process, particularly in the development of decision criteria, options and preferred solutions that are workable, efficient and sustainable .

Public Awareness

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

- A menu of options for including individuals and organizational actors in identifying development priorities and selecting NG-CDF projects.
- Ensuring implementation of NG-CDF funded projects are transparent and known to everybody within the community.
- Increase accountability hence ensure local citizens gain skills and confidence to carryout social audits as means to enhanced accountability in management of other devolved funds apart from NG-CDF at constituency and other levels within the constituency.
- Increase public participation at all stages of project cycle funded under NG-CDF kitty
- Identify control and report any irregularities witnessed during NG-CDF project implementation cycle
- Measure the impact of the projects funded by NG-CDF
- Enable people to exercise their rights by instilling democratic culture through enhanced social accountability and transparency among state and non state actors.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

- Promote awareness creation on constitution and devolved governance system in Kenya

Covid-19 Mitigation Measures

Taking into consideration the current Corona Virus epidemic, in line with the Governments directive on reducing the chances of being infected or spreading COVID-19, the office resolved in aiding by taking the following precautionary measures.

- The office distributed 4,000 facial masks
- Printing of brochures disseminating information regarding Corona Virus protection measures

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

V. STATEMENT OF ENTITY 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-RARIEDA 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, 2020. 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.

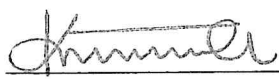
The Accounting Officer in charge of the NGCDF-RARIEDA Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-RARIEDA Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The NGCDF-RARIEDA Constituency financial statements were approved and signed by the Accounting Officer on 31.8.2020.


Fund Account Manager
Name: Peter Nygusie Achar


Sub-County Accountant
Name: KENNEDY OKOTH OLUOCH
ICPAK Member Number: 24101

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – RARIEDA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund-Rarieda Constituency Fund set out on Pages 22 to 58, which comprise the statement of assets and liabilities as at 30 June, 2020, the statement receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the National Government Constituencies Development Fund-Rarieda Constituency as at 30 June, 2020, 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 do not comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Adverse Opinion

1. Inaccuracies of the Financial Statements

1.1 Stale Cheques - Cash and Cash Equivalents

As disclosed in Note 10 to the financial statements, the statement of assets and liabilities reflects a bank balance of Kshs.82,459. However, the bank reconciliation statement reflects unrepresented cheques totalling to Kshs.2,419,943. Included in the unrepresented cheques are stale cheques amounting to Kshs.132,619 which dated as far as March, 2019 and which had not been reversed in the cashbook. Further the unrepresented cheque amount of Kshs.2,419,943 includes unsupported retention fee and payment to Cooperative Bank manager amounting to Kshs.354,255 and Kshs.207,000, respectively.

1.2 Unsupported Cash Withdrawals

As disclosed in Note 10 to the financial statements, the statement of assets and liabilities reflects bank balance of Kshs.82,459. Review of the bank statements for Cooperative Bank account indicates cash withdrawals amounting to Kshs.23,016,423 made from the

account during the year. However, the expenditure related to cash payments not supported as required by Section 71 of the Public Finance Management Act, 2012, the nature of transactions were not confirmed.

1.3 Unsupported PMC Account Balance

Annex 5 to the financial statements reflects project management committee (PMC) bank balances of Kshs.4,209,227. However, the PMC bank balances were not supported with certificates of bank balance.

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

2. Unsupported Expenditures and Receipts

The financial statements submitted has unsupported expenditure and receipts on various components as detailed below: -

- i. The summary statement of appropriation - recurrent and development combined reflects a final budget balance of Kshs.196,288,035 with unsupported adjustment amounting to Kshs.58,920,261. Further, the accuracy of the total actual receipts and budget utilization reflects an amount of Kshs.112,220,261 and Kshs.84,067,775 instead of Kshs.111,740,876 and Kshs.84,547,160, respectively thus unreconciled difference amounting to Kshs.479,385 .
- ii. As disclosed under Note 1 to financial statements, the statement of receipts and payments reflects an amount of Kshs.111,740,876 in respect of transfers from the Board. However, receipts amounting to Kshs.64,000,000 were neither supported with approved code list of projects nor Funds committee resolution minutes. It was therefore not possible to confirm approved projects for implementation during the year under review.
- iii. As disclosed under Note 4 to the financial statements, the statement of receipts and payment reflects an amount of Kshs.2,380,953 in respect of compensation of employees. A review of the payroll submitted for audit showed payments amounting to Kshs.2,270,080 resulting to unreconciled difference of Kshs.110,873.
- iv. The statement of receipts and payment reflects an amount of Kshs.11,693,412 in respect of use of goods and services and as disclosed in Note 5 to the financial statements. However, payment details supporting the expenditure amounting to Kshs.4,889,325 such as delivery notes, invoices and counter receipts vouchers were not availed for audit.
- v. The statement of receipts and payment reflects an amount of Kshs.11,693,412 in respect of use of goods and services and as disclosed in Note 5 to the financial statements which includes an expenditure of Kshs.6,164,000 on committee expenses. The following anomalies were noted:

- a. Schedules in support of the payment vouchers were signed without indicating when the meetings were held. Further, some schedules were not supported with committee minutes.
 - b. The dates on the CDF committee meetings minutes did not match with those of the payment schedules.
- vi. The statement of receipts and payment reflects an amount of Kshs.11,693,412 in respect of use of goods and services and as disclosed in Note 5 to the financial statements which includes an amount of Kshs.1,000,000 on development of strategic plan. However, the payment voucher presented was not supported. The expenditure was also wrongly classified as use of goods under utilities and services instead of other payments under Note 9.
- vii. The statement of receipts and payments reflects transfers to other government units amounting to Kshs.56,541,477 which includes transfers to tertiary institutions amounting to Kshs.35,525,127. The schedules in support of the financial statements indicated that an amount of Kshs.6,000,000 was paid in favor to Kenya Medical Training College – Rarieda campus. However, payment voucher and other supporting documents were not availed for verification.
- viii. The statement of receipts and payments reflect transfers to other government units of Kshs.56,541,477 and as disclosed in Note 6. However, transfers totaling to Kshs.10,567,773 were not supported with project expenditure returns.
- ix. The statement of receipts and payment reflects an amount of Kshs.41,206,359 in respect to other grants and transfers and as disclosed in Note 7 to the financial statements. However, payment vouchers amounting to Kshs.7,820,060 in respect of security, sports project and emergency were not made available for audit.

