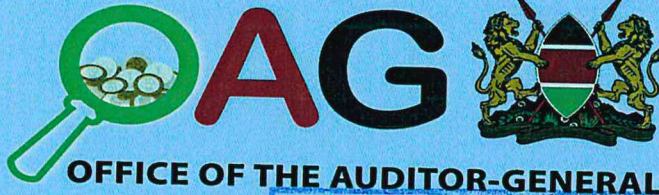


REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 23 FEB 2022

DAY:

WED

REPORTED

BY:

HON JIMMY ANGWENYI, MP

CLERK-AT
THE-TABLE:

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OF

THE AUDITOR-GENERAL

ON

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

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



RE-STATED FINANCIAL STATEMENT

Revised Template 30th June 2020



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

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

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

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

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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

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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 MWALA 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:

N	Designation	Name
o		
1.	A.I.E holder	Eric Munyao
2.	Sub-County Accountant	Henry Mutiso
3.	Chairman NGCDFC	Danson Muange
4.	Member NGCDFC	Dominic Mutiso

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -Mwala 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 Mwala Constituency Headquarters

Mwala NGCDF Office Building
Along Kitui – Machakos Road.
P.O Box 858 -90100
Machakos

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) MWALA
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For the year ended June 30, 2020

(f) NGCD Mwala Constituency Contacts

Telephone: (254) 0722-594-319

E-mail: mwala@ngcdf.go.ke

Website: ngwww.mwala@ngcdf.go.ke

(g) NGCDF-Mwala Constituency Bankers

1. Kenya Commercial Bank
Masii Branch
A/C No: 1106340353
P.O Box 400-90101
Masii

(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

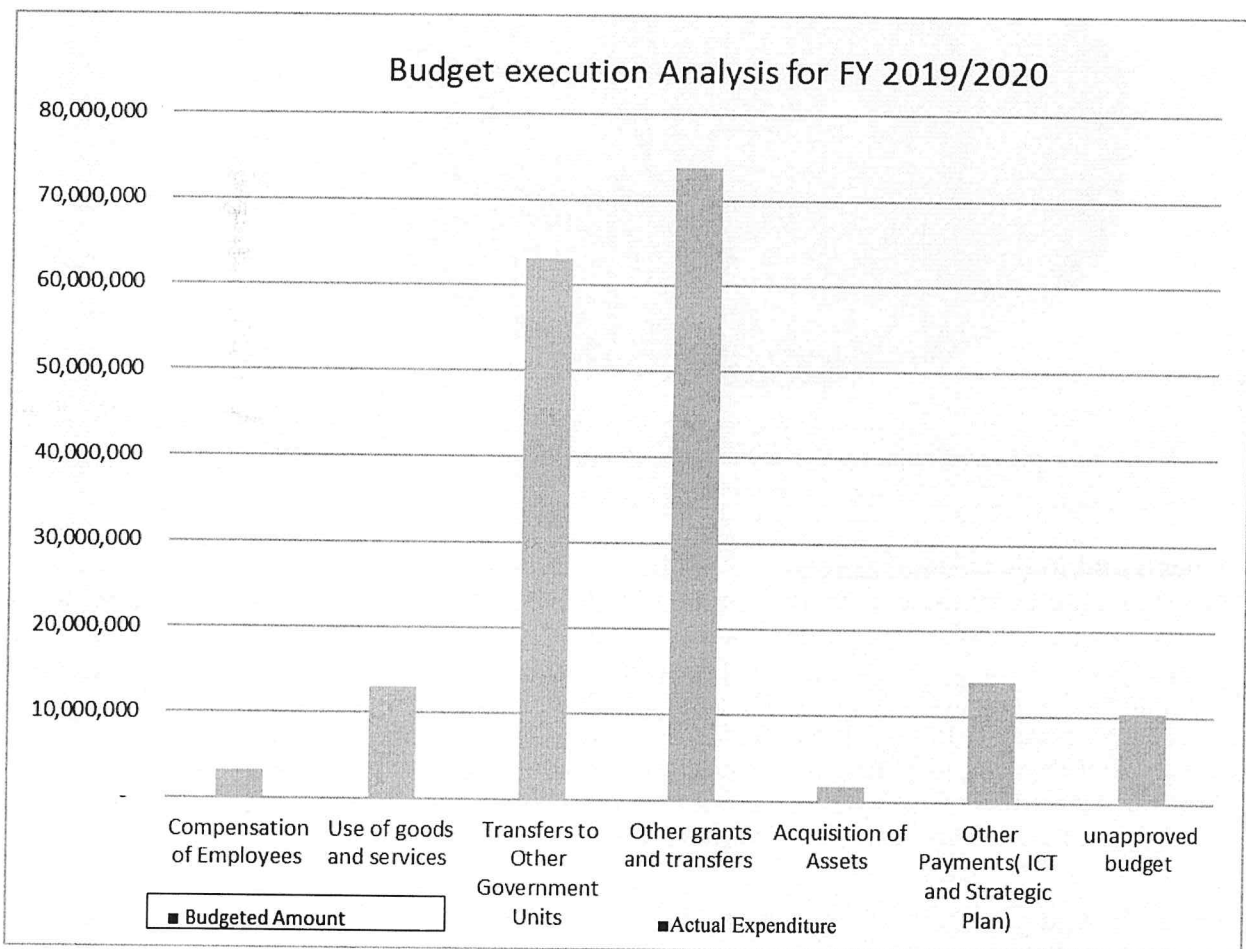
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) MWALA CONSTITUENCY

