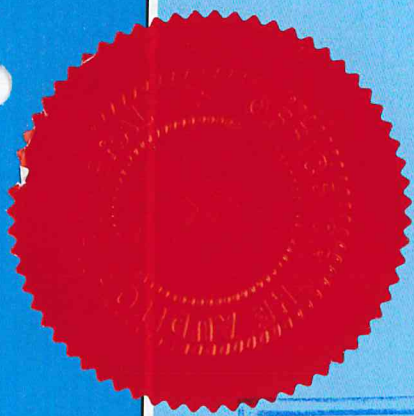





Enhancing Accountability



 THE NATIONAL ASSEMBLY	
REPORT	
DATE: 15 FEB 2022	Thursday
TABLED BY:	LOM
CLERK-AT THE-TABLE:	Chebet G. OF

THE AUDITOR-GENERAL

ON

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

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



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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....	II
II. FORWARD BY THE CHAIRPERSON NG CDF COMMITTEE.....	V
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY’S PREDETERMINED OBJECTIVES.....	XIII
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/ SUTAINABILITY REPORTING.....	XVI
V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES.....	XXVIII
VI. REPORT OF THE INDEPENDENT AUDITORS ON THE NG CDF- KWANZA CONSTITUENCY.....	XXIX
VII. STATEMENT OF RECEIPTS AND PAYMENTS.....	1
VIII. STATEMENT OF ASSETS AND LIABILITIES.....	2
IX. STATEMENT OF CASHFLOW.....	3
X. SUMMARY STATEMENT OF APPROPRIATION; RECURRENT AND DEVELOPMENT COMBINED.....	4
XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES.....	6
XII. SIGNIFICANT ACCOUNTING POLICIES.....	12
XIII. NOTES TO THE FINANCIAL STATEMENTS.....	16

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KWANZA 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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

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

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

Mission

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

Core Values

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	MATHEW K TANUI
2.	Sub-County Accountant	PHILEMON KITUM
3.	Chairman NGCDFC	NANCY IMALI
4.	Member NGCDFC	JOSPHAT MASABA

(d) Fiduciary Oversight Arrangements

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

P.O. Box 2015-30200
KWANZA NG CDF BUILDING
KWANZA CENTRE
KITALE, KENYA

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

(f) NGCDF KWANZA Constituency Contacts

Telephone: (254) 0725732332
E-mail: kwanza@cdf.go.ke
Website: www.kwanza.cdf.go.ke

(g) NGCDF KWANZA Constituency Bankers

1. Cooperative Bank of Kenya
P.O. Box 1050-30200
Kitale, Kenya.

(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)
KWANZA CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

The Kwanza NG CDF in the financial year 2019/2020 was allocated Kshs. 137,367,724.14. During the financial year 49.5% of the allocation was disbursed to the constituency. Therefore, the constituency received a total amount of Kshs 68,000,000.

The constituency receipt a total of Kshs 123,040,876 representing 64% of the final budget. This is inclusive of 68,000,000 which was disbursed in the financial year 2019/2020 and 55,040,876 relating to financial year 2018/2019 but disbursed in the financial year 2019/2020.

The constituency opening balance at the beginning of the year was Kshs 2,362,507 and it further receipt a total of Kshs 55,040,876 owed to the constituency from the board at the close of the financial year 2018/2019.

The constituency percentage of utilization in the financial year is as follows:

- i) Compensation of employees 71%
- ii) Use of goods and services 74%
- iii) Transfer to other government units 61%
- iv) Other grants and transfers 60%

The constituency utilized 64% of its final budget in the financial year. The under-utilization was as a result of non-disbursement of all the funds to the constituency by NG-CDF Board at the close of financial year.

The NG-CDFC was able to timely transfer the disbursed funds to project management committees. The NG-CDFC has also been able to carry out monitoring and evaluation to over 85% of the funded projects.

Kwanza NG-CDF key Achievements

- 1. Access of education by poor and needy students through bursary
- 2. Improvement of learning facilities
- 3. Increased enrolment in schools and improved performance through creation of conducive learning environment
- 4. Community empowerment through community employment in full and labour-based contracts

Implementation challenges and way forward

- 1. Insufficient funds to cater for the community demands. NG-CDF funds should be increased.
- 2. Inadequacy of qualified NG-CDF staff. The NG-CDFC Board should employ and deploy more staff to constituencies to assist the fund account manager in project implementation and reports preparation.
- 3. Inadequate NG-CDF facilitation. Sitting allowances for committees to be revised to improve motivation.
- 4. Delay in disbursement of the funds by NG CDF Board. NG CDF Board should ensure timely disbursement of funds.
- 5. Covid 19 Pandemic has lead to slow project implementation. Adherence to government precautionary measures.

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

KWANZA NG-CDF COMPLETE PROJECTS

A.PRIMARY SCHOOLS



MUGUMO PRIMARY SCHOOL, CONSTRUCTION OF TWO CLASSROOMS-COMplete

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



ST.MONICAS' GIRLS SEC. SCHOOL, CONSTRUCTION OF A TWIN LAB.-COMPLETE

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

C.SECURITY PROJECTS



KAISAGAT ASSISTANT CHIEF'S OFFICE, CONSTRUCTION OF AN OFFICE-COMplete

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



KWANZA OCPD, CONSTRUCTION OF OCPD'S OFFICE-COMLETE.

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

D.SPORTS



LAISSA FC AND MARIDADI FC, KWANZA WARD-ISSUING OF UNIFORMS, BALLS AND FIRST AID KITS.

Sign 
CHAIRPERSON NG CDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

The key development objectives of NGCDF-KWANZA Constituency's 2018-2022 plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

- a) Improving access to quality education by rehabilitation/renovation/construction of classrooms, sanitary facilities, computer labs/classes in schools in the constituency; provision of laboratory equipment and ICT facilities to schools; provision of bursary to needy and bright students at all levels of learning; and connection of all schools to the national grid;
- b) Harnessing youth talent by funding of youth sporting initiatives, conducting campaign on drugs and substance abuse and on HIV and AIDS, creating awareness on the establishment of youth groups, creating awareness among the youth on seeking development fund loans, and promoting youth talent;
- c) Promoting environment in the constituency by organizing tree planting days. In the NG CDF Act 2015, environmental activities may be considered as development projects, provided the allocation to such activities do not exceed two percent (2%) of the total allocation of the constituency in any financial year;
- d) Catering for any unforeseen occurrences in the constituency(emergency support);
- e) Enhancing security in the constituency by constructing/rehabilitating chief's offices, police stations, and police housing units, installation of flood lights, among other initiatives;
- f) Improving the tracking of implementation of NG CDF programmes. In the NGCDF Act 2015, monitoring and evaluation of on going projects and capacity building of various operations has been considered as a development project provided that not more than three percent(3%) is allocated for this purpose; and
- g) Promoting performance management and smooth running of the NG CDF office.

