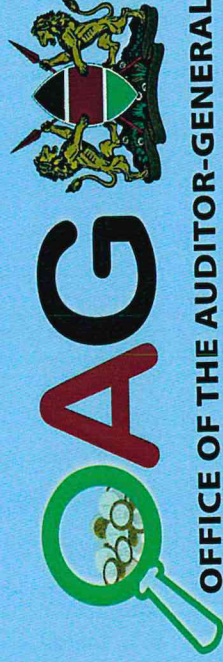


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



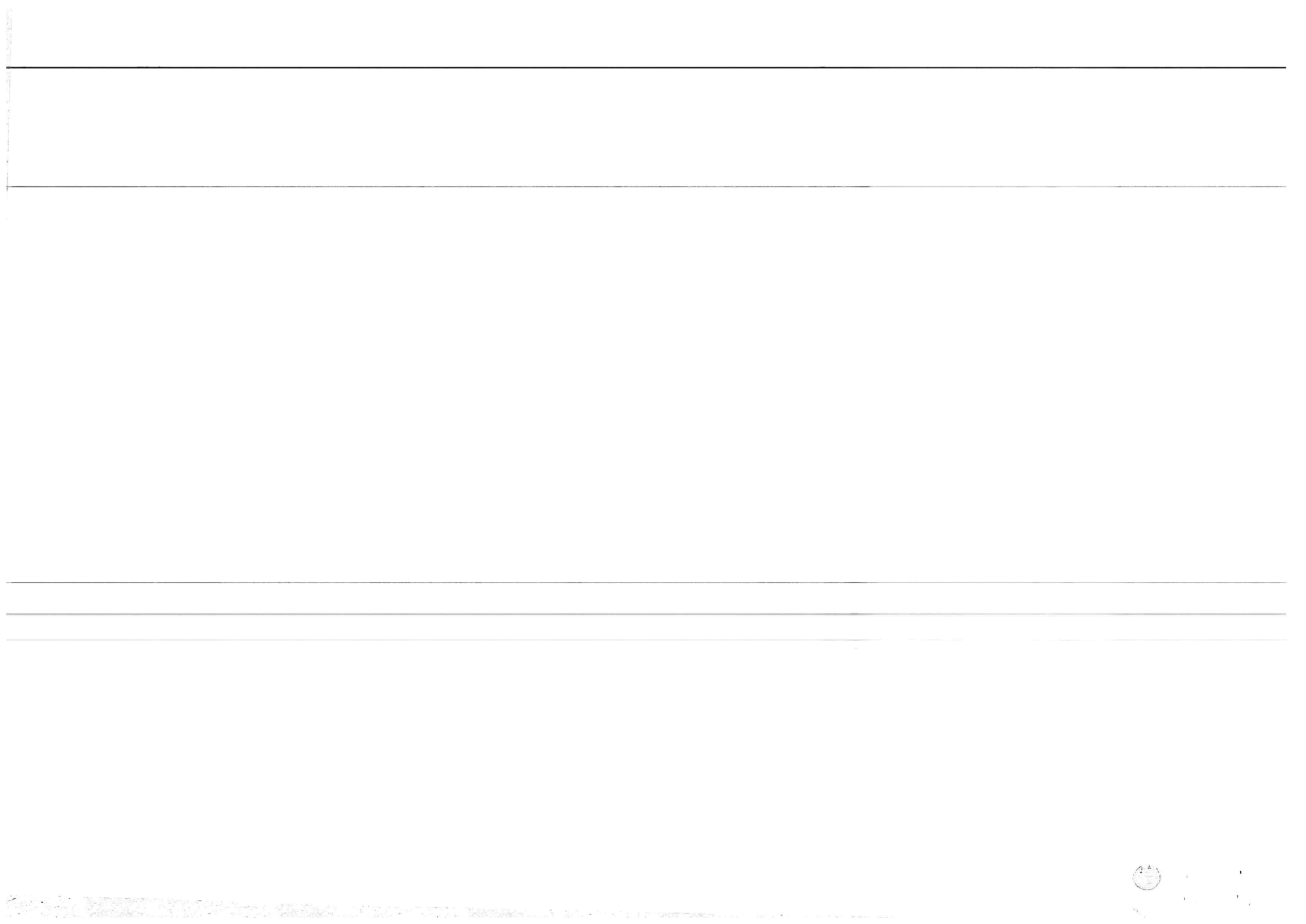
REPORT	
NATIONAL ASSEMBLY	
PAPERS LAID	
DATE: 24 FEB 2021	DAY: Thurs
OF	LOM -
TABLED BY:	