In the circumstance, the accuracy, validity and completeness of the financial statements could not be confirmed.

3. Irregular Expenditure on Bursary Funds

The statement of receipts and payments reflects transfers to other government units amounting to of Kshs.41,206,359 which includes an amount of Kshs.27,955,959, Kshs.5,003,340 and Kshs.427,000 in respect of bursary for secondary, tertiary and special schools respectively. However, the following anomalies were noted:

- i. Minutes of how needy students were identified and acknowledgement letters from respective schools were not availed for audit.
- ii. A sample of 36 schools picked to confirm whether the cheques were cleared from the bank statements revealed that the cheques in question were not drawn in favor of the schools indicated on the bursary schedule, instead the cheques totaling to Kshs.5,860,322 were drawn in favor of other payees in different values or denominations.

- iii. Bursary payment schedule amounting to Kshs.5,000,000 was raised however the cheque drawn for the expenditures amounted to Kshs.5,860,322 resulting to unexplained overpayment amounting to Kshs.860,322.

In the circumstances, the validity, regularity and accuracy of the expenditure on transfers to other government units amounting to of Kshs.41,206,359 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund-Rarieda Constituency 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 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 of the current year. There were no key audit matters to report in the year under review.

Other Matter

Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.196,288,035 and Kshs.111,740,876 respectively resulting to an under-funding of Kshs.84,547,160 or 43% of the budget. Similarly, the Fund expended Kshs.112,137,801 against an approved budget of Kshs. 196,288,036 resulting to an under-expenditure of Kshs.84,150,234 or 43% of the budget.

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

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 Compliance with 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 Remit Statutory Deductions

The statement of assets and liabilities reflects bank balance of Kshs.82,459 and as disclosed in Note 10 to the financial statements. However, the bank reconciliation statement reflects unpresented cheques totaling to Kshs.2,419,943 which includes an

amount of Kshs.501,687 being statutory deductions which the management failed to remit. The management was therefore in breach of the Law.

2. Noncompliance with the Prescribed Format

The financial statements reflects the following noncompliance issues with the Public Sector Accounting Standard Board (PSAB):-

- i. The table of contents on page 1 did not indicate the reference page numbers in the financial statements.
- ii. Report of the Independent Auditors in the table of contents indicates NG-CDF Gilgil Constituency instead of NG-CDF Rarieda Constituency.

Consequently, the presentation and disclosure of the financial statements does not comply with the prescribed PSASB reporting format .

4. Unimplemented and Unsupported Projects

The statement of receipts and payment reflects an amount of Kshs.56,541,477 in respect of transfers to other government units and as disclosed in Note 6 to the financial statements. Included is an amount of Kshs.11,650,000, Kshs.9,366,350, and Kshs.35,525,127 to Primary, Secondary and Tertiary Institutions respectively.

However, the following anomalies were observed: -

- i. The Fund received an amount of Kshs.41,740,876 for implementation of projects in primary, secondary and environment approved for 2018/2019 but were not funded during that period. However, the schedule on projects implemented revealed that projects in respect of Primary, Secondary, Security and Environment totalling to Kshs.9,930,818 were not implemented.
- ii. A review of the financial records reflects that the Fund received an amount of Kshs.111,740,876 out of which a balance of Kshs.64,000,000 relates to the year 2019-2020. However, projects for Primary and Secondary schools approved for the year have not been implemented.
- iii. The statement of receipts and payment reflects an amount of Kshs.56,541,477 in respect of transfers to other government entities which includes a balance of Kshs.35,525,127 to tertiary institution. Included is an amount of Kshs.25,525,126 being transfers to Kenya Medical Training Institute – Rarieda Campus for the construction of administration and 4 twin storey hostels. However, the following anomalies were noted: -

Administration Block

- a. The construction of the administration block was awarded to a local contractor at a contract sum of Kshs.7,678,5334. However, the contract agreement, bills of quantities and project management committee bank statement were not availed for audit.

- b. The financial records availed for audit indicates that a total of Kshs.7,626,905 was paid, however, no practical completion certificate was availed for audit.
- c. Physical verifications in March, 2021 indicated that window pane were not installed, no painting of the walls, no ceiling boards, no fitting of partitioning doors and general poor workmanship of the floors was sub-standard.

Four (4) Twin Storey Hostels

- ii. The construction of the administration block was awarded to a local contractor at a contract sum of Kshs.66,033,291. However, the contract agreement, bills of quantities and Project Management Committee bank statement were not availed for audit.
- iii. The financial records indicated that a total of Kshs.15,402,776 was paid during the year under review. However, the Management did not provide interim payment certificate (IPC) number 1 and 3 thus the total expenditure of the said project could not be confirmed. Physical verifications in March, 2021 indicated that the columns and walls of the hostels had huge cracks all over which is evidence of poor workmanship posing threat on the future stability of the building. Ablution block was also poorly done without partitioning doors. The floor, painting works were partly done, and the contractor was not on site.
- iv. The statement of receipts and payment reflects an amount of Kshs.56,541,477 in respect of transfers to other government entities which includes transfers amounting to Kshs.35,525,127 to tertiary institutions. Included is an amount of Kshs.10,000,000 transfer to Kisumu National Polytechnic School of Agriculture – Rarieda Campus for the Construction of four (4) lecture rooms and construction of administration block amounting to Kshs.5,000,000 and Kshs.5,000,000, respectively. However, procurement documents including tender opening minutes, tender evaluation and contract agreement were not availed for audit.
- v. The statement of receipts and payment reflects an amount of Kshs.56,541,477 in respect of transfers to other government entities which includes transfers amounting to Kshs.35,525,127 to tertiary institutions. Includes is an amount of Kshs.2,000,000 transferred to Jaramogi Oginga Odinga University of Science and Technology Agok campus for fencing of 20 acres University land. However, procurement documents including tender opening minutes, tender evaluation and contract agreement were not availed for audit. Physical verification of the project revealed that only two strands of galvanized barbed wire were used contrary to the six strands contained in the bill of quantities.
- vi. The statement of receipts and payment reflects an amount of Kshs.41,206,359 in respect of other grants and transfers and as disclosed in Note 7 to the financial statements which includes an amount of Kshs.2,107,060 on security. Included is an amount of Kshs.1,600,000 for the construction of Rarieda Sub County Commander offices. However, procurement records including contract agreement, structural plan or map, monitoring and evaluation minutes for this project to show

the progress at each certified stage and minutes of Project Management Committee were not availed for audit.