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:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KWANZA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Constituency Program	Objective	Outcome	Indicator	Performance
Education	<p>-To improve access to quality education by rehabilitation/renovation/construction of classrooms, sanitary facilities, laboratories, library and boarding facilities.</p> <p>-To have all children of school going age attending school</p>	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - Number of usable physical infrastructure build in primary and secondary institutions - Increased number of bursary beneficiaries at all levels 	<p>In F/Y 19/20, we increased the number of classrooms and laboratories.</p> <p>In total we managed to build 12 classrooms and 12 laboratories, 1 dormitory, 3 dining halls and 3 modern ablution blocks.</p> <p>-Build 30 new classrooms and renovated 36 classrooms in primary school.</p> <p>- Awarded bursary to 3572 students in secondary schools (1753 boys and 1819 girls) on partial sponsorship.</p>
Security	To enhance security in the constituency by constructing chiefs offices and other administrative units.	Improved security and reduction in crime rate.	-Number of chiefs' offices built.	-Constructed 4 chiefs' offices and 1 assistant county commissioner residential house.
Environment	To promote environmental activities in the constituency by funding public institutions to buy trees seedlings and provision sanitary facilities.	<ul style="list-style-type: none"> -Increase tree coverage. -Improved sanitation. 	<ul style="list-style-type: none"> -Number of tree seedlings planted in the financial year. - Number of pit latrines build. 	<ul style="list-style-type: none"> -In the F/Y 2019/2020 we planted 40,000 tree seedlings and, -Build pit latrines in 3 primary schools.
Sports	To harness youth talent by funding youth sporting initiatives, conducting campaigns on drug and substance abuse and on HIV and AIDS.	<ul style="list-style-type: none"> -Promoting youth talent. - Increased awareness on drugs and substance abuse. -Reduced idleness among the youth. 	<ul style="list-style-type: none"> -Number of teams/clubs facilitated through provision of games kits, balls and nets. -Number of awareness campaigns conducted during sporting activities. 	In the F/Y 2019/2020 we awarded games kits, balls and nets to 16 teams, 13 football teams and 3 volleyball teams.
Disaster Management	To cater for any unforeseen occurrences in the	Increased mitigation of unforeseen	-Numbers of pit latrines constructed after collapsing of	-In the F/Y 2019/2020 pit latrines were built in 6 schools and 1 pit latrine in

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

KWANZA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

	constituency.	occurrence in the constituency.	the existing pit latrines. -Number of classrooms rehabilitated to prevent collapsing. -Numbers of drainage done to improve accessibility.	one security project. - 1 drainage was done in one school. -Rehabilitated 6 classrooms in 3 schools.
--	---------------	---------------------------------	---	--

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – KWANZA 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 Kwanza NG-CDF Committee endeavoured to work within the existing policy guidelines that help in focusing on the service delivery and drive to better performance with the involvement of both internal and external stake holders’ development matters. The relevance of this was attributed to our vision, mission and core values as provided for in our Strategic Plan.

The Strategic Plan focuses on providing Kwanza Constituency with a roadmap towards the delivery of quality service to the electorate. The Plan was prepared through a participatory approach that ensured consultations and involvement of the people of Kwanza, their leaders and external Stakeholders at all stages. It has set out its vision or preferred future, mission, core values, goals and strategic objectives as well as strategies and targets.

The functions of the NG-CDF are being implemented in line with the constitution of Kenya and other relevant legislations that address devolved funds.

Model	Definition	Relevance to sustainable Strategy
Vision	To be “Kwanza” in the effective and efficient utilization of resources in the country.	The vision is sustainable focused through efficient utilization of resources and planned number one in the country.
Mission	To provide transformative leadership in the optimal utilization of NG-CDF for equitable development and poverty reduction at the community level.	The mission is aligned to the sustainable development through provision of transformative leadership and focus on poverty reduction.

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

Core -Values	<ul style="list-style-type: none"> i. Honest and Integrity ii. Efficiency and Effectiveness iii. Innovativeness and creativity Inclusiveness iv. Equity and Equality v. Accountability and Transparency 	As NG-CDF we believe, uphold and practice this values to enable us attain our set objectives.
---------------------	--	---

To realize effective sustainability, the Constituency has identified eight (8) Strategic themes as a guide in developing the Constituency. There are: infrastructure, Youth and Sports, Environment, Social Services (mostly on education), Emergency support, Security, Tracking of results and institutional strengthening.

Further the Constituency has identified the following as areas of focus/Key result areas, which if concentrated on will enhance its competitive strength, enable it to deliver more benefit to stakeholders and attain sustainable growth:-

- a) Security
- b) Education
- c) Environment, water and sanitation
- d) Agriculture and business
- e) Cross-cutting issues of youth and sports
- f) Capacity building.

**2. Environmental performance
 Environment policy and action plan**

Protection of the environment in which we live and operate is part of Kwanza NG-CDF mandate.

Care for the environment is one of key responsibilities and important aspect in the way in which we carry out our operations.

Challenges.

- Inadequate sewerage system
- Increased plastic waste and wanton dumping of waste

Intervention

- Awareness campaigns to sensitize the people
- Constituency by-laws prohibiting adhoc building of temporary houses.

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

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

Expected results

- Adequate water supply and sewerage system
- A clean & Organized constituency

Our Environmental policy

In this Policy Statement Kwanza NG-CDF Commits to:-

- Comply with relevant Environmental legislation, regulations and approved codes of practice.
- Developing our management process to ensure that environmental factors are considered during planning and implementation
- Managing and disposing of all wastage in a responsible manner.
- 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 material and resources.
- Regularly communicating our environmental performance to our employees and other significant stake holders
- Seeking to leverage our environmental impact by encouraging stakeholder to improve their environmental performance.
- Monitoring and continuously improving our environmental performance

Our Environmental action plan

Kwanza NG-CDF has identified four areas in which the management has direct or indirect Environmental impact, and where the management can implement initiatives to manage and reduce these impacts.

These areas are:

Impact Area	Approach
Pollution Control and Waste Management	<ul style="list-style-type: none">• To ensure that all paper waster is recycled• To ensure proper human waste disposal through construction of pit latrines• Septic and soak pit tanks, adequate water supply and sewerage system.

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

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 National Government 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.