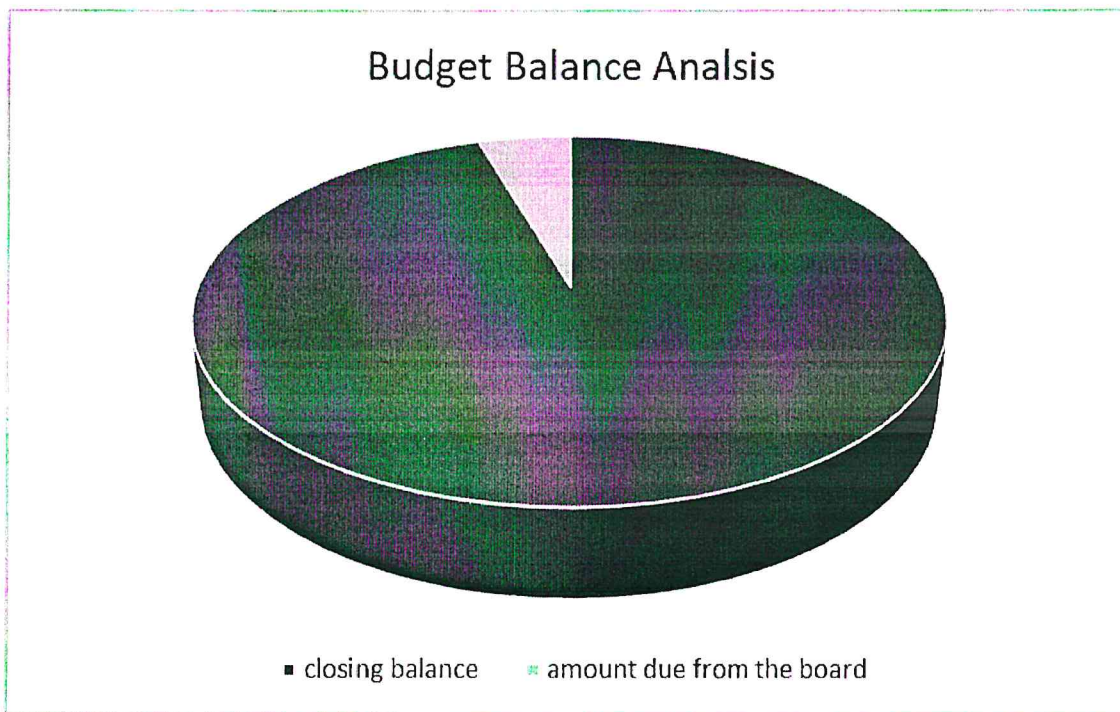
Reports and Financial Statements

For the year ended June 30, 2020

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

NGCDF fund has enhanced great development by giving Mwala constituency residence a way of meeting their development needs. The fund has aided children from poor families to get education and not forgetting giving school's opportunity to hold sporting activities. Presented is the constituency Annual Report and Financial Statements for the year ended 30th June 2020. The actual receipt from the NGCDF board for the year 2019/2020 was Kshs. 116,690,807. The allocation for the year was Kshs, 137,367,724, other owing from the board was Kshs. 75,178,807 at the beginning of the financial year and hence a total of Kshs. 212546,531. All this formed part of the budget for the year. By the closure of the financial year, a balance of Ksh 95,855,724 of the allocated had not been received as elaborated in the appropriate summary (see graph on appropriation of the budget utilization).





Achievements and Major Undertakings

During the year, the Committee disbursed a total of Kshs 11,636,000 as bursary to needy students in secondary, before schools were closed due to Covid19 pandemic and this benefitted a total of over 1,000 students. The Committee also disbursed a total of Kshs 17,700,000 to 24 primary schools and Kshs 19,050,000 to 17 secondary schools to fund physical infrastructures such as classrooms, administration blocks, laboratories, dormitories, toilets, lockers and chairs, desks and equipping of laboratories and libraries. The continued funding towards the education sector in the Constituency has contributed to increased enrolment in primary, secondary and tertiary institutions whilst increasing retention and transition rates while equally.

Development Planning

The Constituency Development Funds continue to draw interest of beneficiaries and communities alike. This has seen the receipt of many proposals from communities spanning various sectors. To ensure focus and expedite Constituency development, the Committee is reviewing its strategic plan which is a formalized road map that spells out where the Constituency is going over the next five years in project identification, implementation and management taking cognizance of the global Sustainable Development Goals, Kenya Vision 2030 and related County Integrated Development Plans. The NGCDF Committee is convinced that the strategic plan shall help the Constituency in

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

Reports and Financial Statements

For the year ended June 30, 2020

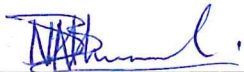
setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal and results.

Challenges

Despite the above impressive performance and plans, the Committee has noted various challenges in project implementation and management during the FY 2019/2020. These encompass, delayed disbursements of funds by NGCDFB of which only 55 percent was received during the period under review. The absorption rate of the funds available dropped to 33 percentage during the year due the Colona pandemic which led to schools closing. Disbursements of bursary funds was not exhaustive and the schools PMCS were not available to implement the projects. We also noted that we had issues at PMC level of inadequate record keeping, failure by some project management committees to comply with the public procurement procedures and regulations as well as delayed submission of the required returns for funds disbursed. Another notable challenge was the limited numbers of technical officers needed to provide the requisite technical advice in project implementation and management. To mitigate the above, the committee during the first half of the year 2019/2020 scaled up its capacity building programmes for NGCDF Committee, Project Management Committees and staff on various aspects of NGCDF projects management. These programmes contributed to minimizing the challenges and improving overall performance by Project Management Committees. The NG-CDFC plans to continue with the capacity building as well as monitoring and evaluation programmes during the FY 2020/2021.

I wish to sincerely thank the NGCDF Committee, NG-CDFC staff, Project Management Committees and other stakeholders for the cooperation and support that saw the achievement of the above milestones despite the slow caused by the Colona pandemic. Going forward, the Committee envisions to even perform better and attain better assessments in its performance targets for FY 2020/2021

Sign



DANSON MUANGE

CHAIRMAN NG-CDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

Mwala is a constituency whose growth is promising. The constituency stands feet high on the potent of the capable constituents, its geographical location and the existence of natural resources. The recognition of its potential development and growth majorly depends on its process of planning for and regulating physical and economic development that capitalizes on reliable opportunities and prudent financial and administrative threads. In underscoring the planning of the constituency, the National Government Constituency Development Fund Committee (NG-CDFC) in its strategic plan (2018-2023) outlined key strategic objectives that were to be used to spur development in the constituency. The plan sort to contribute towards the identification of how and where development programmes identified will be implemented especially in the economic activities with special focus on marketing and value addition, improved social infrastructure on road development and improved governance. It was anticipated that this will help in achieving improved quality of education, expanded access to ICT and environmental conservation among others.

The key development objectives of NGCDF- MWALA Constituency's 2018-2022 plan are to: In underscoring the above, the key development objectives of NGCDFC-Mwala Constituency's 2018-2023 plan included but not limited to;

a) Education

Objective: Become a national model for education by improving schools' infrastructure, improving performance, reducing dropout rates and increasing primary, secondary and higher education transition rates.

Initiative: Develop and enhance schools' infrastructure to enhance facilities and provide conducive learning environment for children.