THE AUDITOR-GENERAL *Mwacha Wanyiku*

ON

NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
RONGAI CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2020





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –RONGAI
CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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

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

TABLE OF CONTENT	PAGE
KEY CONSTITUENCY INFORMATION AND MANAGEMENT	iv
FORWARD BY THE CHAIRMAN NG-CDFC COMMITTEE	vii
STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES	viii
CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING	xii
SUSTAINABILITY STRATEGY AND PROFILE	xii
ENVIRONMENTAL PERFORMANCE	xiii
EMPLOYEES WELFARE	xv
HEALTH, SAFETY AND WELL-BEING	xvi
MARKET PLACE PRACTICES	xix
COMMUNITY ENGAGEMENTS	xix
STATEMENT OF NG-CDF COMITEE MANAGEMENT RESPONSIBILITIES	xxii
AUDITOR REPORT	xxiii
STATEMENT OF RECEIPTS AND PAYMENTS	1
STATEMENT OF FINANCIAL ASSETS AND LIABILITIES	2
STATEMENT OF CASHFLOW	3
SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED	4
BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES	5
SIGNIFICANT ACCOUNTING POLICIES	10
NOTES TO THE FINANCIAL STATEMENTS	14
ANNEX 1 ANALYSIS OF PENDING ACCOUNTS PAYABLE	25
ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES	26
ANNEX 3 - SUMMARY OF UNUTILIZED FUND	27
ANNEX 4 - SUMMARY OF FIXED ASSET REGISTER	30
ANNEX 5 - PROJECTS MANAGEMENT ACCOUNT BALANCES SUMMARY	33

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY

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

LIST OF ABBREVIATIONS

i.	NG-CDF	- National Government Constituencies Development Fund
ii.	CDF	- Constituency Development Fund
iii.	PMC	- Project Management Committee
iv.	NG-CDFC	- National Government Constituency Development Fund Committee
v.	ICPAK	- Institute of Certified Public Accountants of Kenya
vi.	ARMC	- Audit and Risk Management Committee

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY**

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

Core Values

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

(b) Key Management

The NG-CDF Rongai day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

(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	Kenneth K. Kamau
2.	Sub-County Accountant	Rahab W Mathu
3.	Chairman NG-CDFC	Dr Richard C Moindi
4.	Member NG-CDFC	Henry Koech Kipngok

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of NG-CDF -RONGAI Constituency. The reports and recommendation of ARMC when adopted by the NG-CDF 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) NG-CDF RONGAI Constituency Headquarters

Rongai Cdf
Kambi Ya Moto Bulding
Nakuru/Ravine Road
P.O.Box 12848-20100
Nakuru, Kenya

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY**

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

(f) NG-CDF RONGAI Constituency Contacts

E-mail: info@rongaingcdf.go.ke
Website: www.rongaingcdf.co.ke

(g) NG-CDF RONGAI Constituency Bankers

1. Bank Name: KENYA COMMERCIAL BANK
Branch: NAKURU BRANCH
Account Name: RONGAI NG - CDF
Account Number: 1101849169

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

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

II. FORWARD BY THE CHAIRMAN NG-CDFC COMMITTEE

In the financial year 2019/2020, the NG-CDF Rongai Constituency made great strides in project and programme implementation. The disbursements for the year and the balances for the year 2018/2019 were used efficiently and effectively.