Public's engagement is a vital part of many Projects and the benefits of it are well documented such as better outcomes for all Stakeholders, Community Ownership and lower project costs. When the public is involved in a project, they feel motivated to work together, recognize the benefits of their involvement and have ownership of the projects and the decision making process, which is key to a successful project outcome and their sustainability.

Effective Public engagement is about recognizing that involving the Public in a Project is no longer about information dissemination and telling the people what is being done, but is a two way information sharing tool. The more views gathered in the process of making a decision, the more likely the final product will meet the most needs and address the most concerns possible.

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

In summary Stakeholders participation is importance since:-

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

Public Awareness.

This includes mechanisms for participation and cooperation with Local, Regional and National Agencies and for conducting community based needs assessments and public awareness campaigns and holding community meetings.

Public awareness and 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

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

Reports and Financial Statements

For the year ended June 30, 2020

How the organization promotes Strategic themes/Key result areas

- Education sector. NG-CDF funding of schools has assisted in increasing Student enrolment. The bursary has helped retain in school Students from low income families.
- Focus on Water Projects like rain water harvesting in school has enhanced access to clean and reliable water.
- Establishment of Police Posts and local Administration Offices has enhanced security network throughout the Constituency
- Citizens not only exercise their democratic rights to self-governance but also participate in the process of debating and identifying priority projects to be funded
- NG-CDFC has accelerated the government's effort of creating employment away from urban centres by engaging local labour in Projects.
- Overall the NG-CDF is the major driver of governments' effort towards the achievement of the Millennium Development.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KWANZA 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.

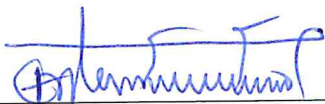
The Accounting Officer in charge of the NGCDF-KWANZA Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2020.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

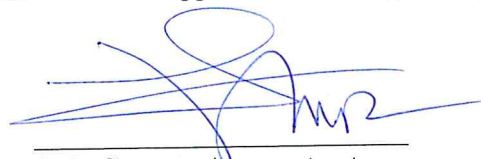
The Accounting Officer in charge of the NGCDF-KWANZA Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible 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-KWANZA Constituency financial statements were approved and signed by the Accounting Officer on 02/09/2020.



**Fund Account Manager
MATHEW K. TANUI**

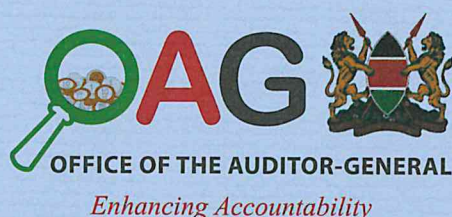


**Sub-County Accountant
PHILEMON KITUM
ICPAK Member Number:17617**

()

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 - KWANZA 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 - Kwanza Constituency set out on pages 1 to 40, 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 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 matter 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 - Kwanza 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.

Basis for Qualified Opinion

1. Unreconciled Project Management Committee - Bank Account Balances

Note 10.3 to the financial statements reflects project management committee bank account balances totaling Kshs.27,132,854 as at 30 June, 2020 which is further detailed under annex 4 in the financial statements. However, the bank reconciliation statements in support of the bank balances were not provided for review contrary to Regulation 90(1) of the Public Finance Management (National Government) Regulations, 2015 which provides that all Accounting Officers shall ensure bank accounts reconciliations are completed for each bank account held by that Accounting Officer, every month and submit a bank reconciliation statement not later than the tenth day of the subsequent month to The National Treasury with a copy to the Auditor-General.

Consequently, the accuracy and validity of the disclosed project management committee bank balances of Kshs.27,132,854 could not be confirmed.

2. Accuracy of the Financial Statements

The summary statement of appropriation: recurrent and development combined shows a budget utilization difference of Kshs.71,721,687 under the receipt's component of transfers from the NGCDF Board. However, a recalculation of the amount shows an amount of Kshs.69,367,724 thus giving rise to a difference of Kshs.2,353,963 which has not been explained.

In the circumstances, the accuracy of the financial statements 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 - Kwanza Constituency in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Matters

1.1 Budgetary Control and Performance

The summary statement of appropriation: recurrent and development combined shows that the Fund had total budgeted receipts of Kshs.194,821,107 against actual receipts of Kshs.125,453,383 thus resulting in an under-collection of Kshs.69,367,724 or 36% of the expected receipts. Further, the statement shows total budgeted expenditure of Kshs.194,821,107 against an actual expenditure of Kshs.120,045,995 thereby resulting in an under expenditure of Kshs.74,775,112 or 38% of the budgeted expenditure.

The under-collection of receipts and under expenditure implies that some of the planned projects of the Fund were not implemented thus impacting negatively on the service delivery of the constituents of Kwanza constituency.

1.2 Projects Implementation Performance

Review of the projects implementation status report revealed that, the Fund had an approved plan to implement one thousand and fourteen (1014) projects over the seven (7) year period covering the financial years 2013/2014 to 2019/2020, valued at Kshs.648,451,479. However, forty-six (46) projects or 5% valued at Kshs.60,556,388 had not yet been started. Further, eighty-five (85) projects or 8% valued at Kshs.143,757,435 were still ongoing and eight hundred and eighty-three (883) projects or 87% valued at Kshs.444,137,656 had been completed as summarized below: -

Sector	Not yet started		Ongoing		Completed	
	No	Value (Kshs.)	No	Value (Kshs.)	No	Value (Kshs.)
Administration			5	6,663,095	40	52,702,608
Education	33	54,400,000	65	121,220,000	369	264,116,603
Emergency	8	3,150,000	2	4,974,340	87	26,530,964
Environment	2	500,000	1	300000	292	9,420,000
Health			5	4,200,000	21	13,732,759
Monitoring and Evaluation	1	1,300,000	2	4,400,000	16	25,324,274
Roads					20	23,119,939
Security	1	600,000	5	2,000,000	32	23,750,000
Sports	1	606,388		-	6	5,440,509
Sub-Total	46	60,556,388	85	143,757,435	883	444,137,656
		Grand Total	1,014	648,451,479		

Failure to complete projects as planned denies the residents of Kwanza Constituency the benefits that would have accrued from the completed projects.

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

1.1 Poor Workmanship in Project Implementation

Physical verifications carried out on various projects within Kwanza constituency revealed that there was construction of classrooms and dining halls in various schools. Further, it was noted that three (3) of the schools visited had projects that were poorly implemented since there were elements of poor workmanship as indicated in the table below and no satisfactory explanation was given by the project management committees.

