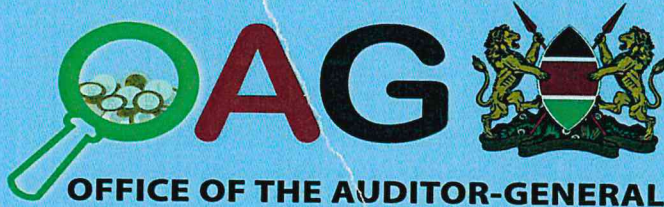


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 FEB 2022	DAY: Wed.
TABLED BY:	The Majority Whip, Hon. E. Wangwe, MP
CLERK AT THE TABLE:	Benon Inzogu.

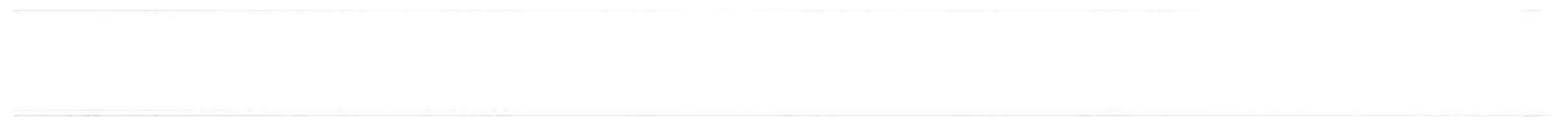
OF

THE AUDITOR-GENERAL

ON

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

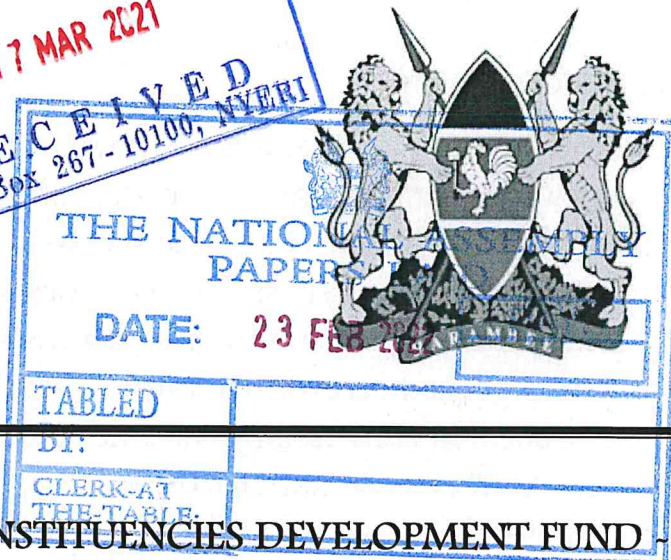
**FOR THE YEAR ENDED
30 JUNE, 2020**





OFFICE OF THE AUDITOR GENERAL
CENTRAL HUB
17 MAR 2021
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Revised Template 30th June 2020



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
KIENI 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)

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

KIENI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

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 KIENI 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	Jessi Mathu
2.	Sub-County Accountant	Erick Kiambi
3.	Chairman NGCDFC	James Maina
4.	Member NGCDFC	Dickson Ndirangu

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF Kieni Constituency Headquarters

P.O. Box 127 - 10104
NGCDF office
Along Nyeri /Nyahururu road
Mweiga, KENYA

KIENI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

(f) NGCDF Kieni Constituency Contacts

Telephone: (254) 725758965

E-mail: cdfkieni@ngcdf.go.ke

Website: www.ngcdf.go.ke

(g) NGCDF Kieni Constituency Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

2. Equity Bank,
Nyeri Branch
Nyeri town
A/C No. 01102972444437

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
KIENI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

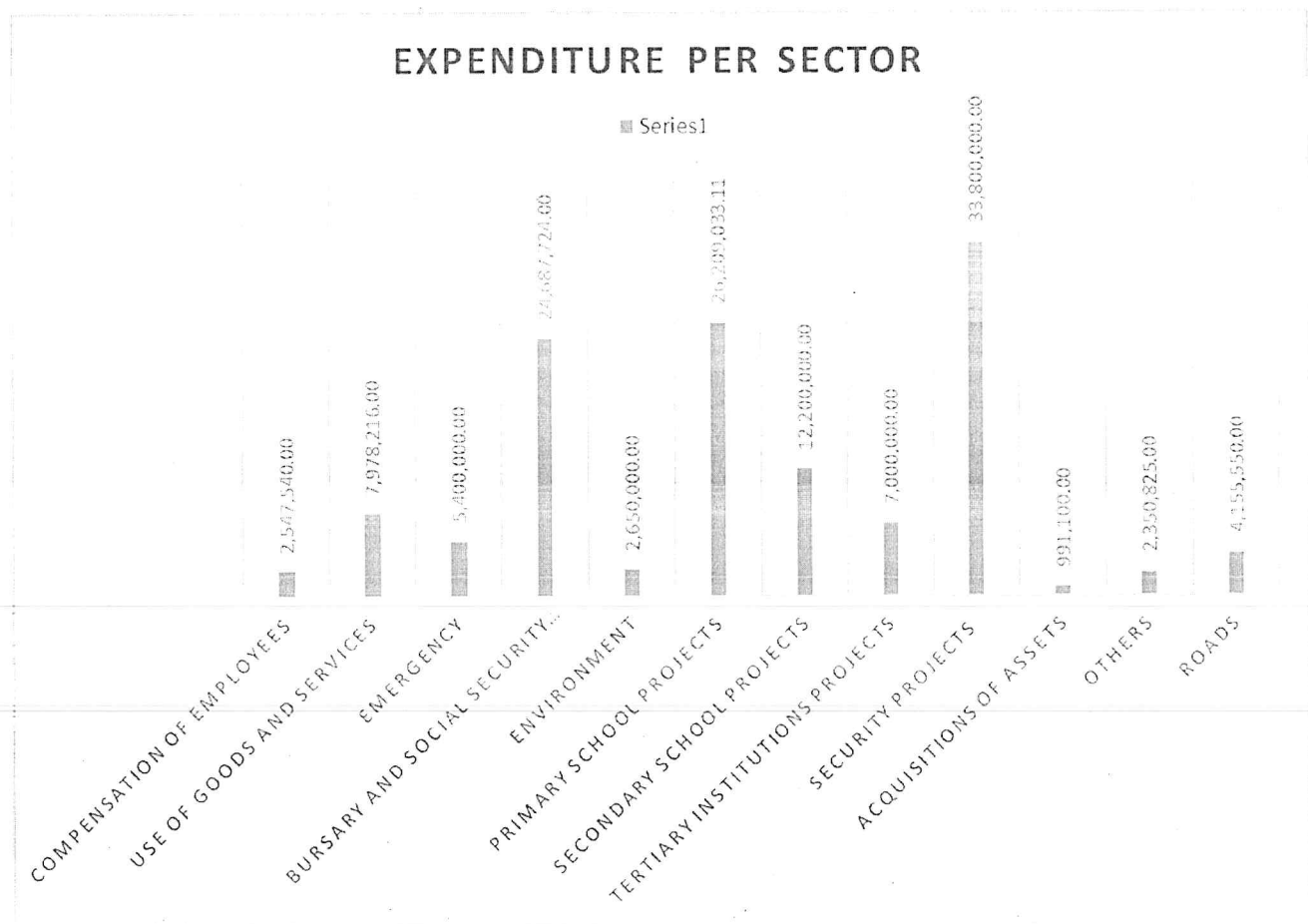
II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

It is my great pleasure to present the annual report and financial statement prepared in accordance with the cash basis of accounting method under the international public sector accounting standard (IPSAS) for the year ended 30th June 2020.