Some of the key flagship projects implemented during the financial year were:

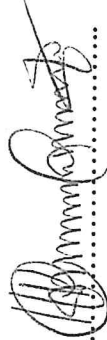
- Losibil Boarding Primary School for both boys and girls.
- Seet Kobor Boarding primary for both boys and girls.
- Construction of eight classrooms in Rift Valley Institute of Science and Technology(RVIST) Primary school.
- Comprehensive renovation of Kipsyenan Primary School to give it a face life to be a centre of excellence.
- Construction of class rooms at Kinoyo Primary School, moving it from a scratch to a functional modern primary school.

Apart from these flagship projects, the committee realized many key deliverables across the five wards. It is therefore, worth noting that our constituents are a happy lot because bursaries were a pervasive support to pupils and students in secondary and post-secondary school institutions. Having highlighted these key achievements, it is worth noting that two key challenges were noted: One hundred percent (100%) transition from primary to secondary schools has brought pressure to bear on NG-CDF. This calls for increase in funding in order to provide classrooms for pupils from primary to secondary schools.

The second challenge is the delayed disbursement of funds, evidence by the belated receipt of Ksh 68,600,000.00 toward the end of financial year 2019/2020. If timely disbursements were realized, all projects and programmes would be implemented on a timely basis.

One key emerging issue relating to NG-CDF is the constant need for more specialised staff such as ICT and Civil Works experts to handle the ever expanding scope and volume of works handled by the NGCDF staff.

In a nutshell, NG-CDF is a timely fund which has pervasive positive outcomes and impact at the grassroots.

Sign.....

Date 23rd February 2021

DR RICHARD MOINDI
CHAIRMAN NG-CDFC-RONGAI

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY***

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

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES

Introduction

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

Rongai Constituency stands feet high on the potent of the capable constituents, its geographical location and the existence of natural resources. The recognition of its potential development and growth majorly depends on its process of planning for and regulating physical and economic development that capitalizes on reliable opportunities and prudent financial and administrative threads.

In underscoring the planning of the constituency, the National Government Constituency Development Fund Committee (NG-CDFC) in its strategic plan (2017-2022) outlined key strategic objectives that were to be used to propel development in the constituency. The plan sort to contribute towards the identification of how and where development programmes identified would be implemented especially in the social and economic activities with special focus on education, security, improved social infrastructure amenities, supporting peace building initiatives and improved governance. It was anticipated that this would help in achieving improved quality of education, health care for all, cohesive society and environmental conservation among others.

The key development objectives of NGCDFC-RONGAI Constituency's 2017-2022 plan are to:
In emphasising the above, the key development objectives of NGCDFC-Rongai Constituency's 2017-2022 plan included but not limited to;

1: Education

Objective:

- To support provision of quality education, improving infrastructure and access to education.

Initiatives:

- To build, equip, furnish and renovate public Primary and Secondary schools in the constituency.
- To give bursaries to bright, needy and deserving pupils and students in secondary schools, colleges and universities; with priority to people with disability.
- To finance youth-based competency programs.

Two: Security

Objective:

- To support the national government in providing an enabling environment that enhances peace, security, efficiency and effectiveness in public administration.

Initiatives:

- To construct and equip chiefs and assistant chiefs' offices for improved service delivery.
- To improve public administration infrastructure in the constituency.
- To equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure.

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY***

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

Strategic Goal Four: Sports

Objective:

- To empower and develop youth and special groups to reduce dependence by nurturing talents economic through sports.

Initiatives:

- Nurture sports as a peace building avenue.
- Provide games equipment to identified talented and organised groups.
- Sponsor selected tournaments as an annual event.
- Improve by levelling game fields.

Strategic Goal Five: Environment

Objective:

- To compliment environmental conservation efforts in the constituency.