Date	P.V No.	Payee	Description	Amount disbursed (Kshs.)	Observations
5.08.2019	496	Kwanza Friends Secondary School	Construction of Storey Dormitory	2,000,000	Floor had cracks, Window panes were poorly fixed
5.08.2019	457	Mugumo Primary School	Construction of 2no. Classrooms to completion	1,500,000	Floor had cracks
5.08.2019	509	Kapkoi Girls Secondary School	Construction of Twin Lab to roofing	1,970,000	Floor had cracks
			Total	5,470,000	

This is contrary to Section 150(1) of the Public Procurement and Asset Disposal Act, 2015 which states that the accounting officer or his or her appointed representative shall be responsible for ensuring that the goods, works and services are of the right quality and quantity.

1.2 Construction of Kapsitwet Assistant Chief's Office

A local contractor was awarded the tender to construct Kapsitwet Assistant Chief's Office at a contract sum of Kshs.700,000 and was paid the full amount on 05 August, 2019. However, a physical verification exercise carried out on the project revealed that the skirting was not properly bonded with the outer wall and had therefore developed major cracks.

Consequently, the requirements of Section 150(1) of the Public Procurement and Asset Disposal Act, 2015 requiring the accounting officer or his or her appointed representative to ensure that the goods, works and services are of the right quality and quantity were not adhered to in the project implementation.

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 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 such 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.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain its services and disclosing as applicable matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to abolish the Fund or to cease operations, or have no realistic alternative but to do so.

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.

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the entity 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.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the Fund's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

28 January, 2022

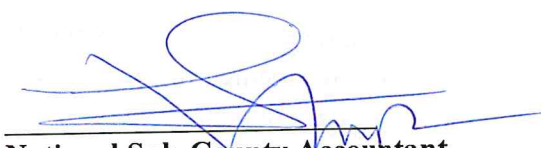
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KWANZA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board –AIEs’ Received	1	123,040,876	108,784,483
Other Receipts	2	50,000	-
TOTAL RECEIPTS		123,090,876	108,784,483
PAYMENTS			
Compensation of employees	3	2,755,978	2,295,150
Use of goods and services	4	7,041,080	8,285,228
Transfers to Other Government Units	5	81,289,257	49,640,000
Other grants and transfers	6	28,959,680	41,371,628
Other Payments	7	-	4,838,514
TOTAL PAYMENTS		120,045,995	106,430,520
SURPLUS/(DEFICIT)		<u>3,044,881</u>	<u>2,353,963</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KWANZA Constituency financial statements were approved on 02/09/ 2020 and signed by:


Fund Account Manager
MATHEW K. TANUI

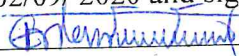

National Sub-County Accountant
PHILEMON KITUM
ICPAK Member Number:17617


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

VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalentents			
Bank Balances (as per the cash book)	8	5,407,389	2,362,507
Total Cash and Cash Equivalentents		5,407,389	2,362,507
TOTAL FINANCIAL ASSETS		5,407,389	2,362,507
FINANCIAL LIABILITIES			
Accounts Payable			
NET FINANCIAL ASSETS		<u>5,407,389</u>	<u>2,362,507</u>
REPRESENTED BY			
Fund balance b/fwd	9	2,362,507	8,544
Surplus/Deficit for the year		3,044,881	2,353,963
NET FINANCIAL POSITION		<u>5,407,388</u>	<u>2,362,507</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KWANZA Constituency financial statements were approved on 02/09/ 2020 and signed by:


Fund Account Manager
MATHEW K. TANUI

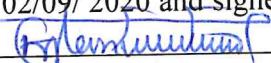

National Sub-County Accountant
PHILEMON KITUM
ICPAK Member Number:17617

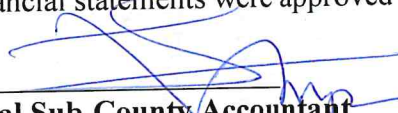
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
KWANZA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

IX. STATEMENT OF CASHFLOW

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	123,040,876	108,784,483
Other Receipts	2	50,000	-
Total receipts		123,090,876	108,784,483
Payments for operating expenses			
Compensation of Employees	3	2,755,978	2,295,150
Use of goods and services	4	7,041,080	8,285,228
Transfers to Other Government Units	5	81,289,257	49,640,000
Other grants and transfers	6	28,959,680	41,371,628
Other Payments	7	-	4,838,514
Total payments		120,045,995	106,430,520
Total Receipts Less Total Payments			
Adjusted for:			
Net cash flow from operating activities		3,044,881	2,353,963
CASHFLOW FROM INVESTING ACTIVITIES			
NET INCREASE IN CASH AND CASH EQUIVALENT		3,044,881	2,353,963
Cash and cash equivalent at BEGINNING of the year	9	2,362,507	8,544
Cash and cash equivalent at END of the year		<u>5,407,388</u>	<u>2,362,507</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KWANZA Constituency financial statements were approved on 02/09/ 2020 and signed by:


 Fund Account Manager
MATHEW K. TANUI


 National Sub-County Accountant
PHILEMON KITUM
 ICPAK Member Number:17617

NATIONA¹ GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KWANZA CONSULTANCY
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 a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	137,367,724	57,403,383	194,771,107	125,403,383	71,721,687	64%
Proceeds from Sale of Assets						
Other Receipts-Legal fee refund 'AIA'		50,000	50,000	50,000	0	100%
TOTAL	137,367,724	57,453,383	194,821,107	125,453,383	71,721,687	64%
PAYMENTS						
Compensation of Employees	3,260,000	644,850	3,904,850	2,755,978	1,148,872	71%
Use of goods and services	9,103,095	451,094	9,554,189	7,041,080	2,513,109	74%
Transfers to Other Government Units	80,800,000	51,889,257	132,689,257	81,289,257	51,400,000	61%
Other grants and transfers	44,204,629	4,418,182	48,622,811	28,959,680	19,663,131	60%
Unallocated Expenditure	-	50,000	50,000	0	50,000	0%
TOTALS	137,367,724	57,453,383	194,821,107	120,045,995	74,775,112	62%

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

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

- i. There was an AIA amounting to Kshs 50,000 being court award(Legal cost payment refund)
- ii. There was underutilization on transfer to other government units because of non-disbursement of all funds by NG CDF Board at the close of the financial year.
- iii. There was underutilization on other grants and transfers because of non-disbursement of all the funds by NG CDF Board at the close of the financial year.
- iv. There was underutilization on compensation of employees and use of goods because of non-disbursement of all the funds by the NG CDF Board at the close of the financial year.