Kieni NG-CDF expected to receive receipts from the NGCDF board totalling to Kshs. 191,740,493. The constituency, however received Kshs. 117,933,721 leading to amount owing from the NGCDF board of Kshs. 73,806,771. This is 62% out of the expected budget. The constituency had balance brought forward from the previous year of Kshs. 20,415,596. In addition the constituency was able to collect Kshs. 191,000 as appropriation in aid. Therefore the total available funds for the year totalled to Kshs. 138,540,317.

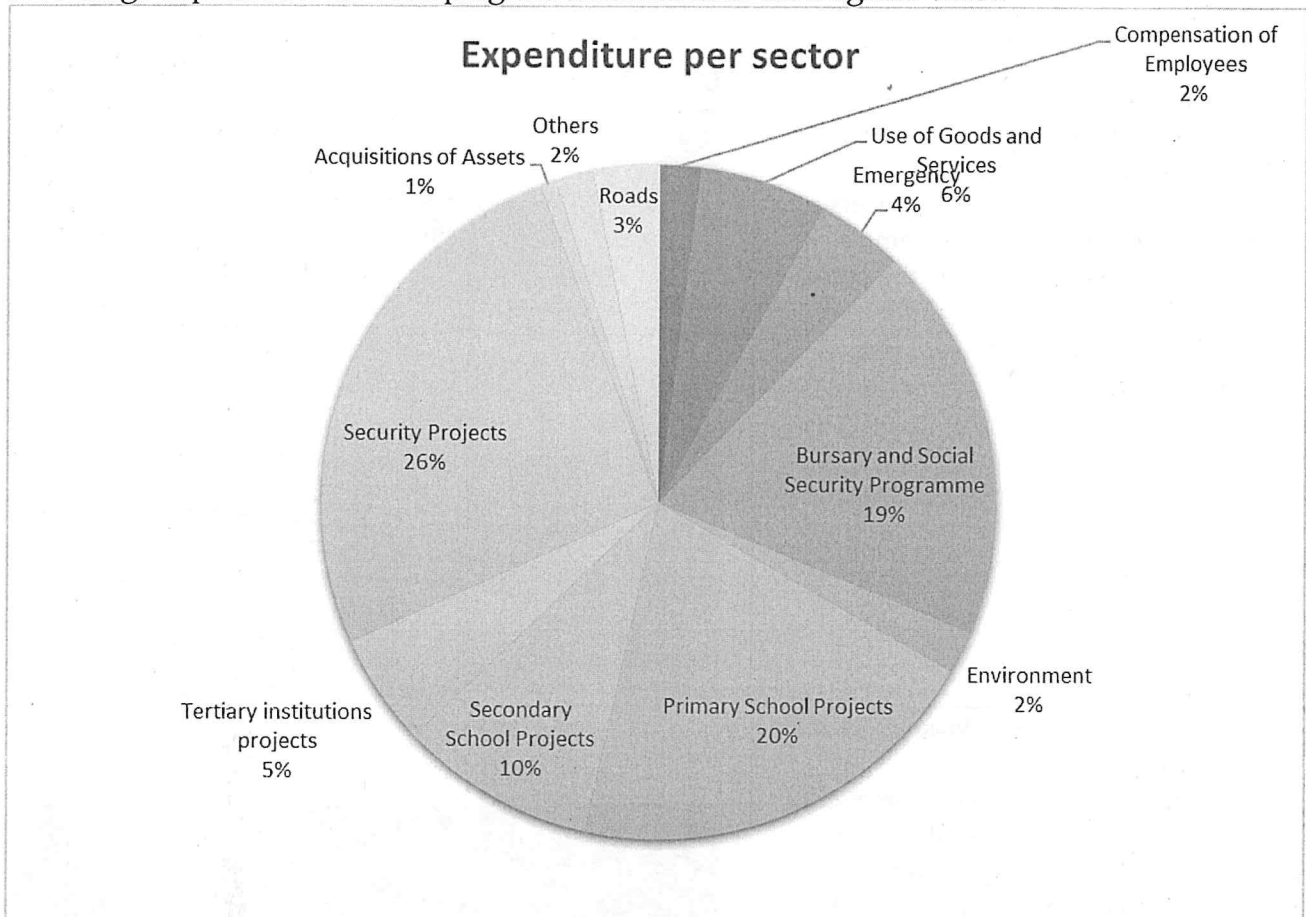
Out of the funds available, Kieni NGCDF had an expenditure totalling Kshs. 129,969,989. This lead to balance in cashbook of Kshs. 8,570,359

Budget execution by programme is indicated in the diagram below.




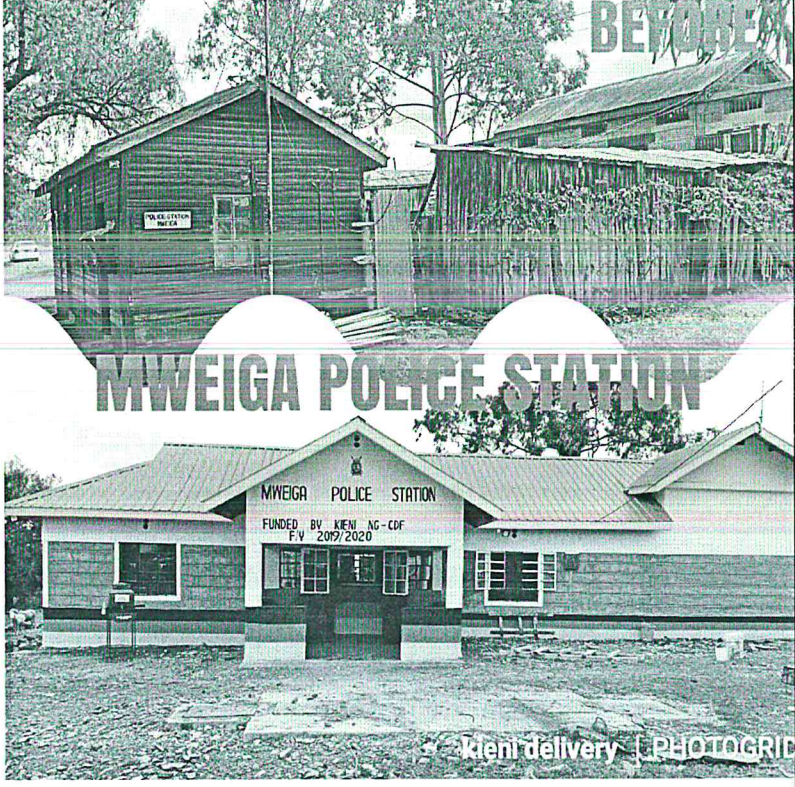
Out of the funds received, security projects received highest allocation of 26%. This includes construction of administration offices, housing and other infrastructure in the security sector. Education sectors comprising of primary schools, Secondary schools and tertially school received 20%, 10% and 5% respectively, this included construction of classes, offices and other infrastructure in the schools.