In the circumstances, value for money and validity of expenditure amounting to Kshs.56,541,477 in respect of transfers to other government units could not be confirmed.

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

REPORT ON INTERNAL CONTROLS EFFECTIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

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 governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain 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 abolish 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 non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's policies and procedures may deteriorate.

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

11 February, 2022

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

RARIEDA CONSTITUENCY


Reports and Financial Statements

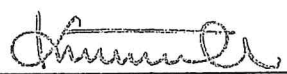
For the year ended June 30, 2020

VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020	2018 - 2019
			Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	111,740,876	68,329,310
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		111,740,876	68,329,310
PAYMENTS			
Compensation of employees	4	2,380,953	1,799,730
Use of goods and services	5	11,693,412	13,497,740
Transfers to Other Government Units	6	56,541,477	35,700,000
Other grants and transfers	7	41,206,359	34,593,581
Acquisition of Assets	8	315,600	804,532
Other Payments	9	-	1,000,000
TOTAL PAYMENTS		112,137,801	87,395,583
SURPLUS/DEFICIT		(396,926)	(19,066,273)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-RARIEDA Constituency financial statements were approved on 31.8.2020 and signed by:


Fund Account Manager
 Name: Peter Nygitha Achon



National Sub-County Accountant
 Name: KENNEDY OKOTH OUCH
 ICPAK Member Number: 24101

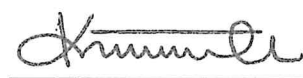
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
RARIEDA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	82,459	479,385
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		82,459	479,385
Current Receivables-Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		82,459	479,385
FINANCIAL LIABILITIES			
Accounts Payable-Retention	12A		
Gratuity	12B	-	-
NET FINANCIAL ASSETS		82,459	479,385
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	479,385	19,545,659
Surplus/Deficit for the year		(396,926)	(19,066,273)
Prior year adjustments	14		-
NET FINANCIAL POSITION		82,459	479,386

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-RARIEDA Constituency financial statements were approved on 31.8.2020 and signed by:


Fund Account Manager
 Name: Peter Nyagire Achani


National Sub-County Accountant
 Name: KENNEDY OKOTH ELWOLI
 ICPAK Member Number: 24101

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

RARIEDA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

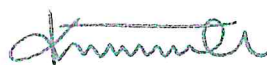
IX. STATEMENT OF CASHFLOW

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	111,740,876	68,329,310
Other Receipts	3	-	-
		111,740,876	68,329,310
Payments for operating expenses			
Compensation of Employees	4	2,380,953	1,799,730
Use of goods and services	5	11,693,412	13,497,740
Transfers to Other Government Units	6	56,541,477	35,700,000
Other grants and transfers	7	41,206,359	34,593,581
Other Payments	9	-	1,000,000
		111,822,201	86,591,051
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(81,326)	(18,261,742)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(315,600)	(804,532)
Net cash flows from Investing Activities		(315,600)	(804,532)
NET INCREASE IN CASH AND CASH EQUIVALENT		(396,926)	(19,066,274)
Cash and cash equivalent at BEGINNING of the year	13	479,385	19,545,659
Cash and cash equivalent at END of the year		82,459	479,385

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-RARIEDA Constituency financial statements were approved on 31. 8. 2020 and signed by:


Fund Account Manager

Name: Peter Nygiri Achor



National Sub-County Accountant

Name: KENNEDY OKOTH OLWACH
ICPAK Member Number: 24101

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from NG-CDF Board "AIE"	137,367,774	58,920,261	196,288,035	111,740,876	84,547,160	56.9%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTAL RECEIPTS	137,367,774	58,920,261	196,288,035	112,220,261	84,067,775	57.2%
PAYMENTS						
Compensation of Employees	2,400,000	324,030	2,724,030	2,380,953	343,077	87.4%
Use of goods and services	9,963,095.17	2,845,851	12,808,946	11,693,412	1,115,534	91.3%
Transfers to Other Government Units	73,569,798	45,401,997	118,971,795	56,541,477	62,430,318	47.5%
Other grants and transfers	51,434,881.38	10,032,783	61,467,664	41,206,359	20,261,305	67.0%
Acquisition of Assets	-	524,393	524,393	315,600	208,793	60.2%
Other Payments	-	-	-	-	-	-
TOTAL	137,367,774.55	58,920,261	196,288,036	112,137,801	84,150,234	57.1%

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

- i. **Transfers from NG-CDF Board (56.9%):** The Board only transferred Ksh.68, 000,000 of the total approved budget for the financial year to the constituency. By the end of the financial year the Board had not disbursed Kshs. 69,367,774.55 to the constituency leading to underutilization.

**Reports and Financial Statements
For the year ended June 30, 2020**

- ii. **Compensation of employees (87.4%):** This underutilization was as a result of balance brought forward from 2018/2019 of Ksh. 324,030
- iii. **Transfers to other government units (47.5%):** Underutilization was as a result of the Board not disbursing all the budgeted funds to the constituency by end of the financial year.
- iv. **Other Grants and other transfers (67%):** Underutilization was as a result of the Board not disbursing all the budgeted funds to the constituency by end of the financial year.
- v. **Acquisition of Assets (60.2%):** underutilization was as a result of the funds not being disbursed on time.

All the changes between the original and final budget were as a result of balances brought forward from the previous financial year 2019/2020.