Initiative: Enhance and develop social programs that support education within the constituency.

b) Water and Environment

Objective: Improve access to clean water and a more sustainable and conserved environment in Mwala through natural resources conservation initiatives

Initiative: Initiate and enhance conservation programs within the constituency

Initiative: Water and Sanitation: To ensure water sustainability in the Constituency

c) Security

Objective: Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure

Initiative: Improving infrastructure and service delivery

d) Sports

Objective: Empower and develop youth and special groups to reduce dependence and spur economic growth through sports

Initiative: Develop and empower youth and special groups through sports

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For the year ended June 30, 2020

e) Information Communication and Technology (ICT)

Objective: Enhance access to information and technology by Mwala residents and use ICT to enhance service delivery and spurring development.

Initiative: Enhancement of infrastructure and accessibility of ICT resources in the constituency.

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels	In FY 19/20 -we increased number of classrooms, dormitories, laboratories et al from 80 to 120 in the various schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules
Security	Improve infrastructure of local security administrators	Constructed /improved 12 structures for security administrators	-number of usable physical infrastructure	Assistant chiefs ² , chiefs, police posts, DCIO offices, DCCs infrastructure has been achieved to enhance service delivery.
Environment	-----	-----	environmental undertaking	Yet to implement
Sports	Improve sporting activities in the constituency	sporting activities in the constituency have improved	Youth tournament across the constituency	Tapping of talent and utilisation of idle energies
Disaster Management	Manage and mitigate disasters	19 projects implemented to mitigate disasters	Currently no disaster management undertaking	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) MWALA CONSTITUENCY

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For the year ended June 30, 2020

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – MWALA 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 Mwala NG-CDF 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.

1. SUSTAINABILITY STRATEGY AND PROFILE

The Mwala NG-CDF 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.

Vision	To build and empower the people of Mwala to a prosperous community through social Economic Development	What the constituency is striving for in the future that influence the strategies, purpose and aspirations put in place
Mission	To provide effective and efficient services through development projects and prudent management of resources and stakeholder engagement to ensure social economic development in Mwala Constituency.	This communicates what the office does to attain sustainable developments
Core Values	Honesty & integrity, Efficiency & effectiveness, Innovativeness & Creativity, Inclusiveness, Professional Work Ethics, Teamwork and excellence, equity & Equality, Accountability & Transparency, Teamwork, Social Justice,	These are the norms, principles and beliefs that the office upholds in order to follow the right path towards attainment of the set objectives

The successful implementation of this strategic plan is dependent on the availability, efficient and effective utilization of resources. NGO-CDF Mwala will utilize resources availed by the Government and its development Partners effectively and efficiently.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) MWALA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

2. ENVIRONMENTAL PERFORMANCE

In Mwala NG-CDF, Environment Policy and Action Plan is not currently underway, however in accordance to the constituency strategic plan, it is in place to start as soon as possible whereby under this policy the constituency will commit itself 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.

Our Environmental Action Plan

Mwala NG-CDF will identify four areas in which we as an office will 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 Mwala NG-CDFC, NG-CDFC staff and PMCs on good conservation practices • To encourage, through regular communication to Mwala 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 on rain water harvesting
Environmental Protection and Conservation	<ul style="list-style-type: none"> • We will construct culverts and gabions to prevent soil erosion • To encourage tree planting in the constituency to improve the forest cover.
Pollution Control and Waste Management	<ul style="list-style-type: none"> • To ensure that all paper waste is recycled • To ensure segregation of waste • To ensure proper human waste disposal through construction of pit latrines, septic and soak pit tanks

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) MWALA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

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

Mwala NG-CDFC offers only categories of employment, which are

Contract employees who are employed for 3 years on a renewable contract. 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
- ❖ 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 are 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.

INTERNSHIPS

Vacancies for internships are generated when need arises and awarded to the eligible students.

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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 maintained 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

Installation of Anti-theft SIREN fitted in the office with a capacity to send signals more than a radius of 20km area and employment of security staff.

Fire precautions

The fire protection facilities (fire extinguisher) is fitted at the entrance of the building and is adequate and maintained annually with constant fire grills and fire marshal capacity building to the security team.

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) MWALA CONSTITUENCY

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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.

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

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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 organization ensures responsible competition practices with issues like anti-corruption, 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 Mwala 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.

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.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) MWALA CONSTITUENCY

Reports and Financial Statements

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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.

This is in line with the NGCDF Act which requires the NGCDF Chair to call for public participation across the constituency in every 2 (Two) years to collect views from the constituents on the neediness of the mass in order to reach a wide cross-section of beneficiaries.

Public Awareness and Sensitization 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.
- Promote awareness creation on constitution and devolved governance system in Kenya

Covid-19 Mitigation Measures since March 2020

- Taking into consideration the current Corona Virus epidemic, in line with the MOH directive on reducing the chances of being infected or spreading COVID-19, and flattening the curve, Mwala NGCDF resolved in aiding by taking the following precautionary measures.
- The office sufficient alcohol-based hand sanitizers, and basins that were distributed in all necessary points, like the main gate, office entrance points, and inside the office for sanitization.
 - The office has also bought sufficient stock NK95 facial masks
 - Pinning on the entrance point notice board to sensitize the public and clients on the need to keep 1.5M social distance and the need to constantly wash their hands
- Also, in place is the hand washing points.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) MWALA
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- MWALA 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- MWALA 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 in charge of the NGCDF- MWALA Constituency further confirms the completeness of the accounting records maintained for the *NGCDF-MWALA*, 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-MWALA 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

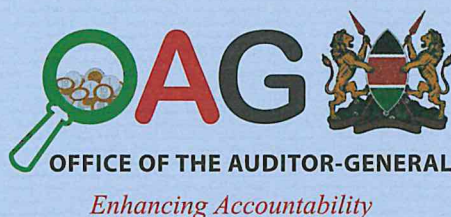
The NGCDF-MWALA Constituency financial statements were approved and signed by the Accounting Officer on _____ 2020.

Fund Account Manager
Name: Eric Munyao

Sub-County Accountant
Name: Henry Mutiso
ICPAK Member Number: 21809

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 - MWALA 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 - Mwala Constituency set out on pages 19 to 53, which comprise the statement of assets and liabilities as at 30 June, 2020 and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Presentation and Disclosure in the Financial Statements

The statement of assets and liabilities and the statements of receipts and payments have not been signed by the Sub-County Accountant as required.