Percentage expenditure for each program is indicated in the diagram below



For the projects that had received their disbursement, 67 projects were implemented, out of which 44 are completed and 23 their implementation is in progress. Projects pictorial are as follows:

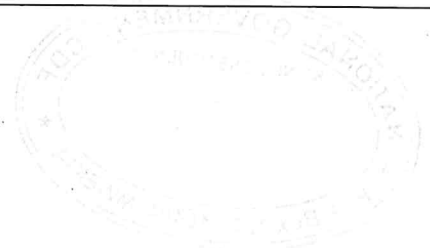
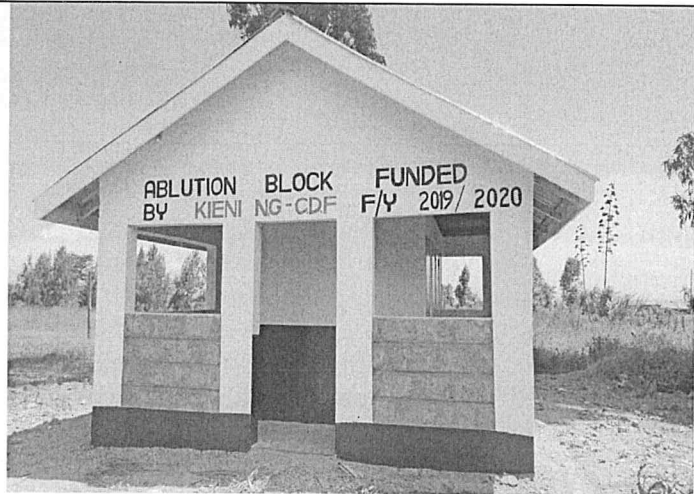
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
 KIENI CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2020**

NO.	Project name	Image of the project
	Security projects	
1	<p>Kieni East sub county offices - in Kieni East sub county headquarters in Naromoru town. This project comprised construction of 10 offices, The project assisted to accommodate more sub county officers providing conducive offices with ample space and more secure to serve the public. This is from the previous congested semi-permanent structures they were using previously.</p>	
2	<p>Mweiga police station – in Mweiga ward in mweiga town. The project comprises construction of of 8 offices. This project provides the security officers with good working environment while serving the public. This will assist to motivate the officers in their service delivery to the residents of Mweiga and its environs</p>	

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Education projects

3 Naromoru mixed secondary – in Narumoru Kiamathaga Ward
The project consisted construction of 8 door ablu- tion block and a urinal. The project funded from emergency kitty assisted to provide to the boys students proper sanitation block where their toilets had sunk due to the heavy rains in the area.

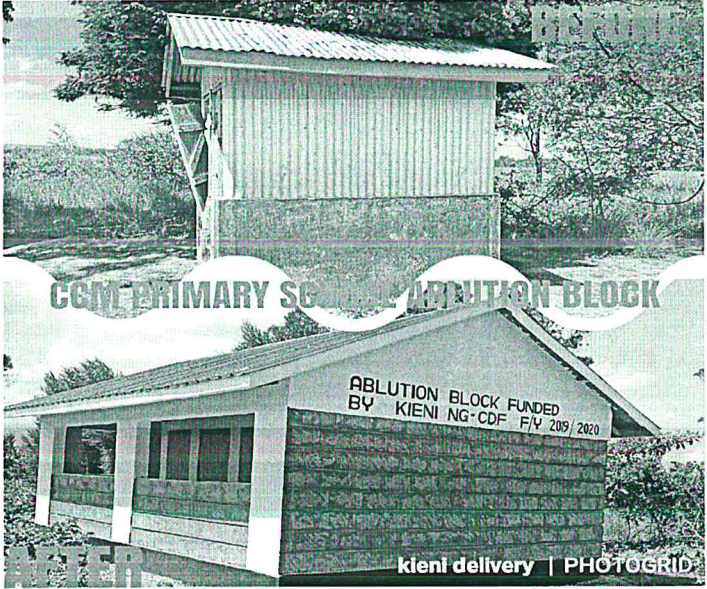
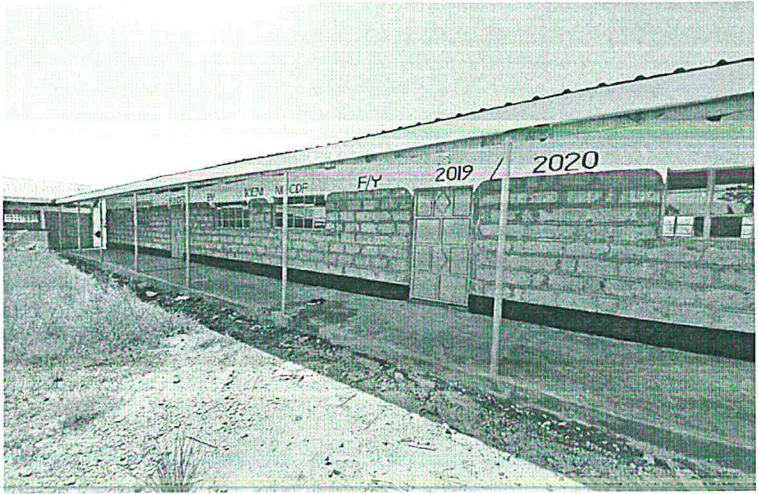


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

KIENI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

<p>4. CCM Nanyuki Primary school – in Gakawa ward</p> <p>The project consisted construction of 10 door abluion block for the girls pupils. The project funded from emergency kitty assisted to provide to the girls pupils proper sanitation block after their toilets sank due to heavy rains.</p>	
<p>5. Mureru primary school - in Gakawa ward, Kieni East Sub county.</p> <p>The project comprised construction of 3 classes.</p> <p>The project reduced the congestion of pupils in the classes. The school in had serious shortage of classes after several of their semi-permanent classes were condemned from use for any human habitation. The new classes are currently in use</p>	

Challenges

In course of the project implementation the NGCDF encountered a number of challenges:

- Delay in implementation of projects due to experienced rainy season making many areas become impassable to deliver materials.
- Delay in receipt from the NGCDF Board leading to underutilization of budget
- Vastness of the constituency hence not able to cover many areas with the allocation given.
- The covid – 19 pandemic leading scarcity of labour force and availability building materials.

However, the NGCDFC still continues to undertake intensive monitoring and evaluation of all ongoing projects. In addition undertaking training to both the project management committee members and the NGCDFC members and staff.

Sign



James Maina
CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED 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-Kieni Constituency's 2018-2022 plan are to:

- a) To improve education performance at all levels of education in academic and co - curricular activities
- b) To support equity and inclusiveness in development
- c) To enhance security of the constituents through multi stakeholders pronged approaches
- d) To harness the potential of the vulnerable groups in combating un employment
- e) To integrate ICT in development initiatives
- f) To assist in environment management and conservation program

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 education performance at all levels of education in academic and co-curricular activities	Increased enrolment and retention in primary schools and improved transition to secondary schools and tertiary institutions and improved school performance	number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 19/20 we supported 23 primary schools, 8 secondary schools and one tertiary institution to construct classrooms, laboratories, administration offices and dormitories
			number of bursary beneficiaries at all levels	in FY 19/20 through Bursary fund we supported 1159 students in tertiary institutions, 6225 students in secondary schools, and 55 students in special school

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

KIENI CONSTITUENCY

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For the year ended June 30, 2020

Security	To enhance security of the constituents through multi stakeholders pronged approaches	Improved security which provides conducive environment for the constituents undertake their economic activities	number of physical infrastructure supported under administration and security docket	During the year we supported 10 projects under this sector to construct administrative offices blocks
Environment	To assist in environment management and conservation program	Improved conservation and management of the environment in the constituency	number of physical infrastructure supported assist in conservation and management of the environment	During the year we supported 10 projects under this sector to harvest and store rain water in the respective projects
Disaster Management	To support management of unforeseen occurrences in the constituency	Enhanced management of the disasters and emergencies that occur within the constituency	Number of projects and programs undertaken to support any emergency occurrence	6 institutions were supported to assist in management of emergencies occurring from the heavy rains within the constituency
Social economic empowerment	To harness the potential of the venerable groups in combating un employment and ensuring equity and inclusiveness in development	Increased employment opportunities for the vulnerable groups	percentage of compliance to the award of tenders to the youth, women and the persons living with disabilities	During the year the constituency awarded 36% f its tender to the groups under AGPO certificates

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – Kieni 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 -

Kieni NGCDF focused on engaging both internal and external stakeholder in all its activities relating to identification, prioritization and implementation of projects, done through the existing structures and use of existing reports. In addition it was guided by the available resources, contract performance targets and working within the existing legal framework

2. Environmental performance

Through the NG-CDFC/Staff/PMC trainings, the NG-CDF undertook the responsibility of highlighting some of the environment management conservation measures. This includes incorporation of water harvesting and storage activities in the project planning, ensuring conservation of trees cover by minimizing clearing of trees, planting during project implementation. In addition encouraging tree sustainability of them in the project sites.