Initiatives:

- Support active communities in environmental conservation.
- Carry out tree planting activities.
- Support environmentally friendly initiatives such as solar use and biogas.
- Build toilets in public institutions and offices.

Strategic Goal Six: Staff Capacity building.

Objective:

- To improve the capacity of NG-CDF Rongai Committee and staff for effective and efficient running of constituency affairs.

Initiatives:

- Annual team building.
- Training on corporate governance and community mobilisation.
- Training on basic financial management knowledge.

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 (NG-CDF)
RONGAI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	- Develop and enhance school's infrastructure to enhance facilities and provide conducive learning environment for children. - To acquire buses for schools to facilitate ease of movement. - To give bursaries to bright, needy but deserving pupils and students in secondary schools, colleges and universities; with priority to people with disability.	- Number of usable physical infrastructure built in primary, secondary, and tertiary institutions - Number of bursary beneficiaries at all levels	Number of classrooms increased from 840 to 904 Number of laboratories increased from 20 to 27. Number of dormitories increased from 8 to 18. Number of administration blocks increased from 13 to 22.
Security	Equip, facilitate and enhance capacity of Ministry of interiors officers and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	Number of renovated chiefs' offices increased from 13 to 17 Number of assistant chief offices increased from 14 to 28 Number of police lines increased from 4 to 9
Sports	To empower and develop youth and special groups to reduce dependence by nurturing talents economic through sports.	Provide games equipment to identified talented and organised groups.	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports programme increased from 0 to 30

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY

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

Environment	-Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives. -Improve sanitation in Public institution. To recycle the natural energy by installation of solar panels in public institutions	-Equip schools and public institutions with sanitation facilities. -Provide tree seedlings to schools to improve the forest cover. -To provide water tanks and water harvesting equipment's	-Number of sanitation facilities built in primary and secondary. -Number of trees planted. -Number of water tanks installed and gutters	• Number of sanitation facilities increased from 40 to 52 • Number of trees planted increased from 0 to 10. • Number of solar panels installed from 2 to 5
-------------	--	--	--	--

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF-Rongai Constituency just like any Government entity has the responsibility of ensuring public involvement in the project lifecycle i.e. project identification, prioritization of projects and adequate allocation of funds to the projects. In undertaking the above-mentioned, the Rongai NG-CDF Committee always highlights Corporate Social Responsibility as a tool with relevance for public policy actualization with the aim of enhancing sustainable and inclusive development programmes in the constituency. The financial prudence has a lot of weight in development agenda which drives on a delicate thread of enormous community expectations. In enhancing the financial trust in various sectors, we assessed the risks factors, long term and short-term performance. We further looked at performance on responsible leadership with clear undertone on the interest of the constituents and stakeholders and sufficient respect for environmental, social and governance issues.

This is aimed at ensuring efficient and effective management of public resources at the grassroots level thus transformation of livelihoods. It remains our purpose and the driving force behind everything we do. It's what guides us to deliver our strategies, 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.

V. SUSTAINABILITY STRATEGY AND PROFILE

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

Model	Definition	Relevance to sustainable strategy
		What the constituency is striving for in the future that influence the strategies, purpose and aspirations put in place
Vision	Equitable socio-economic development fostering peace and unity.	
	To entrench fairness and inclusivity in resource allocation and distribution, compliance with the mandate of the NGCDF to the satisfaction of its people.	This communicates what the office does to attain sustainable developments
Mission	people.	