The NGCDF-RARIEDA Constituency financial statements were approved on 31st 8th 2020 and signed by:



Fund Account Manager

Name:

Peter Nyajire Atonu



Sub-County Accountant

Name:

KENNER EKOTH OLUOKH

ICPAK Member Number:

24101

**Reports and Financial Statements
For the year ended June 30, 2020**

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization Difference
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
	2019/2020		2019/2020	30/06/2020	
1.0 Administration					
1.1 Compensation of Employees	2,400,000.00	324,030.00	2,724,030.00	2,380,953.14	343,077.00
1.4 Committee Allowances	3,342,063.00		3,342,063	3,342,063	-
1.3 Use goods and Services	2,500,000.00	2,837,058	5,337,058	4,230,317.	1,106,741
			-		-
2.0 Monitoring & Evaluation, capacity Building			-		-
2.1 Goods and Services	1,000,000.00		1,000,000.00	1,000,000.00	-
2.2 Committee Expenses	1,500,000.00		1,500,000.00	1,500,000.00	-
2.3 CD/PMC Capacity Building	1,621,032		1,621,032	1,621,032	-
			-		-
3.0 Emergency	7,198,241	3,238,993	10,437,235	2,975,000.00	7,462,235
3.1 Primary Schools			-		-
3.2 Secondary Schools			-		-
3.3 Tertiary Institutions			-		-
3.4 Security Projects			-		-
			-		-
4.0 Bursary and Social Security			-		-
4.1 Primary Schools			-		-
4.2 Secondary Schools	19,341,931.00		19,341,931.00	19,341,931.00	-
4.3 Tertiary/University	10,000,000.00		10,000,000.00	10,000,000.00	-
4.4 Universities	5,000,000.00		5,000,000.00	4,044,368.00	955,632.00
4.5 Social Security	0.00		-		-

Programme/Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization Difference
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
5.0 Sports			-		-
5.1 Constituency Sports Tournament	2,747,354.00	2,180,818.00	4,928,172.00	2,738,000.00	2,190,172.00
			-		-
6.0 Environmental Projects			-		-
6.1 Lela Primary School	150,000.00		150,000.00		150,000.00
6.2 Lwak Girls Boarding Primary Sch.	200,000.00		200,000.00		200,000.00
6.3 Rarieda Primary School	200,000.00		200,000.00		200,000.00
6.4 Ndhene Primary School	173,677.00		173,677.00		173,677.00
6.5 Kadundo Primary School	150,000.00		150,000.00		150,000.00
6.6 Wera Secondary School	150,000.00		150,000.00		150,000.00
6.7 Nyabera Primary School	150,000.00		150,000.00		150,000.00
6.8 Kametho Primary School	150,000.00		150,000.00		150,000.00
6.9 St Antony Pala Kobong Mixed Secondary School	200,000.00		200,000.00		200,000.00
6.10 Tuju Mixed Secondary School	150,000.00		150,000.00		150,000.00
6.11 St Marks Wagaya Sec Sch.	150,000.00		150,000.00		150,000.00
6.12 Nyagoko Secondary School	150,000.00		150,000.00		150,000.00
6.13 Oboch Primary School	200,000.00		200,000.00		200,000.00
6.14 Kusa Primary School	200,000.00		200,000.00		200,000.00
6.15 Mamba Assistant Chiefs Office	200,000.00		200,000.00		200,000.00
6.16 Kakremba Primary School	173,677.00		173,677.00		173,677.00
6.17 Agok Primary School		150,000.00	150,000.00		150,000.00
6.18 Lwala Rahongo Primary School		150,000.00	150,000.00		150,000.00
6.19 Tuju Primary School		150,000.00	150,000.00		150,000.00
6.20 Got Okola Primary School		150,000.00	150,000.00		150,000.00
6.21 Migowa Primary School		150,000.00	150,000.00		150,000.00

Reports and Financial Statements
For the year ended June 30, 2020

Programme/Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization Difference
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
6.22 Ruma Secondary School		150,000.00	150,000.00		150,000.00
6.23 Kakremba Primary School		150,000.00	150,000.00		150,000.00
6.24 Nyamor Primary School		150,000.00	150,000.00		150,000.00
6.25 Atemo Primary School		150,000.00	150,000.00		150,000.00
6.26 Ochienga Primary School		60,000.00	60,000.00		60,000.00
6.27 Kayundi Primary School		60,000.00	60,000.00		60,000.00
6.28 Saradidi Secondary School		60,000.00	60,000.00		60,000.00
6.29 Kametho Primary School		60,000.00	60,000.00		60,000.00
6.30 Okiro Primary School		60,000.00	60,000.00		60,000.00
6.31 Wera Primary School		60,000.00	60,000.00		60,000.00
6.32 Tuju Secondary School		60,000.00	60,000.00		60,000.00
6.33 Nyabera Secondary School		60,000.00	60,000.00		60,000.00
6.34 St Silvester Girls Secondary School		60,000.00	60,000.00		60,000.00
6.35 Naya Secondary School		60,000.00	60,000.00		60,000.00
6.36 Rarieda Sub County Headquarters		80,818.00	80,818.00		80,818.00
		-	-		-
7.0 Primary Schools Projects					
7.1 Obaga Primary School	500,000.00		500,000.00	500,000.00	-
7.2 Mumbo Primary School	300,000.00		300,000.00		300,000.00
7.3 Lweya Primary School	400,000.00		400,000.00	400,000.00	-
7.4 Mirau Primary School	700,000.00		700,000.00		700,000.00
7.5 Kokise Primary School	300,000.00		300,000.00		300,000.00
7.6 Rariw Primary School	100,000.00		300,000.00	300,000.00	-
7.7 Luoro Primary School	300,000.00		100,000.00		100,000.00
7.8 Kakremba Primary School	200,000.00	300,000.00	500,000.00	300,000.00	200,000.00
7.9 Lusi Primary School	600,000.00		600,000.00		600,000.00
7.10 Kunya Primary School	400,000.00		400,000.00		400,000.00
7.11 Raliew Primary School	400,000.00		400,000.00	300,000.00	100,000.00
7.12 Masala Primary School	200,000.00		200,000.00		200,000.00
7.13 Ujwanga Primary School	200,000.00		200,000.00		200,000.00