3. Employee welfare

On staff recruitment, the NG-CDF put focuses on the need basis depending on the responsibilities of the job putting into consideration the requirement in terms of skills, education, and competences applicable to the position in question. In order undertake the process, the NG-CDFC considers the existing staff recruitment circulars, both from the Board and the ministry of public service and other employment regulatory framework.

For the purposes of appointments to the various positions, the NG-CDFC considers the geographic representation in their appointments due to the vastness of the constituency though ensuring the minimum requirement are met.

In terms of remuneration, its done as per the civil service grading structure and salary scales.

In terms of safety, the NG-CDFC has installed fire extinguishers in the office to ensure safety of its staff in case of any fire outrange

During the project visits the employee are advised to ensure that they are in their protective gears wherever they are in the project sites.

4. Market place practices-

In line with ensuring fair competition and participation for all in the NG-CDF procurements, the process is done in accordance with the provisions of the Public procurement and disposal of assets act (2015). The advertisement are done and put in all the available public noticeboards which are accessible by all.

With exception of reserved supplies as per the reservation regulations all other supplies are open to any eligible supplier with any discrimination.

5. Community Engagements-

The NG-CDFC during project identification carried out public participation meetings in all the eight wards in the constituency as per the NG-CDF act (2015). Creating public awareness is also carried out during the project launching to ensure the public are informed on the available opportunities during the project implementation. This also assist to enhance social accountability by the community during the project cycle.

In addition the NG-CDFC members and staff participates in the local marathon in Tanyai to support the conservation of the Tanyai forest.

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 to that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NG-CDF-Kieni 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. These responsibilities 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.

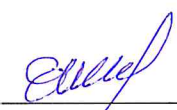
The Accounting Officer in charge of the NG-CDF-Kieni Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *Kieni NGCDF* 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 NG-CDF-Kieni Constituency further confirms the completeness of the accounting records maintained for the *Kieni NGCDF*, 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 NG-CDF-Kieni 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

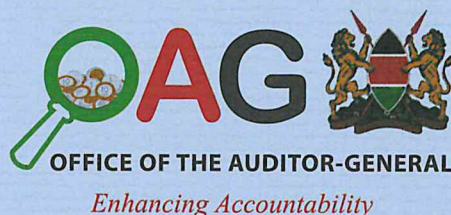
The NGCDF-Kieni Constituency financial statements were approved and signed by the Accounting Officer on _____ 2020.


FUND ACCOUNT MANAGER
NG - CDF KIENI CONSTITUENCY
P. O. BOX 10000 NAIROBI
Name: Jessi Mathu
ICPAK Member Number: 24530


Sub-County Accountant
Name: Erick Kiambi
ICPAK Member Number: 15276

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kieni Constituency set out on pages 15 to 47, which comprise the statement of financial assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cashflow and summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kieni 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 comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Presentation Errors in the Annual Reports and Financial Statements

The annual reports and financial statements prepared and presented for audit had not been dated.

Consequently, the financial statements as presented do not comply with International Public Sector Accounting Standard No.1 on presentation of financial statements and the Public Sector Accounting Standards Board Kenya guidelines and format.

2. Inaccurate Bank Balances

The statement of assets and liabilities reflects bank balances of Kshs.8,570,359 as at 30 June, 2020. However, included as part of reconciling items in the bank reconciliation statement were unrepresented cheques amounting to Kshs.268,326 which were already

stale as at 30 June, 2020 and had not been reversed in the cash book. No reason was given for failure to reverse the stale cheques or reconcile and clear the long outstanding items.

As a result, the accuracy and completeness of bank balances of Kshs.8,570,359 as at 30 June, 2020 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 - Kieni Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined, reflects receipts budget and actual on comparable basis of Kshs.208,250,671 and Kshs.137,999,197 respectively resulting in under-funding of Kshs.70,251,474 or about 34% of the budget. Similarly, the Fund expended Kshs.130,576,783 against an approved budget of Kshs.208,054,671 resulting to an under-expenditure of Kshs.77,477,888 or 37% of the budget. The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

2. Prior Year Unresolved Issues

In the audit report of the previous year, several issues were raised under Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management indicated that some of the issues have been resolved.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Poor Workmanship in Security Projects

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects other grants and transfers of Kshs.70,693,274. Included in this amount is an expenditure of Kshs.33,800,000 on security projects, which includes disbursements totalling Kshs.11,800,000 for four projects.

Physical verification of the projects revealed poor workmanship in three (3) projects with a budget of Kshs.10,800,000 while one (1) project with a budget of Kshs.1,000,000 had stalled.

As a result, no value for money has been realized in the implementation of these projects.

2. Poor Workmanship in Schools Project

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects other grants and other payments of Kshs.70,693,274. Included in this amount is an expenditure of Kshs.5,400,000 on emergency projects, out of which an amount of Kshs.2,000,000 was disbursed to two schools for construction of ablution block. However, physical verification of the projects on 21 January, 2021 revealed that construction works had not started at one of the schools despite the fact that the funds for the projects had been disbursed. Further, the ablution block constructed at the other school had visible cracks on the floor and the painting works had started to peel off indicating poor workmanship.

Consequently, no value for money has been realized in the implementation of these projects.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal control, risk management and overall governance were operating

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the 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 overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

07 February, 2022

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

KIENI CONSTITUENCY

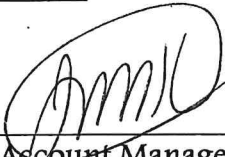
Reports and Financial Statements

For the year ended June 30, 2020

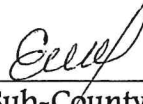
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020	2018 - 2019
			Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	117,933,721	110,184,483
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	191,000	5,000
TOTAL RECEIPTS		118,124,721	110,189,483
PAYMENTS			
Compensation of employees	4	3,154,335	3,025,693
Use of goods and services	5	8,799,041	9,257,572
Transfers to Other Government Units	6	45,409,033	43,631,034
Other grants and transfers	7	70,693,274	40,606,716
Acquisition of Assets	8	991,100	1,677,543
Other Payments	9	1,530,000	4,677,027
TOTAL PAYMENTS		130,576,783	102,875,585
SURPLUS/DEFICIT		(12,452,061)	7,313,898

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



Fund Account Manager
 Name: Jessi Mathu
 ICPAK Member Number: 24530



Sub-County Accountant
 Name: Erick Kiambi
 ICPAK Member Number: 15276

FUND ACCOUNTING MANAGER
 NG-CDF-KIENI CONSTITUENCY
 P.O. Box 127 - 10101, NAIROBI
 Date.....