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

- v. *The changes between the original and the final budget is as a result of opening balance at the start of the financial year and the funds owed to the constituency by NG CDF Board at the close of the previous financial year but disbursed in the current financial year.*
- vi. *The changes in the amount of an unutilized funds payment in the adjustments from amount declared in the financial year 2018/2019 is as a result of re-allocations within the budget.*

(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

The NG CDF-KWANZA Constituency financial statements were approved on 02/09/2020 and signed by:



Fund Account Manager
Name: MATHEW K. TANUI



Sub-County Accountant
PHILEMON KITUM
ICPAK Member Number: 17617

NATION GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KWANZA 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		
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	3,260,000	644,850	3,904,850	2,755,978	1,148,872
1.2 Committee allowances	2,800,000	-	2,800,000	2,147,000	653,000
1.3 Use of goods and services	2,182,063	451,094	2,633,157	2,210,510	422,647
2.0 Monitoring and evaluation					
2.1 Capacity building	1,300,000	-	1,300,000	380,000	920,000
2.2 Committee allowances	1,600,000	-	1,600,000	1,600,000	-
2.3 Use of goods and services	1,221,032	-	1,221,032	703,570	517,462
3.0 Emergency					
3.1 Primary Schools	4,550,000	618,182	5,168,182	3,550,000	1,618,182
3.2 Secondary schools	1,574,340	-	1,574,340	1,100,000	474,340
3.3 Tertiary institutions					
3.4 Security projects	200,000	-	200,000	200,000	-
3.5 Others	873,901	-	873,901	873,901	-
4.0 Bursary and Social Security					
4.1 Primary Schools					
4.2 Secondary Schools	19,500,000	-	19,500,000	18,376,000	1,124,000
4.3 Tertiary Institutions	15,500,000	-	15,500,000	-	15,500,000
5.0 Sports					
5.1 Sports	606,388	800,000	1,406,388	459,779	946,609
6.0 Environment					
6.1 Environment	900,000	1,000,000	1,900,000	1,900,000	-
7.0 Primary Schools Projects (List all the Projects)					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KWANZA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
7.1 Bondeni Primary School	1,600,000	600,000	2,200,000	600,000	1,600,000
7.2 Lelkina Primary School	1,600,000	-	1,600,000	-	1,600,000
7.3 Mutua Primary School	1,600,000	-	1,600,000	-	1,600,000
7.4 Fk1 Mandarara Primary School	800,000	750,000	1,550,000	750,000	800,000
7.5 Luuya Primary School	1,400,000	-	1,400,000	1,400,000	-
7.6 Nasianda Primary School	1,400,000	-	1,400,000	-	1,400,000
7.7 Namanjalala Primary School	1,400,000	-	1,400,000	1,400,000	-
7.8 Zea Primary School	1,400,000	-	1,400,000	1,400,000	-
7.9 Makunga Primary School	1,400,000	-	1,400,000	1,400,000	-
7.10 Liyavo Primary School	1,400,000	600,000	2,000,000	600,000	1,400,000
7.11 Kapkai Primary School	1,400,000	-	1,400,000	-	1,400,000
7.12 Bidii Primary School	1,200,000	500,000	1,700,000	500,000	1,200,000
7.13 Kambi Nairobi Primary School	800,000	-	800,000	-	800,000
7.14 Pengi Primary School	800,000	-	800,000	800,000	-
7.15 Bidii Primary School	-	1,169,257	1,169,257	1,169,257	-
7.16 Webuye Primary School	-	800,000	800,000	800,000	-
7.17 Milima A Primary School	-	200,000	200,000	200,000	-
7.77 Kwanusu Primary School	-	1,200,000	1,200,000	1,200,000	-
7.78 Water Supply Primary School	-	600,000	600,000	600,000	-
7.79 Mugumo Primary School	-	1,500,000	1,500,000	1,500,000	-
7.80 Mirembe Primary School	-	1,200,000	1,200,000	1,200,000	-
7.81 Milima A Primary School	-	1,200,000	1,200,000	1,200,000	-
7.82 Sande Primary School	-	600,000	600,000	600,000	-
7.83 Korosiot Primary School	-	600,000	600,000	600,000	-
7.84 Lunyu Primary School	-	600,000	600,000	600,000	-
7.85 Ukingoni Primary School	-	600,000	600,000	600,000	-
7.86 Milimani Junior Primary School	-	1,200,000	1,200,000	1,200,000	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KWANZA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
7.87 Muungano Primary School	-	600,000	600,000	600,000	-
7.89 Kapkoi Central Primary School	-	600,000	600,000	600,000	-
7.90 Dr. Noah Wekesa Primary School	-	600,000	600,000	600,000	-
7.91 Geserate Primary School	-	600,000	600,000	600,000	-
7.92 Koros Primary School	-	1,200,000	1,200,000	1,200,000	-
7.93 Chief Mtende Primary School	-	750,000	750,000	750,000	-
7.94 Mugeiyot Primary School	-	600,000	600,000	600,000	-
7.95 Mwangaza Primary School	-	600,000	600,000	600,000	-
7.96 Misanga Primary School	-	600,000	600,000	600,000	-
7.97 Webuye Primary School	-	600,000	600,000	600,000	-
7.98 Section Six Primary School	-	500,000	500,000	500,000	-
7.99 Lessos Primary School	-	500,000	500,000	500,000	-
7.991 Maridadi Primary School	-	500,000	500,000	500,000	-
7.992 Keese Primary School	-	500,000	500,000	500,000	-
7.993 Goseta Primary School	-	500,000	500,000	500,000	-
7.994 Bwayi Primary School	-	500,000	500,000	500,000	-
8.0 Secondary Schools Projects (List All The Projects)					
8.1 Namanjalala Secondary School	2,000,000	1,600,000	3,600,000	1,600,000	2,000,000
8.2 Kwanza Girls Secondary School	1,400,000	1,500,000	2,900,000	1,500,000	1,400,000
8.3 St Michael Liyavo Girls Secondary School	1,500,000	1,200,000	2,700,000	1,200,000	1,500,000
8.4 St Francis Kolongolo Boys Secondary School	1,800,000	1,500,000	3,300,000	1,500,000	1,800,000
8.5 Milimani Secondary School	1,500,000	1,500,000	3,000,000	1,500,000	1,500,000
8.6 St Francis Kolongolo Girls Secondary School	1,000,000	-	1,000,000	1,000,000	-
8.7 St Martine Makhonge Secondary School	1,000,000	-	1,000,000	1,000,000	-