Reports and Financial Statements
For the year ended June 30, 2020

Programme/Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization Difference
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
7.14 Rambugu Primary School	400,000.00		400,000.00		400,000.00
7.15 Lwanda Kotieno Primary School	700,000.00		700,000.00		700,000.00
7.16 Siger Primary School	400,000.00		400,000.00		400,000.00
7.17 Kawamangaria Primary School	400,000.00		400,000.00		400,000.00
7.18 Nyanboyo Primary School	400,000.00	400,000.00	800,000.00	400,000.00	400,000.00
7.19 Nyamor Primary School	700,000.00		700,000.00		700,000.00
7.20 Nyagoko Primary School	400,000.00		400,000.00		400,000.00
7.21 Lwak Mixed Primary School	400,000.00		400,000.00		400,000.00
7.22 Mabinji Primary School	700,000.00		700,000.00		700,000.00
7.23 Rakombe Primary School	200,000.00		300,000.00	300,000.00	-
7.24 Akom Primary School	400,000.00		300,000.00		400,000.00
7.25 Tiga Primary School	400,000.00		400,000.00		400,000.00
7.26 Pala Kobong Primary School	200,000.00	150,000.00	350,000.00	150,000.00	200,000.00
7.27 Got Okola Primary School	400,000.00		400,000.00		400,000.00
7.28 Rachar Primary School	300,000.00		300,000.00		300,000.00
7.29 Langu Primary School	300,000.00	600,000.00	900,000.00	600,000.00	300,000.00
7.30 Komolo Primary School	400,000.00		400,000.00		400,000.00
7.31 Got Korwa Primary School	700,000.00		700,000.00		700,000.00
7.32 Tanga Primary School	800,000.00		800,000.00		800,000.00
7.33 Manywanda Primary School	200,000.00	500,000.00	700,000.00		700,000.00
7.34 Nyabera Primary School	300,000.00		300,000.00	300,000.00	-
7.35 Wanbisa Primary Sch.	400,000.00		400,000.00		400,000.00
7.36 Oango Primary School	300,000.00	500,000.00	800,000.00	500,000.00	300,000.00
7.37 Mirando Primary School	400,000.00		400,000.00		400,000.00
7.38 Kagwa Primary School	400,000.00		400,000.00		400,000.00
7.39 Tuju Primary School	400,000.00		400,000.00		400,000.00
7.40 Kawuondi Primary School	200,000.00		200,000.00		200,000.00
7.41 Got Kojwang Primary School	500,000.00		500,000.00		500,000.00
7.42 Rabel Primary school	400,000.00		400,000.00	400,000.00	-
7.43 Ramoya Primary School	400,000.00		400,000.00		400,000.00
7.44 Lwala Ralongo Primary School	200,000.00	700,000.00	900,000.00	700,000.00	200,000.00
7.45 Ndiegwa Primary School	200,000.00		200,000.00		200,000.00

Reports and Financial Statements
For the year ended June 30, 2020

Programme/Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization Difference
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
7.46 Nyangoye Primary School	400,000.00		400,000.00		400,000.00
7.47 Agok Primary School	400,000.00		400,000.00		400,000.00
7.48 Buru Primary School	400,000.00		400,000.00		400,000.00
7.49 Lieta Primary School	400,000.00		400,000.00		400,000.00
7.50 Ranyala Primary School	700,000.00		700,000.00		700,000.00
7.51 Okiro Primary School	400,000.00		400,000.00		400,000.00
7.52 Wera Primary School	700,000.00		700,000.00		700,000.00
7.53 Aduoyo Primary School	400,000.00	300,000.00	700,000.00	300,000.00	400,000.00
7.54 Boi Primary School	400,000.00		400,000.00		400,000.00
7.55 Kanyichudo Primary School	400,000.00		400,000.00		400,000.00
7.56 Powo Primary School	800,000.00	300,000.00	1,100,000.00	300,000.00	800,000.00
7.57 Kamalumbwe Primary school	200,000.00		200,000.00		200,000.00
7.58 Alara Primary School	200,000.00		200,000.00		200,000.00
7.59 Kaonje Primary School	400,000.00	300,000.00	700,000.00	300,000.00	400,000.00
7.60 Oboch Primary School	200,000.00		200,000.00		200,000.00
7.61 Ramba Primary School	800,000.00		800,000.00		800,000.00
7.62 St Lazarus Pri. Sch.	400,000.00		400,000.00		400,000.00
7.63 Mahaya Primary School	400,000.00		400,000.00		400,000.00
7.64 Ndwara Primary School	600,000.00		600,000.00	600,000.00	-
7.65 Manera Primary School	400,000.00		400,000.00		400,000.00
7.66 Gangu Primary School	459,798.00		459,798.00		459,798.00
7.67 Atemo Primary School	800,000.00		800,000.00		800,000.00
7.68 Kayundi Primary School	700,000.00		700,000.00		700,000.00
7.69 Chienda Primary School	800,000.00	500,000.00	1,300,000.00	500,000.00	800,000.00
7.70 Okela Primary School	400,000.00	200,000.00	600,000.00	200,000.00	400,000.00
7.71 Kobonyo Primary School	200,000.00	400,000.00	600,000.00	400,000.00	200,000.00
7.72 Kasiri Primary School	700,000.00		700,000.00		700,000.00
7.73 Wayaga Primary School	400,000.00		400,000.00		400,000.00
7.74 Mituri Primary School	400,000.00		400,000.00		400,000.00
7.75 Dagamoyo Primary School	500,000.00		500,000.00	400,000.00	100,000.00
7.76 Ragengni primary School	400,000.00		400,000.00		400,000.00
7.77 Kamalumbwe Primary School	200,000.00		200,000.00	200,000.00	-

Reports and Financial Statements
For the year ended June 30, 2020

Programme/Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization Difference
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
7.78 Alara Primary School	200,000.00		200,000.00	200,000.00	-
7.79 Misorri Primary School		700,000.00	700,000.00	700,000.00	-
7.80 Kadhere primary School		200,000.00	200,000.00	200,000.00	-
7.81 Ongielo Primary School		300,000.00	300,000.00	300,000.00	-
7.82 Gundarut Primary School		300,000.00	300,000.00	300,000.00	-
7.83 Maugo Primary School		250,000.00	250,000.00	250,000.00	-
7.84 Majango Primary School		250,000.00	250,000.00	250,000.00	-
7.85 Migowa Primary School		200,000.00	200,000.00	200,000.00	-
7.86 Ndhare Primary School		500,000.00	500,000.00	500,000.00	-
7.87 Kunya Primary School		400,000.00	400,000.00	400,000.00	-
8.0 Education Secondary Schools Projects			-		-
8.1 Wangarot Mixed Secondary School	500,000.00		500,000.00		500,000.00
8.2 Majango Secondary School	300,000.00	600,000.00	900,000.00	500,000.00	400,000.00
8.3 Rarieda Secondary school	800,000.00	700,000.00	1,500,000.00	700,000.00	800,000.00
8.4 Gagra Secondary School	300,000.00	500,000.00	800,000.00	500,000.00	300,000.00
8.5 St Antony Pala Kobong Mixed Secondary School	800,000.00		800,000.00	700,000.00	100,000.00
8.6 Tanga Mixed Secondary School	500,000.00	500,000.00	1,000,000.00	500,000.00	500,000.00
8.7 Nyakongo Girls Secondary School	500,000.00		500,000.00	500,000.00	-
8.8 Nyabera Secondary School	500,000.00		500,000.00	300,000.00	200,000.00
8.9 Naya Secondary School	3,560,000.00		3,560,000.00		3,560,000.00
8.10 Oboch Secondary School	250,000.00		250,000.00		250,000.00
8.11 Kitambo Secondary School	300,000.00	600,000.00	900,000.00	600,000.00	300,000.00
8.12 Eng. Gumbo Rambira Girls Sec. Sch.	500,000.00		500,000.00		500,000.00
8.13 Migowa Secondary School	800,000.00	400,000.00	1,200,000.00	400,000.00	800,000.00
8.14 Ramogi Ochieng' Oneko Sec. Sch.	700,000.00		700,000.00	400,000.00	300,000.00
8.15 Makasembo Secondary School	300,000.00		300,000.00	300,000.00	-
8.16 Ndwaru Mixed Sec. Sch.	700,000.00		700,000.00		700,000.00
8.17 St Marys Lwak Girl High School	500,000.00		800,000.00	800,000.00	-
8.18 Rachar Secondary School	700,000.00		400,000.00		400,000.00
8.19 Agok Secondary School	700,000.00		700,000.00		700,000.00