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

KIENI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

VIII. STATEMENT OF ASSETS AND LIABILITIES



	Note	2019 - 2020 Kshs	2018 - 2019 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	8,570,359	20,415,596
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		8,570,359	20,415,596
Current Receivables-Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		8,570,359	20,415,596
FINANCIAL LIABILITIES			
Accounts Payable-Retention Gratuity	12A		
	12B	1,438,562	831,738
NET FINANCIAL ASSETS		7,131,797	19,583,858

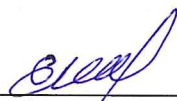
REPRESENTED BY

Fund balance b/fwd 1st July...	13	19,583,858	12,147,974
Surplus/Deficit for the year		(12,452,061)	7,313,898
Prior year adjustments	14		121,986
NET FINANCIAL POSITION		7,131,797	19,583,858

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kieni Constituency financial statements were approved on

2020 and signed by:



Fund Account Manager
 Name: Jessi Mathu
 ICPAK Member Number: 24530

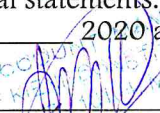

Sub-County Accountant
 Name: Erick Kiambi
 ICPAK Member Number: 15276

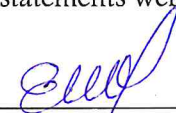
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
KIENI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

IX. STATEMENT OF CASHFLOW

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	117,933,721	110,184,483
Other Receipts	3	191,000	5,000
		118,124,721	110,189,483
Payments for operating expenses			
Compensation of Employees	4	3,154,335	3,025,693
Use of goods and services	5	8,799,041	9,257,572
Transfers to Other Government Units	6	45,409,033	43,631,034
Other grants and transfers	7	70,693,274	40,606,716
Other Payments	9	1,530,000	4,677,027
		129,585,683	101,198,042
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15		
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	121,986
Net Adjustments		-	121,986
Net cash flow from operating activities		(11,460,961)	9,113,427
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2		-
Acquisition of Assets	8	(991,100)	(1,677,543)
Net cash flows from Investing Activities		(991,100)	(1,677,543)
NET INCREASE IN CASH AND CASH EQUIVALENT		(12,452,061)	7,435,884
Cash and cash equivalent at BEGINNING of the year	13	19,583,858	12,147,974
Cash and cash equivalent at END of the year		7,131,797	19,583,858

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


Fund Account Manager
Name: Jessi Mathu
ICPAK Member Number: 24530


Sub-County Accountant
Name: Erick Kiambi
ICPAK Member Number: 15276

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


X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINE


Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	137,367,724	70,686,947	208,054,671	137,803,197	70,251,474	66%
Proceeds from Sale of Assets	0	0	0	-	-	
Other Receipts		196,000	196,000	196,000	-	100.00%
TOTAL RECEIPTS	137,367,724	70,882,947	208,250,671	137,999,197	70,251,474	66.30%
PAYMENTS						
Compensation of Employees	3,260,000	1,271,775	4,531,775	3,154,335	1,377,440	69.60%
Use of goods and services	9,103,095	2,866,886	11,969,981	8,799,041	3,170,940	73.51%
Transfers to Other Government Units	52,909,033	17,500,000	70,409,033	45,409,033	25,000,000	64.49%
Other grants and transfers	72,095,596	44,842,286	116,937,882	70,693,274	46,244,608	60.45%
Acquisition of Assets	0	1,700,000	1,700,000	991,100	708,900	58.30%
Other Payments (CIH)	0	2,506,000	2,506,000	1,530,000	976,000	61.05%
TOTAL	137,367,724	70,686,947	208,054,671	130,576,783	77,477,888	62.50%

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

- i. The underutilization on the receipts from the NGCDF Board relates amount owing from the NGCDF Board
- ii. Underutilization on the compensation of employees is due to unpaid gratuity, to be paid at the end of the contract
- iii. Underutilization on the use of goods, transfer to other government units, other grants and transfers, Acquisition assets is due to the amount owing from the Board

The NGCDF-Kieni Constituency financial statements were approved on _____ 2020 and signed by:


Fund Account Manager
Name: Jessi Mathu
ICPAK Member Number: 24530


Sub-County Accountant
Name: Erick Kiambi
ICPAK Member Number: 15276

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

I. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2019/2020 Kshs	2019/2020 Kshs	2019/2020 Kshs	2019/2020 Kshs	2019/2020 Kshs
1.0 Administration					
Employees' Salaries	3,260,000.00	1,271,775.00	4,531,775.00	3,154,335.00	1,377,440.00
Goods and Services	3,182,063.45	767,944.95	3,950,008.40	3,383,541.00	566,467.40
Committee Expenses	1,800,000.00	571,000.00	2,371,000.00	1,212,900.00	1,158,100.00
Sub-Total	8,242,063.45	2,610,719.95	10,852,783.40	7,750,776.00	3,102,007.40
2.0 Monitoring and Evaluation					
Goods and Services	1,317,031.72	362,756.00	1,679,787.72	1,540,800.00	138,987.72
Committee Expenses	804,000.00	264,979.00	1,068,979.00	998,000.00	70,979.00
Capacity Building of NG-CDFs/PMCs	2,000,000.00	900,206.00	2,900,206.00	1,663,800.00	1,236,406.00
Sub-Total	4,121,031.72	1,527,941.00	5,648,972.72	4,202,600.00	1,446,372.72
3.0 Emergency					
Emergency	7,198,241.38	17,993.00	7,216,234.38	5,400,000.00	1,816,234.38
Sub-Total	7,198,241.38	17,993.00	7,216,234.38	5,400,000.00	1,816,234.38
4.0 Bursary and Social Security Programme					
Bursary Secondary Schools	20,000,000.00	16,805,000.45	36,805,000.45	17,921,088.00	18,883,912.45
Bursary Tertiary Schools	14,500,000.00	6,304,493.00	20,804,493.00	6,463,636.00	14,340,857.00
Bursary Special Schools	500,000.00	500,000.00	1,000,000.00	303,000.00	697,000.00
Sub-Total	35,000,000.00	23,609,493.45	58,609,493.45	24,687,724.00	33,921,769.45
5.0 Sports					
Sports	2,747,354.48	-	2,747,354.48	-	2,747,354.48
Sub - Total	2,747,354.48	0.00	2,747,354.48	0.00	2,747,354.48

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

6.0 Environment								
Narumoru Police station	265,000.00			-	265,000.00			265,000.00
Endarasha police staion	265,000.00			-	265,000.00			265,000.00
Karundas chiefs office	265,000.00			-	265,000.00			265,000.00
Embaringo police station	265,000.00			-	265,000.00		265,000.00	
Kabendera location administration office	265,000.00			-	265,000.00			265,000.00
Ndathi police station	265,000.00			-	265,000.00			265,000.00
Burguret Police station	265,000.00			-	265,000.00			265,000.00
Amboni police post	265,000.00			-	265,000.00			265,000.00
Githima AP post	265,000.00			-	265,000.00		265,000.00	0
Gatuanyaga assitant chiefs office	265,000.00			-	265,000.00			265,000.00
Embaringo AP post				265,000.00	265,000.00			0
Kimbogo Police post				265,000.00	265,000.00			0
Kimburaini Chiefs Office				265,000.00	265,000.00			0
Lusoi AP post				265,000.00	265,000.00			0
Warazo Jet AP post				265,000.00	265,000.00			0
Mweiga Police station				265,000.00	265,000.00			0
Muthuini AP post				265,000.00	265,000.00			0
Equators assistant chiefs office				265,000.00	265,000.00			0
Sub- Total	2,650,000.00			2,120,000.00	4,770,000.00		2,650,000.00	2,120,000.00
7.0 Primary School Projects								
Manyatta primary school	1,200,000.00			-	1,200,000.00		1,200,000.00	0.00
Mwiciuri primary School	1,200,000.00			-	1,200,000.00		-	1,200,000.00
Kimbo primary school	1,200,000.00			-	1,200,000.00		1,200,000.00	0.00
Aguthi primary school	1,000,000.00			-	1,000,000.00		1,000,000.00	0.00
Tigithi primary school	500,000.00			-	500,000.00		500,000.00	0.00
Rongai primary school	700,000.00			-	700,000.00		700,000.00	0.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KIENI CONSTITUENCY