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
8.8 Aic Kobos Girls Secondary School	1,000,000	-	1,000,000	1,000,000	-
8.9 Aic Kobos Boys Secondary School	2,800,000	1,400,000	4,200,000	1,400,000	2,800,000
8.10 Kapkoi Girls Secondary	2,900,000	1,970,000	4,870,000	1,970,000	2,900,000
8.11 St Michael Liyavo Girls Secondary School	800,000	-	800,000	-	800,000
8.12 Namandala Secondary School	1,600,000	-	1,600,000	-	1,600,000
8.13 St Augustine Maziwa Secondary School	500,000	500,000	1,000,000	500,000	500,000
8.14 St Maurice Lunyu Girls Secondary School	500,000	500,000	1,000,000	500,000	500,000
8.15 St Philip Kipsoen Secondary School	1,600,000	-	1,600,000	-	1,600,000
8.16 Aic Lessos Secondary School	800,000	1,000,000	1,800,000	1,000,000	800,000
8.17 St Maurice Lunyu Girls Secondary	6,500,000	-	6,500,000	-	6,500,000
8.18 Goseta Secondary School	2,000,000	-	2,000,000	2,000,000	-
8.19 Maridadi Secondary School	9,000,000	-	9,000,000	9,000,000	-
8.20 Kapkoi Girls Secondary School	9,000,000	-	9,000,000	9,000,000	-
8.21 Namanjalala Secondary School	2,300,000	-	2,300,000	-	2,300,000
8.22 St Thomas Amuka Secondary School	2,200,000	-	2,200,000	-	2,200,000
8.23 Miteitei Secondary School	2,200,000	-	2,200,000	-	2,200,000
8.24 Karaus Secondary School	2,200,000	-	2,200,000	-	2,200,000
8.25 Aic Kiptuimet Secondary School	2,200,000	-	2,200,000	-	2,200,000
8.26 St Augustine Maziwa Secondary School	1,600,000	-	1,600,000	-	1,600,000
8.27 Luuya Secondary School	700,000	1,000,000	1,700,000	1,000,000	700,000

10th GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KWANZA CONSTITUENCY
Sports and Financial Statements
For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
8.28 Biketi Friends Secondary School	-	1,100,000	1,100,000	1,100,000	-
8.29 St Amnes Umjoja Secondary School	-	1,100,000	1,100,000	1,100,000	-
8.30 St Pauls Bwayi Secondary School	-	1,100,000	1,100,000	1,100,000	-
8.31 St Cecilia Marinda Secondary School	-	1,200,000	1,200,000	1,200,000	-
8.32 Korosiot Secondary School	-	1,300,000	1,300,000	1,300,000	-
8.34 St Monica Girls Secondary School	-	1,500,000	1,500,000	1,500,000	-
8.35 Kwanza Friends Secondary School	-	2,000,000	2,000,000	2,000,000	-
8.36 Maridadi Secondary School	-	500,000	500,000	500,000	-
8.37 Kapkai Secondary School	-	600,000	600,000	600,000	-
8.38 Gidea Boys Secondary School	-	600,000	600,000	600,000	-
8.39 Soymining Secondary School	-	600,000	600,000	600,000	-
8.40 Misanga Sa Secondary School	-	600,000	600,000	600,000	-
8.41 Bishop Alexander Muge Girls Secondary	-	750,000	750,000	750,000	-
8.42 Keese Secondary School	-	500,000	500,000	500,000	-
8.43 St Peters Kapomboi Secondary School	-	500,000	500,000	500,000	-
8.44 St Maurice Boys Lunyu Secondary	-	600,000	600,000	600,000	-
9.0 Tertiary Institutions Projects (List All The Projects)					
9.1					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – KWANZA CONSTITUENCY

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
10.0 Security Projects					
10.1 Maili Saba Acc	300,000	-	300,000	300,000	-
10.2 misanga Asst Chiefs Office	200,000	-	200,000	200,000	-
10.3 Kapkoi Asst Chiefs Office	-	600,000	600,000	600,000	-
10.4 Kapsitwet Ass Chiefs Office	-	700,000	700,000	700,000	-
10.5 Kaisagat Asst Chiefs Office	-	700,000	700,000	700,000	-
11.0 Others					
11.1 Unallocated Expenditure	-	50,000	50,000	-	50,000
Sub-Total					
GRAND TOTALS	137,367,724	57,453,383	194,821,107	120,045,995	74,775,112

(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-KWANZA 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.

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

Reports and Financial Statements

For the year ended June 30, 2020

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) –
KWANZA 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) –
 KWANZA 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. B005111	1		54,784,483
AIE NO. B030083	2		10,000,000
AIE NO. B030466	3		20,000,000
AIE NO. A006413	4		6,000,000
AIE NO. A699149	5		11,000,000
AIE NO. B042783	6		7,000,000
AIE NO. B041047	1	55,040,876	
AIE NO. B047495	2	4,000,000	
AIE NO. B041304	3	20,000,000	
AIE NO. B047724	4	7,000,000	
AIE NO. B047947	5	9,000,000	
AIE NO. B049342	6	19,000,000	
AIE NO. B104366	7	9,000,000	
TOTAL		123,040,876	108,784,483

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. OTHER RECEIPTS

	2019-2020	2018-2019
	Kshs	Kshs
Other Receipts Not Classified Elsewhere(Legal cost payment refund)	50,000	-
Total	50,000	-

3. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	2,086,589	1,869,890
Pension and other social security contributions (Gratuity)	525,600	317,200
Employer Contributions Compulsory national social security schemes	143,789	108,060
Total	2,755,978	2,295,150

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	4,687,000	5,802,600
Utilities, supplies and services	193,779	247,820
Communication, supplies and services	37,379	78,027
Domestic travel and subsistence	245,190	268,202
Printing, advertising and information supplies & services	22,684	-
Training expenses	469,600	636,000
Hospitality supplies and services	33,400	24,433
Insurance costs, Bank services commission and charges	33,100	-
Office and general supplies and services	306,170	216,981
Fuel, Oil & Lubricants	476,455	522,290
Routine maintenance – vehicles and other transport equipment	466,703	447,225
Routine maintenance – other assets	69,620	41,650
Total	7,041,080	8,285,228

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	30,069,257	16,410,000
Transfers to secondary schools (see attached list)	51,220,000	33,230,000
TOTAL	81,289,257	49,640,000

6. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	18,376,000	15,705,000
Bursary – tertiary institutions (see attached list)	-	14,413,628
Security projects (see attached list)	2,500,000	4,550,000
Sports projects (see attached list)	459,779	-
Environment projects (see attached list)	1,900,000	500,000
Emergency projects (see attached list)	5,723,901	6,203,000
Total	28,959,680	41,371,628

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	-	2,500,000
ICT Hub	-	2,338,514
TOTAL	-	4,838,514

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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Cooperative Bank-Kitale Branch A/C Number 01141268429300</i>	5,407,389	2,362,507
Total	5,407,389	2,362,507