In view of the foregoing, it could not be confirmed that Management had taken full responsibility for the financial statements. The financial reporting guidelines issued by the Public Sector Accounting Standards Board have also not been met.

2. Acquisition of Assets

The statement of receipts and payments and Note 8 to the financial statements, reflect nil balance for acquisition of assets. However, Annex 4 to the financial statements reflects assets additions of Kshs.517,000 in the financial year 2019/2020 which increased the historical cost of assets from Kshs.26,474,434 at the beginning of the year to a closing balance of Kshs.26,991,434. No explanation or reconciliation was provided.

Consequently, the accuracy of the nil balance for acquisition of assets expenditure as at 30 June, 2020 could not be confirmed.

3. Project Management Committee (PMC) Account Balances

Note 17.4 to the financial statements and Annex 5 reflect nil PMC bank account balances for both the current and the prior year. However, the audited financial statements for the prior year reflected PMC bank balances of Kshs.13,741,740 as at 30 June, 2019.

In the circumstances, it has not been possible to ascertain the accuracy and completeness of the PMC bank account balances for the year ended 30 June, 2020.

4. Unutilized Funds Balance

Note 17.3 to the financial statements reflects unutilized funds balance of Kshs.145,037,054 (2019 - Kshs.77,825,078). However, the supporting Annex 3 where the details of the unutilized funds should be provided has blank entries.

Consequently, it has not been possible to confirm the accuracy of the unutilized funds balance as at 30 June, 2020.

5. Bank Balances

The statement of assets and liabilities and Note 10A to the financial statements reflect bank balances of Kshs.49,181,329. However, the bank reconciliations statement for the month of June, 2020 revealed unrepresented cheques totalling Kshs.9,140,042 of which cheques amounting to Kshs.3,518,000 were stale.

In the circumstances, the accuracy of the bank balances of Kshs.49,181,329 as at 30 June, 2020 could not be confirmed.

6. Bursary Disbursements

The statement of receipts and payments reflects Kshs.25,807,682 in respect of other grants and transfers which as disclosed under Note 7 to the financial statements, includes Kshs.1,595,000 and Kshs.11,636,000 being bursary disbursements to secondary schools and tertiary Institutions respectively, both totalling to Kshs.13,231,000. However, the supporting schedule reflected bursary disbursements amounting to Kshs.40,445,000 resulting into an unexplained variance of Kshs.27,214,00 as shown in the table below:

Name	Balance in Financial Statements (Kshs.)	Support Schedule Balance (Kshs.)	Variance (Kshs.)
Secondary Schools	11,636,000	6,660,000	4,976,000
Tertiary Institutions	1,595,000	28,125,000	(26,530,000)
Special cases both Secondary and Tertiary	-	5,660,000	(5,660,000)

In addition, it was not possible to ascertain how the beneficiaries were identified and the awarded amounts determined as the Fund Management did not provide for audit the approved criteria for selection and awarding of bursaries.

Further, Regulation 21(5) of the National Government Constituencies Development Fund Regulations, 2016 provides that a Constituency Committee shall allocate not less than twenty-five percent (25%) of the funds allocated to a constituency for bursaries. However, the Fund's total bursaries disbursements of Kshs.13,231,000 represented 11% of the receipts of Kshs.116,678,807 from the Board during the financial year 2019/2020.

In the circumstance, the completeness, accuracy and regularity of the bursary disbursements of Kshs.13,231,000 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 - Mwala 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 Controls and Performance

The summary statement of appropriation - recurrent and development combined reflects a receipts budget and actual receipts on comparable basis of Kshs.212,546,531 and Kshs.116,690,807 respectively, resulting into underfunding of Kshs.95,855,724 or 45% of the approved budget. Further, of the total receipts of Kshs.116,690,807, only Kshs.70,155,748 was spent during the year resulting into under-absorption of Kshs.46,535,059 or 40%

The under-funding and under-absorption implies that some of the planned programmes and projects were not executed which denied effective services to the residents.

2. Unbalanced Budget

Regulation 31(c) of Public Finance Management (National Government) Regulations, 2015 provides that the budget shall be balanced. However, the summary statement of appropriation – recurrent and development combined, reflects total budgeted receipts of Kshs.212,546,531 which differed with the total budgeted expenditure of Kshs.215,192,802 by Kshs.2,646,271. The budget was therefore, unbalanced.

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. Delay in Implementation of Projects

According to the projects implementation status report, the Fund had allocated Kshs.117,580,000 towards implementation of one hundred and four (104) projects. However, eighty-one (81) projects with a combined allocation of Kshs.114,910,000 had not been completed.

Delay in completion of projects hindered improved service delivery to the residents and may be lead to escalation of costs.

2. Failure to Report Emergency Projects

Note 7 to the financial statements reflects expenditure of Kshs.6,624,800 on emergency projects. However, Management did not provide any evidence that the expenditure was reported to the Board as required under Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016.

The Fund Management was therefore, in breach of the Law.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that

govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal 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 going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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

21 January, 2022



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) MWALA CONSTITUENCY

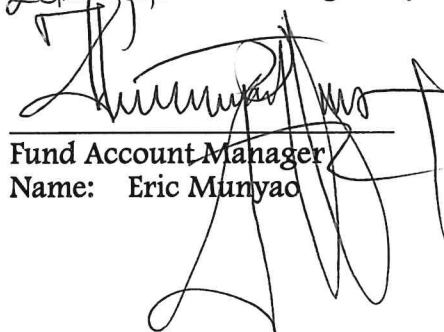
Reports and Financial Statements

For the year ended June 30, 2020

VII STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	116,678,807	82,479,310
Proceeds from Sale of Assets	2	0.00	0.00
Other Receipts	3	12,000	0.00
TOTAL RECEIPTS		116,690,807	82,479,310
PAYMENTS			
Compensation of employees	4	1,975,196	2,811,154
Use of goods and services	5	5,622,870	9,615,164
Transfers to Other Government Units	6	36,750,000	33,287,931
Other grants and transfers	7	25,807,682	46,887,034
Acquisition of Assets	8	0.00	1,800,000
Other Payments	9	0.00	7,404,225
TOTAL PAYMENTS		70,155,748	101,805,508
SURPLUS/(DEFICIT)		46,535,059	(19,326,198)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Mwala Constituency financial statements were approved on 26th Sept 2020 and signed by:


 Fund Account Manager
 Name: Eric Munyao

 National Sub-County Accountant
 Name: Henry Mutiso
 ICPAK Member Number: 21809

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) MWALA 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	49,181,329	2,646,271
Cash Balances (cash at hand)	10B	0.00	0.00
Total Cash and Cash Equivalents		49,181,329	2,646,271
Accounts Receivable			
Outstanding Imprests	11	0.00	0.00
TOTAL FINANCIAL ASSETS		0.00	0.00
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	0.00	0.00
Deposits (Gratuity)	12B	0.00	0.00
TOTAL FINANCIAL LIABILITES		0.00	0.00
NET FINANCIAL ASSETS		49,181,329	2,646,271
REPRESENTED BY			
Fund balance b/fwd.	13	2,646,271	21,972,468
Prior year adjustments	14	0.00	0.00
Surplus/Deficit for the year		46,535,059	(19,326,198)
NET FINANCIAL POSITION		49,181,329	2,646,271

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Mwala Constituency financial statements were approved on 20th June 2020 and signed by:

Fund Account Manager
Name: Eric Munyao

National Sub-County Accountant
Name: Henry Mutiso
ICPAK Member Number: 21809

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) MWALA 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	116,678,807	82,479,310
Other Receipts	3	12,000	0.00
Total receipts		116,690,807	82,479,310
Payments for operating expenses			
Compensation of Employees	4	1,975,196	2,811,154
Use of goods and services	5	5,622,870	9,615,164
Transfers to Other Government Units	6	36,750,000	33,287,931
Other grants and transfers	7	25,807,682	46,887,034
Other Payments	9	0.00	7,404,225
Total payments		(70,155,748)	(100,005,508)
Total Receipts Less Total Payments		46,535,059	(17,526,198)
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	0.00	0.00
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	0.00	0.00
Prior year adjustments	14	0.00	0.00
Net cash flow from operating activities		46,535,059	(17,526,198)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0.00	0.00
Acquisition of Assets	8	0.00	(1,800,000)
Net cash flows from Investing Activities		0.00	(1,800,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		46,535,059	(19,326,198)
Cash and cash equivalent at BEGINNING of the year	13	2,646,271	21,972,468
Cash and cash equivalent at END of the year		49,181,329	2,646,271

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Mwala Constituency financial statements were approved on 26/06/2020 2020 and signed by:

Fund Account Manager
Name: Eric Munyao

National Sub-County Accountant
Name: Henry Mutiso
ICPAK Member Number: 21809

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

X.SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	137,367,724	75,178,807	212,546,531	116,678,807	95,855,724	55%
Proceeds from Sale of Assets						
Other Receipts (resubmission funding)				12,000		
TOTAL RECEIPTS	137,367,724	75,178,807	212,546,531	116,690,807	95,855,724	55%
PAYMENTS						
Compensation of Employees	2,780,000	452,521	3,232,521	1,975,196	1,257,325	61%
Use of goods and services	8,070,000	3,362,378	11,432,378	5,622,870	5,809,508	49%
Transfers to Other Government Units	49,550,000	29,862,069	79,412,069	36,750,000	42,662,069	46%
Other grants and transfers	72,445,241	26,933,152	99,378,393	25,807,682	73,570,711	26%
Acquisition of Assets						
Other Payments (ICT and Strategic Plan)	4,522,483	6,677,027	11,199,510		11,199,510	0%
unapproved budget		10,537,931	10,537,931		10,537,931	0%
TOTAL	137,367,724	77,825,078	215,192,802	70,155,748	145,037,054	33%

(a) The revenue constitutes AIEs as shown in note 1 to financial statements

(b) Commentary on significant underutilization (below 90% of utilization

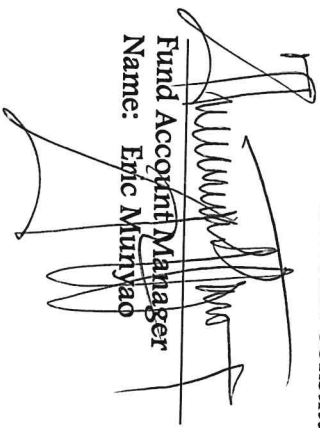
- i. Compensation of employee-The NGCDF Mwala has not provided for gratuity hence underutilisation of compensation to employees this means that it's a provision not an actual payment within the year. Disclosed in the notes. (pending bills to be cleared at the end of the staff contracts)
- ii. Use of goods and services-The CDF Board delayed in remitting funds to NGCDF Mwala occasioning the underutilisation
- iii. Transfers to other government units- The CDF Board delayed in remitting funds to NGCDF Mwala occasioning the underutilisation

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

iv. *Other grants and transfers- The CDF Board delayed in remitting funds to NGCDF Mwala occasioning the underutilisation*

*(Explain whether the changes between the original and final budget are as a result of unremitted AIEs from previous year (IPASAS 1.9.23.)
The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined agrees to the amounts
reported in the Statement of Receipts and Payments.*

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


Fund Account Manager
Name: Eric Murtyao

Sub-County Accountant
Name: Henry Mutiso
ICPAK Member Number: 21809

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA CONSTITUENCY

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
	2019/2020		2019/2020	30/06/2020	
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration					
Employees' Salaries	2,580,000	269,321	2,849,321	1,943,995.65	905,325
NSSF	200,000	183,200	383,200	31,200.00	352,000
Goods and Services	3,000,000	559,114	3,559,114	1,885,920.00	1,673,194
Committee Expenses		439,442	439,442		439,442
Bank Charges		-13,078	-13,078		-13,078
Sub-Total	5,780,000	1,451,077	7,231,077	3,861,116	3,369,961
2.0 Monitoring and Evaluation					
Goods and Services		240,000	240,000		240,000
Committee Expenses	2,070,000.00	366,900	2,436,900	3,736,950.00	-1,300,050
Capacity Building of NG-CDFs/PMCs	3,000,000.00	1,770,000	4,770,000		4,770,000
Sub-Total	5,070,000.00	2,376,900	7,446,900	3,736,950	3,709,950
3.0 Emergency					
To cater for the unforeseen occurrences in the constituency during the financial year	7,198,241.38	38,993	7,237,234		7,237,234
sub-total	7,198,241	38,993	7,237,234	6,624,800.00	612,434
4.0 Bursary and Social Security Programme					0
Bursary Secondary Schools	13,500,000.00	209,000	13,709,000	11,636,000.00	2,073,000
Bursary Tertiary Schools	33,000,000.00	33,277	33,033,277	1,595,000.00	31,438,277