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

Karicheni primary school	1,200,000.00	-	1,200,000.00	1,200,000.00	0.00
Muthuini primary school	2,000,000.00	-	2,000,000.00	-	2,000,000.00
Wendiga primary school	1,000,000.00	-	1,000,000.00	1,000,000.00	0.00
Lachuta primary school	1,200,000.00	-	1,200,000.00	1,200,000.00	0.00
Ndunyu gwathi pry sch	1,200,000.00	-	1,200,000.00	1,200,000.00	0.00
Kiahuria primary School	400,000.00	-	400,000.00	400,000.00	0.00
Muthangira primary school	1,200,000.00	-	1,200,000.00	1,200,000.00	0.00
Nairutia primary school	800,000.00	-	800,000.00	800,000.00	0.00
Mugaka hill primary school	2,000,000.00	-	2,000,000.00	2,000,000.00	0.00
Biricha primary school	1,200,000.00	-	1,200,000.00	1,200,000.00	0.00
Kimahuri primary school	1,200,000.00	-	1,200,000.00	1,200,000.00	0.00
Munyu primary school	1,200,000.00	-	1,200,000.00	1,200,000.00	0.00
Mbiriri primary school	1,200,000.00	-	1,200,000.00	-	1,200,000.00
Kamatongu primary school	1,000,000.00	-	1,000,000.00	-	1,000,000.00
Ikumari primary school	1,000,000.00	-	1,000,000.00	-	1,000,000.00
Kiguru primary school	2,000,000.00	-	2,000,000.00	-	2,000,000.00
Mwangaza primary primary school	1,200,000.00	-	1,200,000.00	-	1,200,000.00
Bondeni Primary school	1,000,000.00	-	1,000,000.00	1,000,000.00	0.00
CCM nanyuki primary school	2,000,000.00	-	2,000,000.00	-	2,000,000.00
Katheri primary school	2,200,000.00	-	2,200,000.00	-	2,200,000.00
Airstrip primary school	1,200,000.00	-	1,200,000.00	1,200,000.00	0.00
Guara primary school	1,000,000.00	-	1,000,000.00	-	1,000,000.00
Mureru primary school	2,809,033.11	-	2,809,033.11	2,809,033.11	0.00
Kiaragana Primary School		1,300,000.00	1,300,000	1,300,000	0
Aguthi Primary School		1,000,000.00	1,000,000	1,000,000	0
Karundas Primary School		1,000,000.00	1,000,000	1,000,000	0
Bellevue Primary School		700,000.00	700,000	700,000	0
Sub-Total	37,009,033.11	4,000,000.00	41,009,033.11	26,209,033.11	14,800,000.00

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

8.0 Secondary School Projects						
Narumoru Boys Secondary school	1,000,000.00	-	1,000,000.00	1,000,000.00		0.00
Karundas secondary school	2,000,000.00	-	2,000,000.00	-		2,000,000.00
Narumoru girls secondary school	2,000,000.00	-	2,000,000.00	2,000,000.00		0.00
Mwiyo secondary school	1,000,000.00	-	1,000,000.00	-		1,000,000.00
Embaringo secondary school	1,200,000.00	-	1,200,000.00	-		1,200,000.00
Gakanga secondary school	1,200,000.00	-	1,200,000.00	-		1,200,000.00
St. bakhita Gatarakwa girls secondary school	2,000,000.00	-	2,000,000.00	-		2,000,000.00
Ndathi secondary school	1,500,000.00	-	1,500,000.00	1,500,000.00		0.00
Munyu secondary school	2,000,000.00	-	2,000,000.00	-		2,000,000.00
St.joseph allamano secondary school	2,000,000.00	-	2,000,000.00	-		2,000,000.00
Ruirii Secondary School		2,000,000.00	2000000	2000000		0.00
Njengu Secondary School		1,500,000.00	1500000	1500000		0.00
Mere Secondary School		1,000,000.00	1000000	1000000		0.00
St.Joseph Simbara sec sch	0	-	0	1200000		-1,200,000.00
Karemeno secondary school		2,000,000.00	2000000	2000000		0.00
Sub-Total	15,900,000.00	6,500,000.00	22,400,000.00	12,200,000.00		10,200,000.00
9.0 Tertiary institutions projects						
KMTC kieni campus	0	7,000,000.00	7000000	7000000		0
Sub - Total	0	7,000,000.00	7000000	7000000		0
10.0 Security Projects						
Narumoru Police station	3,900,000.00	-	3,900,000.00	3,900,000.00		0.00
Endarasha police station	3,900,000.00	-	3,900,000.00	3,900,000.00		0.00
embaringo police station	3,900,000.00	-	3,900,000.00	3,900,000.00		0.00
embaringo police station	1,000,000.00	-	1,000,000.00	1,000,000.00		0.00
Kabendera location administration office	2,000,000.00	-	2,000,000.00	-		2,000,000.00
Ndathi police station	3,900,000.00	-	3,900,000.00	3,900,000.00		0.00
Burguret Police station	3,900,000.00	-	3,900,000.00	3,900,000.00		0.00

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

Gatunyaga assistant chiefs office	2,000,000.00	-	2,000,000.00	-	2,000,000.00
Mweiga Police Station		3,000,000.00	3000000	3000000	0.00
Chaka police station		4,000,000.00	4000000	4000000	0.00
Kieni East Sub County Offices		3,800,000.00	3800000	3800000	0.00
Amboni Police Post		2,500,000.00	2500000	2500000	0.00
Sub - Total	24,500,000.00	13,300,000.00	37,800,000.00	33,800,000.00	4,000,000.00
11.0 Acquisitions of Assets					0
NG- CDF office	0	1,700,000.00	1700000	991100	708900
Sub-Total	0	1,700,000.00	1700000	991100	708900
12.0 Others					
Strategic plan		2,506,000.00	2506000	1530000	976000
Sub-Total	0	2,506,000.00	2506000	1530000	976000
13.0 Roads					
Junt D448-Kamburaini		315,000.00	315000	315000	0
Mitero-Gitubururu		882,000.00	882000	882000	0
Kania-Ngerima Road		882,000.00	882000	-	882000
Junt D540 -Kaiga		227,000.00	227000	-	227000
Chamata -Kwa Jiko Road		529,000.00	529000	529000	0
D448 Karkuret-Ngonde E594		940,800.00	940800	940800	0
Kiriaku-Mayatta FCEA		378,000.00	378000	378000	0
Bagdad -Forest Edge		227,000.00	227000	227000	0
Ruirii Karemeno road		530,250.00	530250	-	530250
B5 Solio-L3854 Charity		883,750.00	883750	883750	0
Sub-Total	0	5,794,800.00	5794800	4155550	1,639,250
GRAND TOTAL	137,367,724.14	70,686,947.40	208,054,671.54	130,576,783.11	77,477,888.43

(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)

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II. 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-Kieni 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.

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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.

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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.

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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.

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III. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019 - 2020	2018 - 2019
		Kshs	Kshs
	AIE NO. B 005342		53,784,483
Normal Allocation	AIE NO. B 030030		1,000,000
	AIE NO. B 030020		1,400,000
	AIE NO. B 030186		10,000,000
	AIE NO. B 030437		13,000,000
	AIE NO. B 006379		7,000,000
	AIE NO. A 699128		11,000,000
	AIE NO. B 047008		13,000,000
	AIE NO. B 047174	48,294,471	
	AIE NO. B 047461	4,000,000	
	AIE NO. B 041296	18,000,000	
	AIE NO. B 047921	6,000,000	
	AIE NO. B 047716	5,000,000	
	AIE NO. B 049308	14,000,000	
	AIE NO. B 104333	21,000,000	
	AIE NO. B 096781	1639250	
Conditional Grants	AIE NO...		
Receipt from other Constituency			
TOTAL		117,933,721	110,184,483

2. PROCEEDS FROM SALE OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Receipts from sale of Buildings	Nil	Nil
Receipts from the Sale of Vehicles and Transport Equipment	Nil	Nil
Receipts from sale of office and general equipment	Nil	Nil
Receipts from the Sale Plant Machinery and Equipment	Nil	Nil
Total		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Interest Received		-
Rents		-
Sale of Tender Documents	150,000	5,000
Other Receipts Not Classified Elsewhere (specify)	41000	
TOTAL	191,000	5,000