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	2,362,507	8,544
Total	2,362,507	8,544

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. OTHER IMPORTANT DISCLOSURES

10.1: PENDING STAFF PAYABLES (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
NG CDF Staff Gratuity	525,600	163,200
	525,600	163,200

10.2: UNUTILIZED FUND (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	1,148,872	644,850
Use of goods and services	2,513,109	451,094
Amounts due to other Government entities (see attached list)	51,400,000	49,720,000
Amounts due to other grants and other transfers (see attached list)	19,663,131	4,248,925
Others (<i>specify</i>)	-	2,338,514
Unallocated Expenditure	50,000	-
	74,775,112	57,403,383

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
KWANZA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020
NOTES TO THE FINANCIAL STATEMENTS (Continued)

10.3: PMC account balances (See Annex 4)

	2019-2020	
	Kshs	
PMC account Balances (see attached list)	27,132,853.83	9,-
	27,132,853.83	9,300,-

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

ANNEX 1 - 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	
Others (KWANZA NG CDF Staff Gratuity)						
1. Michael Masibo	E	62,400	1-Aug-20	-	62,400	
2. Kennedy Kariuki	E	85,200	1-July-20	-	85,200	
3. Metrine Wanjala	G	96,000	1-July-20	-	96,000	
4. Titus Chesoli	J	100,800	1-Aug-21	-	100,800	
5. Agnes Makokha	E	32,400	1-Aug-21	-	32,400	
6. Hellen Wekesa	E	32,400	1-Aug-21	-	32,400	
7. Joseph Wasike	E	32,400	1-Aug-21	-	32,400	
8. Eliud Lagat	E	32,400	1-Aug-21	-	32,400	
9. Esther Mudanyi	G	51,600	1-July-22	-	51,600	
Sub-Total						
Grand Total					525,600	

March 30, 2020

ANNEX 2 – 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				
Primary School Projects				
Kwanusu Primary School		-	1,200,000	
Water Supply Primary School		-	600,000	
Mugumo Primary School		-	1,500,000	
Miremba Primary School		-	1,200,000	
Milima A Primary School		-	1,200,000	
Sande Primary School		-	600,000	
Korosiot Primary School		-	600,000	
Lunyu Primary School		-	600,000	
Ukingoni Primary School		-	600,000	
Milimani Junior Primary School		-	1,200,000	
Muungano Primary School		-	600,000	
Kapko Central Primary School		-	600,000	
Dr. Noah Wekesa Primary School		-	600,000	
Geserate Primary School		-	600,000	
Koros Primary School		-	1,200,000	
FKI Mandarara Primary School		800,000	750,000	
Chief Mtende Primary School		-	750,000	
Mugeiyot Primary School		-	600,000	
Mwangaza Primary School		-	600,000	
Misanga Primary School		-	600,000	

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

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Webuye Primary School		-	600,000	
Bondeni Primary School		1,600,000	600,000	
Liyavo Primary School		1,400,000	600,000	
Section Six Primary School		-	500,000	
Lessos Primary School		-	500,000	
Bidii Primary School		1,200,000	500,000	
Maridadi Primary School		-	500,000	
Keese Primary School		-	500,000	
Goseta Primary School		-	500,000	
Bwayi Primary School		-	500,000	
Kambi Nairobi		800,000	-	
Kapka Primary School		1,400,000	-	
Lelkina Primary School		1,600,000	-	
Mutua Primary School		1,600,000	-	
Nasianda Primarieschool		1,400,000	-	
Sub-Total		11,800,000	21,500,000	
Secondary School Projects				
Aic Lessos Secondary School		800,000	1,000,000	
Namanjalala Secondaryschool		2,300,000	1,600,000	
Kwanza Girls Secondary School		1,400,000	1,500,000	
Biketi Friends Secondary School		-	1,100,000	
St Annes Umoja Secondary School		-	1,100,000	
St Pauls Bwayi Secondary School		-	1,100,000	
Luuuya Secondary School		700,000	1,000,000	
St Michael Liyavo Girls Secondary		800,000	1,200,000	
St Ceceilia Marinda Secondary School		-	1,200,000	

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

Pmc	Bank	Account Number	Bank Balance 2019/20	Bank Balance 2018/19
Aic Kobos Girls High School	Co-Op Bank	01139599171400	492,636.06	1,265,364.06
Biketi Seconadry School	Co-Op Bank	01139599919200	22,167.50	3,247.50
St Monica Girls High School	Co-Op Bank	01139096866502	1,147.50	98,047.50
Milimani Secondary School	Co-Op Bank	01139599008000	154,334.35	4,334.35
Lurare Primary School	Co-Op Bank	01139096536400	Nil	1,155
Aic Lessos Secondary School	Co-Op Bank	01139268355002	29,722.50	1,172.50
Kolongolo Primary School	Co-Op Bank	01139695020900	29,132.50	29,132.50
Ukingoni Primary School	Co-Op Bank	01139599004100	10,522.50	Nil
Bwayi Primary School	Co-Op Bank	01139599017300	14,692.50	Nil
St Cecilia Marinda Secondary School	Co-Op Bank	01139502607101	1,201,605	Nil
St Annes Umoja Girls Secondary School	Co-Op Bank	01139502911800	9,007.50	Nil
Korosiot Secondary School	Co-Op Bank	01139599699100	4,305.50	Nil
St Pauls Bwayi Sec School	Co-Op Bank	01139599044901	14,482.50	Nil
Luuya Secondary School	Co-Op Bank	01139694536200	1,155	Nil
Bidii Primary School	Co-Op Bank	01139502974400	1,227,151.50	Nil
Bondeni Primary School	Co-Op Bank	01139599045500	2.50	Nil
Misanga Sa Primary School	Co-Op Bank	01139599874200	302,272.50	Nil
Mwangaza Primary School	Co-Op Bank	01139599224900	22,878.50	Nil
Mugumo Primary School	Co-Op Bank	01139599713400	335,743	Nil
Water Supply Primary School	Co-Op Bank	01139599976400	31,741.50	Nil