Reports and Financial Statements
For the year ended June 30, 2020

Programme/Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization Difference
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
8.20 Raliew Secondary School	700,000.00		700,000.00	300,000.00	400,000.00
8.21 Kokise Mixed Sec Sch	700,000.00		700,000.00		700,000.00
8.22 Luoro Secondary School	700,000.00		700,000.00		700,000.00
8.23 Ramba Secondary School	400,000.00	300,000.00	700,000.00	300,000.00	400,000.00
8.24 Nyamasore Secondary School	700,000.00		700,000.00		700,000.00
8.25 Chianda High School	700,000.00		700,000.00		700,000.00
8.26 Okela Secondary School	200,000.00	300,000.00	500,000.00	500,000.00	-
8.27 Ruma Secondary School	700,000.00		700,000.00		700,000.00
8.28 Rangengni Girls Secondary Sch.	900,000.00		900,000.00	900,000.00	-
8.29 St Siverster Girls Secondary School		666,349.00	666,349.00	666,350.00	-
8.30 Siger Mixed Secondary School		500,000.00	500,000.00	500,000.00	-
9.0 Tertiary Institutions Projects					
9.1 KMTC Rarieda	15,000,000.00	2,915,168.00	17,915,168.00	17,000,000.00	915,168.00
9.2 Rarieda Technical Training Institute	2,000,000.00	10,000,000.00	12,000,000.00	10,000,000.00	2,000,000.00
9.3 Kisumu National Polytechnic School of Agriculture-Rarieda Campus	5,000,000.00	10,000,000.00	15,000,000.00	6,525,127.00	8,474,873.00
9.4 Jaramogi Oginga Odinga University of Science & Technology		2,000,000.00	2,000,000.00	2,000,000.00	-
9.5 Rarieda Talent Centre		300,000.00	300,000.00		300,000.00
9.6 Rarieda TTC		2,184,400.00	2,184,400.00		2,184,400.00
10.0 Security Projects					
10.1 Asembo Bay police post	300,000.00		300,000.00	300,000.00	-
10.2 Ndori Police Station	800,000.00		800,000.00		800,000.00
10.3 Sub County Police Commander	800,000.00	800,000.00	1,600,000.00	1,600,000.00	-
10.4 West Katwenga Assistant Chief Office	700,000.00		700,000.00		700,000.00
10.5 Ndigwa Chiefs Office	300,000.00		300,000.00		300,000.00
10.6 South Asembo Chiefs Office	500,000.00		500,000.00		500,000.00
10.7 Assistant Chief Offices	200,000.00		200,000.00		200,000.00
10.8 Deputy County Commissioner Office		900,000.00	900,000.00	207,060.00	692,940.00
Madiang Chiefs Office	800,000.00		800,000.00		800,000.00

**Reports and Financial Statements
For the year ended June 30, 2020**

Programme/Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization Difference
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
11.0 Acquisition of Assets			-		-
11.1 Construction of NGCDF Office			-		-
11.2 Purchase of furniture and equipment			-		-
11.3 Purchase of computers		315,600.00	315,600.00	315,600.00	-
11.4 Purchase of land			-		-
11.0 Others			-		-
11.1 Strategic Plan		-	-	-	-
11.2 Innovation Hub		4,677,027.00	4,677,027.00		4,677,027.00
12.3 Chianda Community hall		900,000.00	900,000.00		900,000.00
TOTAL	137,367,774.00	58,920,261.00	196,288,035.00	112,137,801.00	84,150,234.00

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

XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

9. Pending Bills

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

10. Unutilized Fund

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

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2019 for the period 1st July 2019 to 30th June 2020 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2020.

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description			2019-2020	2018-2019
			Kshs	Kshs
	NG-CDF Board		Kshs	Kshs
	B005080	1		11,379,310.35
Normal Allocation	B006275	2		15,000,000.00
	B007455	3		10,000,000.00
	B042609	4		11,000,000.00
	B042685	5		2,950,000.00
	B047043	6		18,000,000.00
	B041063	1	41,740,875.50	
	B041190	2	4,000,000.00	
	B041338	3	18,000,000.00	
	B049160	4	6,000,000.00	
	B047754	5	5,000,000.00	
	B104078	6	14,000,000.00	
	B104460	7	21,000,000.00	
	B096796	8	2,000,000.00	
Conditional Grants	AIE NO...		-	-
Receipt from other Constituency			-	-
TOTAL			111,740,876	68,329,310

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
 RARIEDA CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2020

2. PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS

Description	2019-2020	2018-2019
	Kshs	Kshs
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from the Sale of Office and General Equipment	-	-
TOTAL	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

Description	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

Description	2019-2020	2018-2019
	Kshs.	Kshs.
Basic wages of contractual employees	2,135,793	1,619,950
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Other personnel payments	-	-
Employer contribution to NSSF	245,160	179,780
Gratuity-contractual employees	-	-
TOTAL	2,380,953	1,799,730