4. COMPENSATION OF EMPLOYEES

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Basic wages of temporary employees	2,163,118	1,959,550
Basic wages of casual labour		
Personal allowances paid as part of salary		
House allowance	285,000	142,500
Transport allowance		
Leave allowance		
Other personnel payments		
Employer contribution to NSSF	99,423	91,905
Gratuity-contractual employees		
Gratuity-accrued	606,794	831,738
TOTAL	3,154,335	3,025,693

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Utilities, supplies and services	19,250	21,746.00
Electricity	88,194	96,714.00
Water & sewerage charges	413	11,749.00
Office rent	96,800	145,200.00
Communication, supplies and services	0	-
Domestic travel and subsistence	219,600	470,700.00
Printing, advertising and information supplies & services	506,000	-
Rentals of produced assets	-	-
Training expenses	1,683,800	895,000.00
Hospitality supplies and services	301,980	455,490.00
Other committee expenses	1,833,000	424,000.00
Committee allowance	1,091,000	2,830,000.00
Insurance costs	174,903	215,465.00
Specialised materials and services	-	-
Office and general supplies and services	359,760	1,056,218.00
Fuel , oil & lubricants	1,400,000	1,150,000.00
Other operating expenses	230,100	-
Bank service commission and charges	158,592	82,810.00
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	635,649	408,481.00
Routine maintenance- other assets	0	-
Strategic plan		944,000
TOTAL	8,799,041	9,257,572

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description		2019 - 2020	2018 - 2019
		Kshs	Kshs
Transfers to Primary Schools		26,209,033	21,231,034
Transfers to Secondary Schools		12,200,000	21,700,000
Transfers to Tertiary Institutions		7,000,000	700,000
Transfers to Health Institutions		-	-
TOTAL		45,409,033	43,631,034

7. OTHER GRANTS AND OTHER PAYMENTS

Description		2019 - 2020	2018 - 2019
		Kshs	Kshs
Bursary - Secondary		17,921,088	2,131,000
Bursary –Tertiary		6,463,636	4,781,200
Bursary- Special Schools		303,000	8,000
Mocks & CAT		-	-
Water		-	-
Food Security		-	-
Electricity		-	-
Security		33,800,000	24,037,930
Roads and Bridges		4,155,550	-
Sports		-	1,963,793
Environment		2,650,000	1,963,793
Cultural Projects		-	-
Agriculture		-	-
Emergency Projects		5,400,000	5,721,000
TOTAL		70,693,274	40,606,716

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

<u>Non Financial Assets</u>		2019 - 2020	2018 - 2019
		Kshs	Kshs
Purchase of Buildings		-	-
Construction of Buildings		-	105,573.00
Refurbishment of Buildings		-	-
Purchase of Vehicles		-	-
Purchase of Bicycles & Motorcycles		-	-
Overhaul of Vehicles		-	-
Purchase of office furniture and fittings		-	998,000
Purchase of computers ,printers and other IT equipment		991,100	573,970
Purchase of photocopier		-	-
Purchase of other office equipments		-	-
Purchase of soft ware		-	-
Acquisition of Land		-	-
TOTAL		991,100	1,677,543

9. OTHER PAYMENTS

		2019 - 2020	2018 - 2019
Strategic Plan		1,530,000	
ICT Hubs		-	4,677,027
			-
TOTAL		1,530,000	4,677,027

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10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	Account Number	2019 - 2020	2018 - 2019
		Kshs (30/6/2020)	Kshs (30/6/2019)
<i>Equity Bank, Nyeri Branch . Kieni NG-CDF</i>	<i>A/C no.1146215614</i>	8,570,359	20,415,596
10B: CASH IN HAND)			
		2019 - 2020	2018 - 2019
		Kshs (30/6/2019)	Kshs (30/6/2018)
Location 1		-	-
Other receipts (specify)		-	-
TOTAL		-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

Total

-

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

12A. RETENTION

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Supplier 1	-	-
Total	-	-

[Provide short appropriate explanations as necessary]

12B. GRATUITY DEPOSITS

Name of the employee	2019-2020 closing balance	2019-2020 Amount charged	2019/2020 Balance B/F	2018-2019
Loise Mukuhi Thangari	218,972.40	88,703.40	130,269	130,269
Jedida Wangui Meru	218,972.40	88,703.40	130,269	130,269
Joseph Gikonyo Wanjau	250,693.00	100,812.00	149,881	149,881
Samson Karanja Mambo	116,815.40	48,527.40	68,288	68,288
Patrick Mwaniki Ndung'u	116,815.40	48,527.40	68,288	68,288
Peter Mwangi Theuri	116,815.40	48,527.40	68,288	68,288
Stephen Ndegwa Maina	234,763.00	106,826.00	127,937	127,937
Nathan Wang'ombe Ngunjiri	164,684.00	76,167.00	88,517	88,517
TOTAL	1,438,532	606,794.00	831,738	831,738

The balance brought forward relates to un paid gratuity accrued from the previous years to be paid at the end of the contract period of each staff

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13. BALANCES BROUGHT FORWARD

		2019 - 2020	2018 - 2019
		Kshs (1/7/2019)	Kshs (1/7/2018)
Bank accounts		19,583,858	12,147,974
Cash in hand			
Imprest			
TOTAL		19,583,858	12,147,974

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY2019 - 2020 per Financial statements	Adjustments	Adjusted balance b/f 2018 - 2019
Description of the error	Kshs	Kshs	Kshs
Bank accounts balances	-	-	121,986
Cash in hand	-	-	-
Accounts Payable	-	-	-
Receivables	-	-	-
Others (specify)	-	-	-
TOTAL	-		121,986

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING 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	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Staff salaries	-	-
Staff Gratuity	1,438,532	831,738
Others (specify)	-	-
Total	1,438,532	831,738

17.3: UNUTILIZED FUND (See Annex 3)

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Un utilized funds (see annex 3)	82,186,100	74,788,365

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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)	52,147,009	5,282,412

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KIENI CONSTITUENCY
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KIENI CONSTITUENCY
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group		Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Outstanding Balance 2019	Comments
			a	B	c	d=a-c		
NGCDFC staff salary								
1.								
Sub-Total								
NHGCDFC staff Gratuity								
Loise Mukuhi	G		88,703	30/06/2020	0	88,703	130,269	To be paid end of contract
Jedida Meru	G		88,703	30/06/2020	0	88,703	130,269	To be paid end of contract
Josph Gikonyo	H		100,812	30/06/2020	0	100,812	149,881	To be paid end of contract
Samson Karanja	C		48,527	30/06/2020	0	48,527	68,288	To be paid end of contract
Patrick Mwaniki	C		48,527	30/06/2020	0	48,527	68,288	To be paid end of contract
Peter Theuri	C		48,527	30/06/2020	0	48,527	68,288	To be paid end of contract
Stephen Ndegwa	J		106,826	30/06/2020	0	106,826	127,937	To be paid end of contract
Nathan Wangombe	G		76,167	30/06/2020	0	76,167	88,517	To be paid end of contract
Sub-Total								
			606,794			606,794	831,738	

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Outstanding Balance 2019	Comments
		a	b	c	d=a-c		
Compensation of employees							
1. Employees salaries and gratuity	Payment of salaries and gratuity	5,160,640	30/06/2020	2,547,541	2,613,100	1,900,640	
Use of goods and services							
1. Use of goods and services	Payment for office administration expenses and facilitate monitoring and evaluation and NGCDFC/PMC capacity building	11,300,064	30/06/2020	7,978,216	3,321,848	4,702,969	
Amounts due to other Government entities							
1. Primary Schools	Construction of classrooms, office administration blocks and renovation of classrooms	41,009,033	30/06/2020	26,209,033	14,800,000	4,000,000	
2. Secondary Schools	Construction of classrooms, office administration blocks and laboratories	22,400,000	30/06/2020	12,200,000	10,200,000	6,500,000	
3. Tertiaily institutions	construction of classrooms and other learning facilities	7,000,000	30/06/2020	7,000,000.00	-	7,000,000	
Sub-Total		70,409,033		45,409,033	25,000,000	17,500,000	
Amounts due to other grants and other transfers							
1. Bursary secondary school	Bursary support to needy secondary students	36,869,000	30/06/2020	17,921,088	18,947,912	16,869,000	
2. Bursary tertially school	Bursary support to needy secondary students	20,718,800	30/06/2020	6,463,636	14,255,164	6,218,800	
3. Bursary - special school	Bursary support to needy secondary students	1,033,300	30/06/2020	303,000	730,300	533,300	
4. Sports	facilitate constituency tournament	4,765,759	30/06/2020	-	4,765,759	2,018,404	