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

Reports and Financial Statements

For the year ended June 30, 2020

Pmc	Bank	Account Number	Bank Balance 2019/20	Bank Balance 2018/19
Kwanusu Primary School	Co-Op Bank	01139599699200	6,037	Nil
Muungano Primary School	Co-Op Bank	01139096536800	313,307.60	Nil
Lunyu Primary School	Co-Op Bank	01139694982500	50,610.50	Nil
Sande Friends Primary School	Co-Op Bank	01139599003900	5,320.50	Nil
Milima A Primary School	Co-Op Bank	01139502935100	225,518.50	Nil
Keese Primary School	Co-Op Bank	01139046978101	5,982.50	Nil
Goseta Primary School	Co-Op Bank	01139694519200	42,300	Nil
Maridadi Primary School	Co-Op Bank	01139502235601	23,682.50	Nil
Zea Primary School	Co-Op Bank	01139599766700	1,402,012.50	Nil
Ainasit Primary School	Co-Op Bank	01139502952400	12,500	Nil
Meza Primary School	Co-Op Bank	01139599699700	302,032.50	Nil
Kitale Ndogo Primary School	Co-Op Bank	01139599859200	401,805	Nil
Kwanza Girls Secondary School	Co-Op Bank	01139096504002	445,275.50	Nil
St Peters High Sch-Kapomboi	Co-Op Bank	01139599160100	251,250.50	Nil
St Francis Kolongolo Boys High School	Co-Op Bank	01139694797700	191,912.50	Nil
St Maurice Girls High Sch- Lunyu	Co-Op Bank	01139599905301	26,119.50	Nil
Misanga Sa High School	Co-Op Bank	01139599692000	606,025.25	Nil
Gidea Boys Secondary School	Co-Op Bank	01139694825000	18,265.50	Nil
Aic Kapkai Secondary School	Co-Op Bank	01139694973000	6,406	Nil
Kapkoi Central Girls High School	Co-Op Bank	01139599756800	5,398,238.50	Nil

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

Pmc	Bank	Account Number	Bank Balance 2019/20	Bank Balance 2018/19
Soymining Secondary School	Co-Op Bank	01139599699500	3,669.50	Nil
Goseta Boys High School	Co-Op Bank	01139841153200	1,999,520	Nil
St Philips Kipsoen Secondary School	Co-Op Bank	01139694483500	18,002.50	Nil
Kaisagat Ass. Chiefs Office	Co-Op Bank	01141840849500	10,050	Nil
Misanga Asst. Chiefs Office	Co-Op Bank	01141695592000	202,145	Nil
Kapsitwet Asst. Chiefs Office	Co-Op Bank	01141840842400	9,230	Nil
Makunga Primary School	Co-Op Bank	01139502975100	25,676.50	Nil
Luuya Primary School	Co-Op Bank	01139599071500	1,483.50	Nil
Kapkoi Asst. Chiefs Office	Co-Op Bank	01141841224700	598,975	Nil
Bishop A Muge Secondary School	Co-Op Bank	01120096535000	195,217.69	Nil
Koros Primary School	Co-Op Bank	01139599668100	15,637.50	Nil
Lessos Primary School	Co-Op Bank	01139599716200	23,121.50	Nil
Total			27,132,853.83	9,300,873.91

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

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit 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)
1.0	Project Management Committee Bank Account Balances Noted 11to The Financial Statement Reflects Project Management Committee Bank Account Balances Of Kshs 9,977,751.75 As At 30 June 2018 As Disclosed Under Annex 4. However, Bank Reconciliation Statements, Bank Confirmation Certificates And Bank Statements In Support Of Kshs 9,977,751.75 Were Not Aailed For Audit Review. In The Circumstance, The Accuracy, Validity And Existence Of The Disclosed Project Management Committee Balances Of Kshs 9,977,751.75 Could Not Be Confirmed.	The Project Management Committee Balances As At 30 June 2018 As Reflected In Note 11 To The Financial Statement Reflects Project Management Committee Bank Account Balances Of Kshs 9,977,715.75 As Disclosed Under Annex 4. The Management Confirms The Accuracy, Validity And Existence Of The Disclosed Account Balances As Reflected In The Certificate Bank Account Statements. The Stated Amount Is As Per The Bank Account Statements Of The Project Management Committees Bank Accounts.	Mathew K. Tanui-F.A.M Kwanza Constituency	Responded Awaiting Clearance	Awaiting Clearance

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

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)
2.0	<p>Budget Control And Performance. During The Financial Year 2017/2018 Kwanza NG-CDF Had Approved A Budget Of Kshs 106,377,037 And The Constituency Received Kshs 43,405,172 From NG-CDF Board, Resulting To Under Funding Of Kshs 62,971,855. No Satisfactory Explanation Was Given For Such Under Funding. Out Of The Amount Received Of Kshs</p>	<p>The File Of Project Management Committee Bank Accounts Statement Is Maintained At NG-CDFC Office. The Management Will Further Ensure That The Project Management Committees, Cash Books And Bank Reconciliations Statements Are Availled To Auditors During Audit In The Subsequent Audits.</p> <p>The Management Of Kwanza NG-CDF Was Unable To Implement Its Budget Fully Because Of Delay In Disbursement Of Funds By NG-CDF Board. At The Close Of The Financial Year Only Kshs 43,405,172 Had Been Disbursed Out Of The Approved Budget Of Kshs 106,377,037 Resulting To Underfunding. Non</p>	<p>Mathew K. Tanui-F.A.M Kwanza Constituency</p>	<p>Responded Awaiting Clearance</p>	<p>Awaiting Clearance</p>

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

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)
	43,405,172, The Constituency Managed To Spend a Total Of Kshs 51,584,010, Resulting To Under Absorption Of The Budget.	Disbursement Or Delay In Disbursement Of Funds Is Beyond The Powers Of The NG-CDFC Management. It's Only The NG-CDFC Board That Is Vested With The Authority Of Disbursing Fund To The Constituency.			
3.0	Project Implementation Performance Delay In The Projects-Kshs 177,587,931 Detailed Analysis Of Project Implementation Status Of Kwanza Constituency Reveals That The Management Of The Fund Had Approved Plan To Implement Eight Hundred (800). Projects Between Financial Year 2013/2014 To 2017/2018 Valued At Kshs 435,906,589. However Ninety Five (95) (I.E. 11.88% Of The Total Projects) Valued At Kshs 4 Million Had Not Started, One Hundred And	The Project Implementation Status Report Presented To Auditors During The Audit Was Only Showing The Project Status Report Per Each Financial Year And Not As Per 30 June 2018. This Lead To The Scrutiny And Analysis As Stated Above In The Audit Finding. However The Management Has Amended The Project Implementation Status So As To Show The Project Implementation Status Report As At 30 June 2018 And Not	Mathew K. Tanui- F.A.M Kwanza Constituency	Responded Awaiting Clearance	Awaiting Clearance

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

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)
	Seventy Nine (179) Or 22.38% Of The Total Projects Valued At Kshs 177,587,931 Were Still On-going And Five Hundred And Twenty Six (526) Or 65.75% Of The Total Projects Valued At Kshs 254,318,658 Were Completed.	As Per Each Financial Year.			