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA CONSTITUENCY
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Bursary Special Schools							0
Sub-Total	46,500,000.00	242,277	46,742,277		13,231,000		33,511,277
5.0 Sports							0
Mwala Sports & Culture	2,747,000.00	2,151,882	4,898,882				4,898,882
Sub-Total	2,747,000	2,151,882	4,898,882		2,151,882		2,747,000
7.0 Primary School Projects							
Itunduni Primary School		500,000	500,000				
Kabaa Primary School		2,500,000	2,500,000				
Kasengela Primary School		600,000	600,000				
Kilala Primary School		500,000	500,000				
Kionyweni Primary School		500,000	500,000				
Kwandoo Primary School		-2,487,931	-2,487,931				
Kyaranutwii Primary School		500,000	500,000				
Mamlioki Primary School		500,000	500,000				
Mango Primary School		-400,000	-400,000				
Manzuva Primary School		400,000	400,000				
Masi DEB Primary School		600,000	600,000				
Masi Township Primary School		2,500,000	2,500,000				
Mwaasua Primary School		2,000,000	2,000,000				
Mwala DEB Primary School		1,000,000	1,000,000				
Utithi Primary School		650,000	650,000				
Uvaini Primary School		500,000	500,000				
Vyulya Primary School		600,000	600,000				
Kivauini Primary	500,000.00		500,000				
AIC Kathiyoli Primary School	500,000.00		500,000				
AIC kinuuni Primary School	500,000.00		500,000				

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA CONSTITUENCY
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Embui Primary School	500,000.00		500,000	
Kabaa Primary School	500,000.00		500,000	
Kasolongo Primary School	500,000.00		500,000	
Kathuki AIC Primary School	500,000.00		500,000	
Katithi Primary School	500,000.00		500,000	
Katitu Primary School	500,000.00		500,000	
Kikaso Primary School	500,000.00		500,000	
Kikulumi Primary School	500,000.00		500,000	
Kilaatu Primary School	500,000.00		500,000	
Kilala Primary School	4,000,000.00		4,000,000	
Kimuuni Primary School	650,000.00		650,000	
Kisaani Primary School	500,000.00		500,000	
Kitange Primary School	500,000.00		500,000	
Kiteteni Primary School	500,000.00		500,000	
Kithiano Primary School	500,000.00		500,000	
Kithiiani Primary School	500,000.00		500,000	
Kitula Primary School	500,000.00		500,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA CONSTITUENCY
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Kitwamba Primary School	650,000.00		650,000		
Kiundwani Primary School	500,000.00		500,000		
Kiuukuni Primary School	500,000.00		500,000		
Kombe Primary School	650,000.00		650,000		
Konza Primary School	500,000.00		500,000		
Kusyondonga Primary School	500,000.00		500,000		
Kwakisau Primary School	500,000.00		500,000		
Kwakisua Primary School	500,000.00		500,000		
Kwanwonga Primary School	500,000.00		500,000		
Kyainu Primary School	500,000.00		500,000		
Kyamatala Primary School	500,000.00		500,000		
Kyambusya Primary School	500,000.00		500,000		
Kyamwei Primary School	500,000.00		500,000		
Kyanganga Primary school	500,000.00		500,000		
Kyeni Primary School	500,000.00		500,000		
Kyowani Primary School	500,000.00		500,000		
Kyuluni Primary School	500,000.00		500,000		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA CONSTITUENCY
Reports and Financial Statements
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Maanzoni Primary School	500,000.00		500,000	
Makliva Primary School	650,000.00		650,000	
Mikuyuni Primary School	500,000.00		500,000	
Miondoni Primary School	500,000.00		500,000	
Muangoni Primary School	500,000.00		500,000	
Mukuyuni Primary school	700,000.00		700,000	
Muthetheni Primary School	500,000.00		500,000	
Muthwani Primary School	500,000.00		500,000	
Ngangani Primary School	500,000.00		500,000	
Ngomano Primary School	500,000.00		500,000	
Ngului Primary School	500,000.00		500,000	
Nguluni Primary School	500,000.00		500,000	
Ngunyumu primary school	500,000.00		500,000	
Syathani Primary School	500,000.00		500,000	
Tulila Primary School	500,000.00		500,000	
Ukalani Primary School	500,000.00		500,000	
Ulaani Primary School	500,000.00		500,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA CONSTITUENCY
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Vyulya Primary School	4,000,000.00		4,000,000		
Wakaela Primary School	500,000.00		500,000		
Yikiatine Primary School	500,000.00		500,000		
Yoani Primary School	500,000.00		500,000		
Sub-Total	36,800,000	10,962,069	47,762,069	19,050,000.00	28,712,069
8.0 Secondary School Projects					
Muthetheni Girls Sec School		1,000,000	1,000,000		
Kikelenzu Secondary School		1,000,000	1,000,000		
Kibau Day Sec School		1,000,000	1,000,000		
Kilembwa Secondary School		1,000,000	1,000,000		
Kavumbu Sec School		1,000,000	1,000,000		
Muusini Secondary School		1,000,000	1,000,000		
Mumbuni Secondary School		2,000,000	2,000,000		
Ndeini Girls Sec School		650,000	650,000		
Mutula Secondary School		650,000	650,000		
Kaitha Secondary School		1,000,000	1,000,000		
Mbaikini Girls Secondary School		4,200,000	4,200,000		
Kithangaini Sec School		1,400,000	1,400,000		
Kibauni Secondary School		1,000,000	1,000,000		
Kwandoo Secondary School		500,000	500,000		
wakaela sec school		1,500,000	1,500,000		
Muthetheni Day Sec School	650,000.00		650,000		
Kinnuuni Secondary School	1,000,000.00		1,000,000		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