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

Core Values	Teamwork, Integrity, Inclusivity, Competency, Customer focus, Effectiveness, Reliable.	These are the norms, principles and beliefs that the office upholds in order to follow the right path towards attainment of the set objectives
-------------	--	--

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

VI. ENVIRONMENTAL PERFORMANCE

Environment Policy and Action Plan

Protection of the environment in which we live and operate is part of Rongai NG-CDF initiatives. Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

Our Environmental Policy

In this policy statement Rongai NG-CDF commits to:

- Developing our management processes to ensure that environmental factors are considered during planning and implementation
- Seeking to leverage our environmental impact by encouraging stakeholders to
- improve their environmental performance
- Comply with all relevant environmental legislation, regulations and approved codes of practice.
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water.
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources.
- Managing and disposing of all waste in a responsible manner.
- Providing training for our CDFC and staff so that we all work in accordance with this and within an environmentally aware culture.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY

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

- Regularly communicating our environmental performance to our employees and other significant stakeholders.

- Monitoring and continuously improving our environmental performance.

Our Environmental Action Plan

Rongai NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts. These four areas together with our approach and targets for each are shown below:

Impact Area	Approach
Capacity Building	- Promote environmental awareness by sensitizing the Rongai NG-CDFC, NG-CDFC staff and FMCs on good conservation practices - To encourage, through regular communication to Rongai NG-CDFC, staff, and other stakeholders' changes in individual behaviour to emphasise on the importance of caring for the environment.
Conservation of Energy and Resources	- To swiftly move to the culture of having a paperless office through use of technology. - To encourage our clients to engage with us using electronic means where possible. - To maximize on rain water harvesting which would rather go to waste. - To make energy efficiency a key factor in the selection of any new electronic gadget being purchased. - To invest in available energy saving technologies and devices within our existing premises.
Environmental Protection and Conservation	- To promote use of volt guards to control power surges. - We have constructed culverts and gabions to prevent soil erosion. - To encourage tree planting in the constituency to improve the forest cover. - To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires
Pollution Control and Waste Management	To ensure proper human waste disposal through construction of pit latrines, septic tanks.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY**

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

**VII. EMPLOYEES WELFARE
TERMS AND CONDITIONS OF SERVICE**

This highlights the general rules governing employment of NG-CDFC staff in such matters as appointments, promotions and related matters.

Categories of Employment

Rongai NG-CDFC offers only 2 categories of employment namely;

- Contract employees who are employed for 3 years on a renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements.
- Casual employees are hired to perform specific duties on a daily or weekly basis on a piece rate payment system. Casuals are not allowed to work continuously for more than three (3) months and are not eligible for any employee benefits in line with statutory requirements.

Recruitment Procedure

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

The Advertisement contains the following:

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

Appointment of a selection and Interview sub-committee

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

Interviews

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

Offer of Appointment

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

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY***

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

Letters of Appointment

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

Orientation and Induction of employees

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

Promotions

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

VIII. HEALTH, SAFETY AND WELL-BEING

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

Guidelines to General Safety

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

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

Emergency Preparedness

Every Department depending on the nature of work and services shall plan for foreseeable incidents such as accidents, explosions, fire, floods etc. and prepare and outline procedures to be followed in such events.

Fire precautions

The fire protection facilities have been provided both inside and outside the building and they are adequate and maintained annually.

General information on fire precautions and fire equipment is contained in stickers on the wall next to the fire extinguishers.

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY***

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

Provision of protective equipment and clothing

The Fund Account Manager ensures that officers who are employed in any process involving exposure to wet or to any injurious or offensive substances are provided with adequate, effective and suitable protective clothing and appliances.

Reporting of an Accident

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

Guidance and Counselling

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

Health Care Services

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

HIV/AIDS

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

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

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

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

RONGAI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Drug and Substance Abuse

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

Persons Living with Disability

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

Sexual harassment and other Forms of Harassment

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

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

The improper use of power based on administrative or Managerial status (i.e. the use of a position to insult, bully, dominate, manipulate, disadvantage or discriminate) may also constitute harassment.

Bullying – which means repeated, deliberate and targeted conduct by a person towards a staff member which is offensive, intimidating or humiliating and which detrimentally affects that member's well-being.