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5. Emergency	cater for unscen occurrences in the constituency	7,216,235	30/06/2020	5,400,000	1,816,235	17,993	
6. Security Projects	Construction of offices	37,800,001	30/06/2020	33,800,000	4,000,001	13,300,001	
7. Roads and Bridges Projects	Grading of roads	7,999,800	30/06/2020	4,155,550	3,844,250	7,999,800	
8. Environmental Projects	water harvesting and storage	4,770,000	30/06/2020	2,650,000	2,120,000	2,120,000	
Sub-Total		121,172,894		70,693,274	50,479,620	49,077,298	
Acquisition of assets							
NGCDF office	NGCDF office renovations and purchase of equipment's	1,607,457	30/06/2020	991,100	616,357	1,607,458	
Others							
Strategic plan	Preparation and printing of constituency strategic plan	2,506,000	30/06/2020	2,350,825	155,175	-	
Grand Total		212,156,088.66		129,969,989	82,186,100	74,788,365	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost Kshs 2019/2020	Additions during the year	Disposals during the year	Historical Cost Kshs 2018/2019
Land	0	-	-	0
Buildings and structures	20,888,456	-	-	20,888,456
Transport equipment	9,763,625	-	-	9,763,625
Office equipment, furniture and fittings	2,248,518	-	-	2,248,518
ICT Equipment, Software and Other ICT Assets	2,468,406	991,100	-	1,477,306
Other Machinery and Equipment	18,005,520	-	-	18,005,520
Heritage and cultural assets	0	-	-	0
Intangible assets	0	-	-	0
Total	53,374,525	991,100	0	52,383,425

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

Name	Bank Account No	Balance as 1st june 2019	Balance as 1st june 2020
D448 Kurkuret Ngonde E594	1150279385294	-	3,102
Aguthi Primary school	1150279385195	-	2,000,000
Airstrip Primary school	1150279832998	-	477,682
Amboni Police post	1150279598416	-	2,500,000
B5 Solio L3854 Charity Road	1150279833024	-	43,630
Bagdad forest edge	1150279745225	-	2,392
Bellevue Primary school	0110100203916	-	700,000
Biricha primary schhol	0110269956783	-	114,807
Bondeni primary school	0110297126222	-	1,000,000
Burguret Police station	1150279833008	-	3,900,000
Chaka Police station	1150279411491	-	4,000,000
Chamata Kwa Jiko Road	1150279559082	-	3,802
Embaringo AP Post	1150277812032	-	265,880
Embaringo police station	1150279708807	-	4,067,275
Endarasha Police station	1150279833002	-	1,601,091
Equator Assitant Chiefs office	1150279559134	-	265,000
Githima AP post	1150277915063	-	265,000
githura pry sch	1150276286684	1,999,760	705,912
Junct D448 Kambuaini	1150279813528	-	960
Kamburaini chiefs office	0110266239233	-	270,131
Karemeno secondary school	1150279387211	-	2,000,000
Karicheni Primary school	0110269958533	-	258,279
Karundas Primary school	1150279426979	-	1,000,000
Kiahuria primary school	1150278821508	850,000	1,250,000
Kiambogo police post	1150277915087	399,760	263,420
Kiaragana primary school	1150279404934	-	157,519
Kieni East Sub county offices	1150279385262	-	371,647
Kimahuri Primary school	1150262213176	-	641,636
Kimbo primary school	1150279825302	-	90,113
Kiriaku-Manyatta PCEA	1150279390758	-	2,647
KMTC kieni campus	1150276271630	330,034	6,507,519
Lachuta Prprimary school	1150279833040	-	149,530
Lusoi AP Post	1150276287229	-	265,210
Manyatta Primary school	1150279859406	-	1,200,000
Mere Secondary school	1150278821408	238,437	1,255,482

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Mitero Gitubururu	1150279385227	-	46
Mitero Primary school	1150198546730	-	1,001,700
Mugaka Hill Primary school	0110269443787	23,020	991,494
Munyu primary school	1150199860794	1,057	1,201,057
Mureru Primary school	1150276286489	-	476,774
Muthangira Primary school	0110297220488	45	178,491
Muthu-ini AP Post	1150277812082	195,970	26,122
Mweiga Police station	1150279418329	-	259,015
Nairutia primary school	0110268884272	402,256	1,202,256
Naromoru Mixed sec sch	1150279859447	-	83,710
Naromoru Police station	1150279821353	-	490,789
Narumoru boys sec sch	0110268884430	245,302	1,952
Narumoru Girls sec sch	1150279646723	-	2,000,000
Ndathi Police station	1150279821332	-	594,477
Ndathi sec sch	0110261724241	503,055	2,003,055
Ndunyu gwathi primary school	1150279778666	-	111,505
Njeng'u secondary school	0110269958666	3,315	141,393
Rongai primary school	0110263546895	15,395	715,395
Ruiriii Secondary school	0110266350099	71,006	2,020,871
St joseph Simbara sec sch	1150279833011	-	184,755
Tigithi Primary school	1150279894503	-	500,000
Warazojet AP Post	1150279558935	-	265,000
Wendiga primary sch	1150299369357	4,000	97,485
		5,282,412	52,147,009

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	During the financial year under review, the Kieni NGCDF disbursed Kshs. 24,037,930 to difference projects under the security item. Included in the disbursements was Kshs. 2,600,000 allocated to the following two projects which although completed were not in use	<p>- <i>Embaringo AP post project funded consisted of construction of staff houses which have been done to completion, however the project requires construction of washrooms for use by the occupants. The project has been allocated more funds in the financial year 2019/2020 for the construction of the ablution block to make the project usable.</i></p> <p>- <i>The project consisted construction of office for use by the Gitegi assistant chiefs. The project was constructed to completion and is in use, though there was no one</i></p>	NGCDFC - Chairman	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<i>present in office during the project inspection.</i>			
	A review of the Summary of fixed assets appended to the financial statements reflects various Assets with historical cost of Kshs 52,383,425 as at June 2019. However, the breakdown showing balances allocated to each asset were not provided. Further, included in this balance was a Toyota Hilux Double Cabin pick up and two motor cycles which were found unserviceable. The two motor cycles have been grounded for long and was continuously depreciating through wear and tear. No explanation was given as to why the assets had not been disposed.	<i>The assets have been noted and the management has written to the NGCDF board for approval of the disposal of the said assets as per public procurement and assets disposal act</i>	Fund Account Manager	Not resolved	31 dec 2020
	The cashflow statement reflects adjustment for non-cash items, gratuity payable of Kshs. 546,120 and prior year adjustments amounting to Kshs. 121,986 both totaling Kshs. 668,107. However, the NGCDF applies the IPSAs cash basis as opposed to IPSAs accrual	<i>The balance of 546,120 relating to gratuity payable is amount set aside at the end of the year which is to be paid at the end of the contract of the staff.</i>	Fund Account Manager	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>basis of accounting and these adjustments cannot therefore apply on cash basis presentations</p>	<p><i>As per note 8 of the financial statements, 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.</i></p>			