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2019-2020	2018-2019
	Kshs.	Kshs.
Utilities, supplies and services	4,171,824	354,650
Electricity		
Water & sewerage charges		
Office rent		
Communication, supplies and services		
Domestic travel and subsistence		
Printing, advertising and information supplies & services		
Rentals of produced assets		
Training expenses		
Hospitality supplies and services		
Other committee expenses		
Committee allowance	6,164,000	11,787,000
Insurance costs		
Specialised materials and services		102,800
Office and general supplies and services		
Fuel , oil & lubricants	1,357,588	
Other operating expenses		
Bank service commission and charges		
Other Operating Expenses		
Security operations		
Routine maintenance - vehicles and other transport equipment		153,290
Routine maintenance- other assets		
Strategic Plan		
TOTAL	11,693,412	13,497,740

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to Primary Schools	11,650,000	10,500,000
Transfers to Secondary Schools	9,366,350	10,200,000
Transfers to Tertiary Institutions	35,525,127	15,000,000
Transfers to Health Institutions	-	-
TOTAL	56,541,477	35,700,000

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2019-2020	2018-2019
	Kshs	Kshs
Bursary - Secondary	27,955,959	15,258,900
Bursary -Tertiary	5,003,340	12,686,720
Bursary- Special Schools	427,000	
Mocks & CAT		
Food Security		
Electricity		
Security	2,107,060	1,585,111
Roads and Bridges		
Sports	2,738,000	2,412,850
Environment		150,000
Cultural Projects		
Agriculture		
Emergency Projects	2,975,000	2,500,000
TOTAL	41,206,359	34,593,581

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF NON-FINANCIAL ASSETS

Description	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	439,532.00
Refurbishment of Buildings	-	-
Purchase of Vehicles	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles	-	-
Purchase of office furniture and fittings	315,600.00	-
Purchase of computers ,printers and other IT equipment's	-	365,000
Purchase of photocopier	-	-
Purchase of other office equipment's	-	-
Purchase of soft ware	-	-
Acquisition of Land	-	-
TOTAL	315,600	804,532

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	Account Number	2019-2020	2018-2019
		Kshs	Kshs
Cooperative Bank of Kenya, Kisumu Branch . NG-CDF Rarieda	A/C no.01141295597000	82,459	479,385
<i>Name of Bank, Account No.</i>	-	-	-
<i>Name of Bank, Account No.</i>	-	-	-
Total		82,459	479,385
10B: CASH IN HAND			
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other Locations (<i>specify</i>)		-	-
Total		-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

Total

-

12A. RETENTION

	2019 - 2020	2018-2019
	Kshs	Kshs
Supplier 1	-	-
Supplier 2	-	-
Supplier 3	-	-
Total	-	-

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-20
	Kshs	Kshs
Name 1	-	-
Name 2	-	-
Name 3	-	-
Add as appropriate		
Total	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	479,385	19,545,659
Cash in hand	-	-
Imprest	-	-
Total	479,385	19,545,659

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST

	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	4,209,226.85	6,639,875
Total	4,209,226.85	6,639,875

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RARIEDA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

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
Construction of buildings					
1.	-	-	-	-	
2.	-	-	-	-	
3.	-	-	-	-	
Sub-Total	-	-	-	-	
Construction of civil works					
4.	-	-	-	-	
5.	-	-	-	-	
6.	-	-	-	-	
Sub-Total	-	-	-	-	
Supply of goods					
7.	-	-	-	-	
8.	-	-	-	-	
9.	-	-	-	-	
Sub-Total	-	-	-	-	
Supply of services					
10.	-	-	-	-	
11.	-	-	-	-	
12.	-	-	-	-	
Sub-Total	-	-	-	-	
Grand Total	-	-	-	-	
0					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RARI A CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount a	Date Payable Contracted b	Amount Paid To-Date c	Outstanding Balance 2020 d=a-c	Comments
Senior Management						
1.		-	-	-	-	
2.		-	-	-	-	
3.		-	-	-	-	
Sub-Total		-	-	-	-	
Middle Management						
4.		-	-	-	-	
5.		-	-	-	-	
6.		-	-	-	-	
Sub-Total		-	-	-	-	
Unionisable Employees						
7.		-	-	-	-	
8.		-	-	-	-	
9.		-	-	-	-	
Sub-Total		-	-	-	-	
Others (specify)						
10.		-	-	-	-	
11.		-	-	-	-	
12.		-	-	-	-	
Sub-Total		-	-	-	-	
Grand Total		-	-	-	-	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RARIEDA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees		343,077	324,030	
Use of goods & services		1,106,741	337,058	
Amounts due to other Government entities				
1.Primary Schools		29,259,797.59	8,250,000	
2.Secondary Schools		14,609,999.67	5,066,349.37	
3.Tertiary Institutions		13,874,440.92	27,715,167.96	
Sub-Total		62,430,318	45,401,997	
Amounts due to other grants and other transfers				
1.Bursary		955,632.04		
2.Security		4,875,095.14		
3.Sports		2,190,171		
4.Environment		4,778,171.99		
5.Emergency		7,462,234.83		
Sub-Total		20,161,305	10,032,783	
Acquisition of assets				
Sub-Total		1,708,793	2,024,393	
Others (specify)				
		800,000	800,000	
Sub-Total		2,508,793	2,824,393	
Grand Total		84,150,234	58,920,261	

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/2019	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/2020
Land	-	-	-	-
Buildings and structures	7,971,517	-	-	7,971,517.00
Transport equipment	3,130,000	-	-	3,130,000.00
Office equipment, furniture and fittings	6,259,048	315,600	-	6,574,648
ICT Equipment, Software and Other ICT Assets	855,000	-	-	855,000
Other Machinery and Equipment	-	-	-	0
Heritage and cultural assets	-	-	-	0
Intangible assets	-	-	-	0
Total	18,215,565	315,600	-	18,531,165

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
RARIEDA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2020