Reporting Harassment Cases

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY

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

IX. MARKET PLACE PRACTICES

NG-CDFC fund was designed to support constituency-level, grass-root development projects. It is aimed to achieve equitable distribution of development resources across regions and to control imbalances in regional development brought about by partisan politics. It targets all constituency

level development projects, particularly those aiming to combat poverty at the grassroots and entrench equitable distribution of development in line with the NG-CDFC Act 2015 provisions. The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government Development Agenda at the constituency level.

▪ **Responsible competition practice.**

During projects implementation the office transfers funds to the Project Management Committees who are thereafter guided during tendering process, to ensure that the locals benefit competitively in the provision of services and materials to the projects.

How the organisation ensures responsible competition practices with issues like anticorruption, responsible political involvement, fair competition and respect for competitors

▪ **Responsible Supply chain and supplier relations**

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

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

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

- Product stewardship

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

X. COMMUNITY ENGAGEMENTS

Public Participation in Project Identification and Implementation and Monitoring

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

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY***

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

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

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

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

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

In summary stakeholder participation is important since:

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

Public Awareness

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

Public Awareness and Sensitisation Exercise Provide

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

- 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 right from inception of the project to handing over through community Barazas.
- 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 implantation cycle
- Measure the impact of the projects funded by NG-CDF
- Enable people to exercise their rights by instilling democratic culture through enhanced social accountability and transparency among state and non-state actors.
- Promote awareness creation on constitution and devolved governance system in Kenya

Covid-19 Mitigation Measures

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

- The office purchased hand wash tanks that were distributed to the densely populated areas and government offices.
- The office resolved that only a limited number would be served in the office so as to reduce congestion.
- Use of thermal gun for compulsory temperature checks for anyone accessing the office.
- The office distributed face masks to the project management committees.
- Printing of brochures disseminating information regarding Corona Virus protection measures

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY***

Reports and Financial Statements

For the year ended June 30, 2020

XI. STATEMENT OF NG-CDF COMMITTEE 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 NG-CDF-RONGAI 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 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 NG-CDF- RONGAI 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 NG-CDF RONGAI financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NG-CDF-RONGAI Constituency further confirms the completeness of the accounting records maintained for the NG-CDF-RONGAI Constituency, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NG-CDF-RONGAI 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 NG-CDF-RONGAI Constituency financial statements were approved and signed by the Accounting Officer on **23rd February 2021**.



Fund Account Manager

Name: Kenneth K. Kamau



Sub-County Accountant-Rongai

Name: Rahab W Mathu

ICPAK Member Number: 15196



REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - RONGAI 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 - Rongai Constituency set out on pages 1 to 32, which comprise the statement of financial 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Rongai Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Presentation of the Financial Statements

During the audit, it was noted that the financial statements show in the significant accounting policies section on page 10, under the reporting currency that the figures have been rounded off to the nearest Kenya shilling. However, some figures in the financial statements have not been rounded off. In addition, the budget execution by programs and sub-programmes report on page 5 reflects the year for budget utilization difference as 2018/2019 instead of 2019/2020.

Consequently, the annual report and financial statements are not in the format prescribed by the Public Sector Accounting Standard Board (PSASB).

2.0 Inaccuracies in the Financial Statements

During the audit, it was noted that the financial statements contain some errors which remain uncorrected;

2.1. The statement of receipts and payments reflects a comparative other payments figure of Kshs.1,285,000 for the financial year 2018/2019. However, Note 9 to the financial statements reflects a comparative figure of Kshs.7,541,000 resulting to an unexplained difference of Kshs.6,256,000.

2.2. The statement of assets and liabilities shows a fund balance brought forward of Kshs.56,987,574 while the closing fund balance for the financial year 2018/2019 was Kshs.56,987,483. The resultant difference of Kshs.91 has not been explained.

2.3. The summary statement of appropriation: recurrent and development combined reflects a total of budget utilization difference of Kshs.74,343,782 for payments. However, the re-computation revealed a total of Kshs.76,399,212 resulting to an unexplained variance of Kshs.2,055,430.