St. Martin Uthiti Sec School	1,000,000.00		1,000,000		
St. John's Kangii Secondary	1,500,000.00		1,500,000		
Kasolongo Sec School	1,000,000.00		1,000,000		
AIC Kiuanzukini Sec School	1,000,000.00		1,000,000		
St.Stephen's Sec school Masii	650,000.00		650,000		
Masii SDA Secondary School	500,000.00		500,000		
Kwa Mutula Sec school	500,000.00		500,000		
Muthwani Sec School	650,000.00		650,000		
Kabaa Day Secondary School	650,000.00		650,000		
Kaloleni Secondary School	1,000,000.00		1,000,000		
Kiundwani Sec School	1,000,000.00		1,000,000		
Mutula Day Sec School	650,000.00		650,000		
Mwaasua Secondary School	1,000,000.00		1,000,000		
Sub-Total	12,750,000	18,900,000	31,650,000	17,700,000.00	13,950,000
9.0 Tertiary institutions projects					
Sub-Total					
10.0 Security Projects					
Maweli AP Line		2,300,000	2,300,000		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA CONSTITUENCY
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Maweli Assistant Chiefs Office		400,000	400,000		
Kyawango Assistant Chiefs Office		1,000,000	1,000,000		
Kangii Assistant Chiefs Office		800,000	800,000		
Kwanmutula Assistant Chiefs Office		2,000,000	2,000,000		
Kibauni Solar Street Lighting program		3,000,000	3,000,000		
Muthetheni Solar Street Lighting Program		3,000,000	3,000,000		
Wamunyu Solar Street Lighting Program		3,000,000	3,000,000		
Masi Solar Street Lighting Program		3,000,000	3,000,000		
Mwala Solar Street Lighting Program		3,000,000	3,000,000		
Mbiuni Solar Street Lighting Program		3,000,000	3,000,000		
Kibauni Police Station		3,500,000.00	3,500,000		
Mwala Police Station		500,000.00	500,000		
Mbiuni Police Station		1,000,000.00	1,000,000		
Muthetheni Police Station		1,000,000.00	1,000,000		
Makutano Chiefs office		300,000.00	300,000		
Ethikoni Assistant Chiefs office		300,000.00	300,000		
Muthwani Assistant Chiefs office		300,000.00	300,000		
Nyaanyaa Assistant Chiefs office		300,000.00	300,000		
Makliiva Assistant Chiefs office		300,000.00	300,000		
Mumbuni Assistant Chiefs office		300,000.00	300,000		
Kabaa Assistant Chiefs office		300,000.00	300,000		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA CONSTITUENCY

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

Ngulini Assistant Chief's office	300,000.00		300,000			
Kyanganga Assistant Chief's office	300,000.00		300,000			
Mukaa Assistant Chief's office	300,000.00		300,000			
Itumbule Assistant Chief's office	300,000.00		300,000			
Kamuthwa Assistant Chief's office	300,000.00		300,000			
Ndithini Assistant Chief's office	300,000.00		300,000			
Ngungi Assistant Chief's office	300,000.00		300,000			
Matulani Assistant Chief's office	300,000.00		300,000			
Kyawikyo Assistant Chief's office	300,000.00		300,000			
Kyethivo Assistant Chief's office	300,000.00		300,000			
Kionyweni Assistant Chief's office	300,000.00		300,000			
Kargethe Assistant Chief's office	300,000.00		300,000			
Kiundwani Assistant Chief's office	300,000.00		300,000			
Makutano -Kwakavili, custom	4,000,000.00		4,000,000			
	16,000,000	24,500,000	40,500,000	3,800,000.00		36,700,000
12.0 Others						
Miu innovation hub		1,169,257	1,169,257			1,169,257
Masii innovation hub		1,169,257	1,169,257			1,169,257

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA CONSTITUENCY
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For the year ended June 30, 2020

Makutano innovation hub		1,169,257	1,169,257		1,169,257
Ikalasa Innovation Hub		2,169,257	2,169,257		2,169,257
Mbiuni Innovation Hub		1,000,000	1,000,000		1,000,000
Kabaa innovation center	4,522,482.76		4,522,483		4,522,483
Sub-Total	4,522,483	6,677,027	11,199,510		11,199,510
unapproved budget		10,537,931	10,537,931		10,537,931
GRAND TOTAL	137,367,724	77,825,078	215,192,802	70,155,748	145,037,054

(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-MWALA 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.

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

Reports and Financial Statements

For the year ended June 30, 2020

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) –
MWALA 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
NGCDF Board			
AIE NO	B005072		9,479,310
AIE NO	B030283		10,000,000
AIE NO	B005424		13,000,000
AIE NO	B006471		7,000,000
AIE NO	B042651		24,000,000
AIE NO	B047095		19,000,000
AIE NO	B041057	30,040,876	
AIE NO	B041154	4,000,000	
AIE NO	B047335	7,000,000	
AIE NO	B047277	6,587,931	
AIE NO	B047279	5,050,000	
AIE NO	B047788	16,000,000	
AIE NO	B047838	7,000,000	
AIE NO	B104108	10,000,000	
AIE NO	B104424	16,000,000	
AIE NO	B096626	15,000,000	
TOTAL		116,678,807	82,479,310

2. PROCEEDS FROM SALE OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Receipts from sale of Buildings	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment	0.00	0.00
Receipts from sale of office and general equipment	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	0.00	0.00
Total	0.00	0.00

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	0.00	0.00
Rents	12,000	0.00
Receipts from Sale of tender documents	0.00	0.00
Other Receipts Not Classified Elsewhere	0.00	0.00
Total	12,000	0.00

4. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	1,943,996	1,553,948
Personal allowances paid as part of salary	0.00	0.00
Pension and other social security contributions (Gratuity)	0.00	1,240,406
Employer Contributions Compulsory national social security schemes	31,200	16,800
Total	1,975,196	2,811,154

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	3,736,950	4,861,200
Utilities, supplies and services	12,200	41,051
Communication, supplies and services	9,450	0.00
Domestic travel and subsistence	0.00	0.00
Printing, advertising and information supplies & services	0.00	0.00
Rentals of produced assets	0.00	0.00
Training expenses	0.00	0.00
Hospitality supplies and services	0.00	0.00
Insurance costs	0.00	0.00
Specialized materials and services	0.00	0.00
Office and general supplies and services	0.00	0.00
Other operating expenses	1,864,270	4,712,908
Routine maintenance – vehicles and other transport equipment	0.00	0.00
Routine maintenance – other assets	0.00	0.00
Total	5,622,870	9,615,164

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
MWALA 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 National Government entities	0.00	0.00
Transfers to primary schools (see attached list)	17,700,000	30,487,931
Transfers to secondary schools (see attached list)	19,050,000	1,800,000
Transfers to tertiary institutions (see attached list)	0.00	1,000,000
Transfers to health institutions (see attached list)	0.00	0.00
TOTAL	36,750,000	33,287,931

7. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	11,636,000	4,591,000
Bursary – tertiary institutions (see attached list)	1,595,000	33,949,500
Bursary – special schools (see attached list)	0.00	0.00
Mock & CAT (see attached list)	0.00	0.00
Security projects (see attached list)	3,800,000	1,500,000
Sports projects (see attached list)	2,151,882	227,568
Environment projects (see attached list)	0.00	0.00
Emergency projects (see attached list)	6,624,800	6,618,966
Total	25,807,682	46,887,034