No	PMC	Bank	Account no.	Bank Balance 2019/ 2020	Bank Balance 2018/ 2019
1	Lweya Primary School	KCB	1147320441	59,000.20	429,650.45
2	Manywanda Primary School	KCB	1154501933	98,000.10	0.00
3	Kakremba Primary School	KCB	1207504970	27,559.30	115,589.45
4	Ogango Primary School	KCB	1135112702	115,000.45	0.00
5	Chianda Primary School	KCB	1208920279	122,457.30	0.00
6	Wagoro Primary School	KCB	1132565170	32,000.75	0.00
7	St Antony Palakobong Sec Sch.	EQUITY	O750298311122	324,450.00	0.00
8	Raliew Secondary School	KCB	1133790112	25,065.00	0.00
10	Rangengni Girls High School	EQUITY	O297329832	234,000.00	0.00
11	Makasembo Secondary School	EQUITY	O750402711310	15,987.00	427,000.65
12	Ramogi Ochieng Oneko Sec Sch	KCB	1137095156	115,780.00	0.00
13	Tanga Secondary School	KCB	1135314144	35,348.75	215,389.25
14	KMTC -RARIEDA	KCB	1203540949	3,004,578.00	6,510,000.00
	Total			4,209,226.85	7,697,629.80

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RARI 4 CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Draft Report 2018/2019	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)
1.0	Committee Expenses	See annex I: NG-CDFC minutes and attendance lists/register for the other eleven (11) meetings for your audit review	Peter Nyajure Achar		
	Included in the statement of receipts and payments under use of goods and services figure of Ksh. 13,497,740 is Kshs. 11,787,000 on committee expenses. However, only three (3) meetings out of a total of fourteen (14) committee sittings held were supported by minutes and attendance list				

	as required. Consequently, the regularity of the committee expenses of Ksh. 11,787,000 could not be confirmed for the year ended 30 th June, 2019.																									
2.0	<p>Emergency Projects</p> <p>Included under other grants and transfer balance of Kshs. 34,593,581 is emergency expenditure of Kshs. 2,500,000 on emergency projects. However, projects files containing documents such as requests and expenditure estimates and approval minutes relating to construction of toilets and class room were not availed for review.</p> <p>Consequently, the regularity of Kshs. 2,500,000 spent as emergency could not be confirmed for the year ended 30th June, 2019</p>	<p>The emergency projects were totaling to ksh. 2,500,000 as follows:</p> <table><tr><th>Project</th><th>Activity</th><th>amount</th></tr><tr><td>Othoche Pri Sch.</td><td>Renovation of a class blown up by wind</td><td>500,000</td></tr><tr><td>Rarieda Sec. Sch.</td><td>Renovation of classroom blown by wind</td><td>250,000</td></tr><tr><td>Ongielo Pri Sch.</td><td>Construction of sunk toilets</td><td>250,000</td></tr><tr><td>Madiany Ap line</td><td>Construction of sunk toilets</td><td>300,000</td></tr><tr><td>Majango Sec Sch</td><td>Construction of sunk toilets</td><td>250,000</td></tr><tr><td>St. Antony Palakobong Sec Sch</td><td>Construction of classroom</td><td>700,000</td></tr></table>	Project	Activity	amount	Othoche Pri Sch.	Renovation of a class blown up by wind	500,000	Rarieda Sec. Sch.	Renovation of classroom blown by wind	250,000	Ongielo Pri Sch.	Construction of sunk toilets	250,000	Madiany Ap line	Construction of sunk toilets	300,000	Majango Sec Sch	Construction of sunk toilets	250,000	St. Antony Palakobong Sec Sch	Construction of classroom	700,000	Peter Nyajure Achar		
Project	Activity	amount																								
Othoche Pri Sch.	Renovation of a class blown up by wind	500,000																								
Rarieda Sec. Sch.	Renovation of classroom blown by wind	250,000																								
Ongielo Pri Sch.	Construction of sunk toilets	250,000																								
Madiany Ap line	Construction of sunk toilets	300,000																								
Majango Sec Sch	Construction of sunk toilets	250,000																								
St. Antony Palakobong Sec Sch	Construction of classroom	700,000																								

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – RARIYA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

		<table><tr><td></td><td>blown up by wind</td><td></td><td></td></tr><tr><td>Rumia Pri Sch.</td><td>Construction of sunk toilets</td><td>250,000</td><td></td></tr><tr><td>Total</td><td></td><td>2,500,000</td><td></td></tr></table>		blown up by wind			Rumia Pri Sch.	Construction of sunk toilets	250,000		Total		2,500,000				
	blown up by wind																
Rumia Pri Sch.	Construction of sunk toilets	250,000															
Total		2,500,000															
		See annexes 2: The emergency projects files contents with requests, expenditure estimates and approval minutes relating to construction of toilets and classrooms for your audit review.															
1.0	Emphasis of Matter																
	Committee Allowances	The first reason why committee expenses increased is that imprests of Ksh. 4,487,000 under committee expenses which were taken in the financial year 2017/2018 were surrendered in the financial year 2018/2019 hence taking the figure for committee expenses up by Ksh. 4,487,000 in the financial year 2018/2019.	Peter Nyajure Achar														
	IPSAS 24 requires an explanation of the difference between the original and final budget. The budgetary provision in respect of committee expenses for the financial year 2018/2019 was Ksh. 5,271,226 but the management spent Ksh. 11,787,000 leading to unexplained over expenditure of Ksh. 6,515,774	The second reason why the figure went up was because administration/recurrent															

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RARIKI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

			<p>expenditure approved budget figure went up from Ksh.5, 891,379.31 in 2017/2018 to Ksh.6, 542,452.53 in 2018/2019 and also monitoring and evaluation budget went up from Ksh.2, 945,689.66 in 2017/2018 to Ksh.3, 271,226.27 in 2018/2019 implying a net increase of Ksh. 976,609.83 which also contributed to committee expenses going up.</p> <p>The third reason was as a result of balance brought forward in use of goods and services from financial year 2017/2018 of Ksh. 6.144,879 which also resulted in taking up the figure for committee expenses by another Ksh. 2,028,773.73</p> <p>Hence the total committee expenses figure of Ksh. 11,787,000 is composed of Ksh. 5,271,226 budget allocation in 2018/2019, committee expenses imprest s taken in 2017/2018 of Ksh. 4,487,000 and surrendered in 2018/2019 and lastly Ksh. 2,028,773.73 as part of brought forward</p>		
--	--	--	--	--	--

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RARIEDA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

			from 2017/2018 under use of goods and services of Ksh. 6,144,879. -See Annex 3			
2.0	Previous Year Issues The Constituency did not indicate the status and follow up of audit issues reported in the previous year in the financial statements as required by Public Sector Standards Board Reporting template	By the time the constituency was submitting the financial statements the report for the previous year had not been released.	Peter Nyajure Achar			