2.4. The budget execution by programmes and sub-programmes report on page 5 reflects original budget total of Kshs.137,367,724. However, the re-computation reflects an amount of Kshs.134,864,335 resulting to an unexplained variance of Kshs.2,503,389.

Further, the report reflects total adjustments of Kshs.56,987,783. However, the re-computation reflects Kshs.53,811,670 resulting to an unexplained variance of Kshs.3,176,113.

In addition, the report reflects a total final budget amount of Kshs.194,355,507. However, the re-computation reflects an amount of Kshs.188,676,004 resulting to an unexplained variance of Kshs.5,679,503. The report also reflects actual on comparable basis total amount of Kshs.120,171,813. However, the re-computation reflects Kshs.117,957,313 resulting to an unexplained variance Kshs.2,214,500.

The report further reflects a total budget utilization difference of Kshs.74,343,782. However, the re-computation reflects an amount of Kshs.70,718,691 resulting to an unexplained variance of Kshs.3,625,091.

2.5. Note 15.3 to the financial statements reflects unutilized funds of Kshs.74,663,782 while re-computation reveals a total of Kshs.72,204,782 resulting to an explained difference of Kshs.2,459,000. Further, the Note reflects comparative unutilized funds of Kshs.56,987,784 while the summary on annex 3 to the financial statements on summary of unutilized funds reflects

an amount of Kshs.74,343,782 resulting to a variance of Kshs.17,355,998. Further, annex 3 to the financial statements reflects a total comparative balance of Kshs.74,343,782. However, the re-computation reflects an amount of Kshs.62,086,443 resulting to an unexplained variance of Kshs.12,257,339. Further, the annex shows a total original budget amount for the year 2019/2020 of Kshs.74,663,794. However, the re-computation reflects an amount of Kshs.80,100,394 resulting to an unexplained variance of Kshs.5,436,600.

- 2.6. Annex 5 to the financial statements on projects management account balances summary reflects a total of Kshs.53,412,147. However, the re-computation reflects an amount Kshs.54,425,065 resulting to a difference of Kshs.1,012,918.

In the circumstance, the accuracy and completeness of the above balances included in these financial statements for the year ended 30 June, 2020 could not be confirmed.

3.0 Unsupported and Unverified Fixed Assets

Annex 4 to the financial statements on the summary of fixed assets register in reflects a transport equipment balance of Kshs.7,841,000 as at 30 June, 2020. However, the asset register was not provided in support of the transport equipment. Available records indicate that the Fund had a vehicle, registration number GK A610V - Land Rover station wagon. However, the vehicle was not availed for physical verification and the management could not explain the location of the vehicle during the audit.

In the circumstance, the accuracy and completeness of transport equipment of Kshs.7,841,000 as at 30 June, 2020 could not be confirmed.

4.0 Understatement of Cash and Cash Equivalents Balance – Stale Cheques

The statement of financial assets and liabilities as at 30 June, 2020 reflects a bank balance of Kshs.5,415,761. However, audit review of the bank reconciliation statement as at 30 June, 2020 indicated payments in cash book not in bank statement in form of un-presented cheques amounting to Kshs.4,355,166, out of which Kshs.277,756 related to stale cheques which had not been reversed in the cash book as at 30 June, 2020. This means that the cash and cash equivalents balance is overstated by a similar amount.

In the circumstance, the accuracy and completeness of the reported cash and cash equivalents balance of Kshs.5,415,761 as at 30 June, 2020 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituency Development Fund-Rongai Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing

audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1.0 Budgetary Control and Performance

The summary statement of appropriation: recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.194,355,508 and Kshs.68,600,000 respectively resulting to an under-funding of Kshs.125,755,508 or 65% of the budget. Similarly, the Fund expended Kshs.120,171,813 against an approved budget of Kshs.196,571,025 resulting to an under-expenditure of Kshs.76,399,212 or 39% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the constituents of Rongai Constituency.