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	0.00	0.00
Construction of Buildings	0.00	800,000
Refurbishment of Buildings	0.00	0.00
Purchase of Vehicles and Other Transport Equipment	0.00	0.00
Overhaul of Vehicles and Other Transport Equipment	0.00	0.00
Purchase of Household Furniture and Institutional Equipment	0.00	0.00
Purchase of Office Furniture and General Equipment	0.00	1,000,000
Purchase of ICT Equipment, Software and Other ICT Assets	0.00	0.00
Purchase of Specialized Plant, Equipment and Machinery	0.00	0.00
Rehabilitation and Renovation of Plant, Machinery and Equip.	0.00	0.00
Acquisition of Land	0.00	0.00
Acquisition of Intangible Assets	0.00	0.00
Total	0.00	1,800,000

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	0.00	0.00
ICT Hub	0.00	7,404,225
	0.00	7,404,225

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
Kenya Commercial Bank Masii Branch <i>Account No. 1106340353</i>	49,181,329	2,646,271
Total	49,181,329	2,646,271
10B: CASH IN HAND		
Location 1	0.00	0.00
Location 2	0.00	0.00
Location 3	0.00	0.00
Other Locations (<i>specify</i>)	0.00	0.00
Total	0.00	0.00
<i>[Provide cash count certificates for each]</i>		

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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>	N/A	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	N/A	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	N/A	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	N/A	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	N/A	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	N/A	0.00	0.00	0.00
Total				0.00

[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	0.00	0.00
Supplier 2	0.00	0.00
Supplier 3	0.00	0.00
Total	0.00	0.00

[Provide short appropriate explanations as necessary]

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Name 1	0.00	0.00
Name 2	0.00	0.00
Name 3	0.00	0.00
Add as appropriate		
Total	0.00	0.00

[Provide short appropriate explanations as necessary]

Gratuity deposits have been treated as a provision but not a real expenditure item

Thus a provision which is a commitment in the vote book and a suspense account in the cashbook

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13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	2,646,271	21,972,468
Cash in hand	0.00	0.00
Imprest	0.00	0.00
Total	2,646,271	21,972,468

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

Description of the error	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
	Kshs	Kshs	Kshs
Bank account Balances	0.00	0.00	0.00
Cash in hand	0.00	0.00	0.00
Accounts Payables	0.00	0.00	0.00
Receivables	0.00	0.00	0.00
Others (<i>specify</i>)	0.00	0.00	0.00
	0.00	0.00	0.00

a. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	0.00	0.00
Imprest issued during the year (B)	0.00	0.00
Imprest surrendered during the Year (C)	0.00	0.00
Net changes in account receivables D= A+B-C	0.00	0.00

b. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2019 - 2020	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July 2019 (A)	0.00	0.00
Deposit and Retentions held during the year (B)	0.00	0.00
Deposit and Retentions paid during the Year (C)	0.00	0.00
Net changes in account receivables D= A+B-C	0.00	0.00

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For the year ended June 30, 2020

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	0.00	0.00
Construction of civil works	0.00	0.00
Supply of goods	0.00	0.00
Supply of services	0.00	0.00
	0.00	0.00

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	0.00	0.00
Others (<i>specify</i>)	0.00	0.00
	0.00	0.00

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	1,257,325	452,521
Use of goods and services	5,809,508	3,362,378
Amounts due to other Government entities (see attached list)	42,662,069	29,862,069
Amounts due to other grants and other transfers (see attached list)	73,570,711	26,933,152
Acquisition of assets	0.00	0.00
Others (<i>specify</i>)	11,199,510	6,677,027
unapproved budget	10,537,931	10,537,931
	145,037,054	77,825,078

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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)	xxx	xxx
	xxx	xxx

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA 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.	0.00	N/A	0.00	0.00	
2.	0.00	N/A	0.00	0.00	
3.	0.00	N/A	0.00	0.00	
Sub-Total	0.00		0.00	0.00	
Construction of civil works					
4.	0.00	N/A	0.00	0.00	
5.	0.00	N/A	0.00	0.00	
6.	0.00	N/A	0.00	0.00	
Sub-Total	0.00		0.00	0.00	
Supply of goods					
7.	0.00	N/A	0.00	0.00	
8.	0.00	N/A	0.00	0.00	
9.	0.00	N/A	0.00	0.00	
Sub-Total	0.00		0.00	0.00	
Supply of services					
10.	0.00	N/A	0.00	0.00	
11.	0.00	N/A	0.00	0.00	
12.	0.00	N/A	0.00	0.00	
Sub-Total	0.00		0.00	0.00	
Grand Total	0.00		0.00	0.00	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – MWALA 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	Comments
		a	b	c	d=a-c	
Senior Management						
1. N/A						
2. N/A						
3. N/A						
Sub-Total						
Middle Management						
4. N/A						
5. N/A						
6. N/A						
Sub-Total						
Unionisable Employees						
7. N/A						
8. N/A						
9. N/A						
Sub-Total						
Others (specify)						
10.N/A						
11.N/A						
12.N/A						
Sub-Total						
Grand Total						

ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees				
Use of goods & services				
Amounts due to other Government entities				

ANNEX 4 - SUMMARY OF FIXED ASSETS REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land	374,000	0.00	0.00	374,000
Buildings and structures	9,200,000	0.00	0.00	9,200,000
Transport equipment	5,800,000	0.00	0.00	5,800,000
Office equipment, furniture and fittings	8,900,000	0.00	0.00	8,900,000
ICT Equipment, Software and Other ICT Assets	660,434	0.00	0.00	660,434
Other Machinery and Equipment	1,540,000	0.00	0.00	1,540,000
Heritage and cultural assets	0.00	0.00	0.00	0.00
Intangible assets	0.00	0.00	0.00	0.00
210 litres dundu tank	Year of purchase 2018	2,000.00		
10,000 litres water tank		80,000.00		
1 big generator		150,000.00		
200 pieces office plastic chairs		100,000.00		
2 big Tents		160,000.00		
1 small Tent		25,000.00	0.00	
Total	26,474,434	517,000.00	0.00	26,991,434.00

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

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Total				

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)
N/A					

The management is yet to receive the audit report for 2018/19 from the Auditor General hence no progress on follow up of auditor's recommendations.



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