The summary statement further shows a total receipts budget of Kshs.194,355,508 and a total expenditure budget of Kshs.196,571,025 thus resulting in a budget deficit of Kshs.2,215,517.

Consequently, it was not possible to ascertain how the Fund intends to fund the budget deficit.

2.0 Projects Implementation Status and Verification

2.1 Project Implementation Status

Review of the project implementation status report for the year under review revealed that the Fund had planned to implement fifty (50) projects with an allocation of Kshs.81,658,466. Seventeen (17) of the projects or 34% with an allocation of Kshs.21,205,077 had been completed and already in use. Further, thirty-three (33) projects or 66% with an allocation of Kshs.60,453,389 have remained on-going for a period of more than six months and as a result have occasioned delayed usage of the projects. Further, the Fund Management have continued to implement new projects without completing the on-going thereby contravening the Commission on Revenue Allocation circular No. 3/2016 dated 07 November, 2016 which requires a public entity to complete projects first before initiating new ones.

This therefore indicates that the though 34% projects were fully implemented as envisaged, the slow progress on completion of ongoing projects may impact negatively on delivery of goods and services to the residents of Rongai Constituency.

2.2 Project Verification - Unsatisfactory Implementation of Projects

During the audit, twenty-four (24) projects with total disbursements amounting to Kshs.38,200,001 were inspected and several observations made regarding unsatisfactory performance as shown in **Appendix I**.

In the circumstances, it could not be confirmed whether value for money was obtained from the 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, I confirm that, nothing 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

Project Management Committee (PMC) Bank Accounts

Available records revealed that out of the forty-four (44) project management committee bank balances disclosed under Annex 5 to the financial statements, four (4) projects with a total balance of Kshs.8,344 as at 30 June, 2020 were complete but the accounts had not been closed and funds were still held in the bank. It was however observed that these balances had not been returned to the constituency account contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which states that all unutilized funds of the project management committee shall be returned to the constituency account.

To this extent, the Fund is in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Qualified

Opinion and Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Lack of a Risk Management Policy

During the year under review, the Fund did not have a risk management policy in place and therefore had no approved processes and guidelines on how to mitigate operational, legal and financial risks. In the circumstance, the Fund is not in compliance with Section 165(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall ensure that the national government entity develops - risk management strategies, which include fraud prevention mechanism.

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

Responsibilities of Management and those charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the basis basis of accounting unless Management is aware of intention to terminate the Fund or to cease operations.

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

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

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the Fund monitors compliance with

relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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


CPA Nancy Gatungu, CBS
AUDITOR-GENERAL

Nairobi

03 February, 2022

Appendix I – Unsatisfactory Project Implementation

No.	Amount Disbursed (Kshs)	Institution	Project Name	Observation
1	1,000,000	Tumaini Primary	Construction of 1No classroom	Contractor moved out of site, while work not done to completion, remaining works are- Verandah Rafter, electrical sockets and switches, blackboard done has changed colour to gray board, Bitumen works on foundation not done, land ownership not clear(land said to have been donated by the former late Land Minister in late president Kenyatta administration Hon Paul Ngai, finally, although work funded in 2019/2020 it was labelled as funded in 2020/2021, the conflict could not be explained, project put to use without being finished and official handing over and tasking over
2	4,000,000	Kipseyan Primary	Construction of 4No classroom	Contractor moved out of site, classes put to use, workmanship very good, however, 6No classrooms were done instead of 4No, no explanation was given for this, project not officially handed over and taken over
3	3,000,000	Lelechwet Primary	Construction of 3No classroom	Contractor moved out of site, classes put to use, 4No of classrooms constructed yet BQ provided for 3No, works undone are- Window glazing 20No. -Kshs.110,250, Sockets and switches No.8, ceiling finishes-Kshs.350,250, Access ram for persons abled differently, floor slab is on same level with ground level danger classes flooding, steel door recommended by BQ was double door but single door fixed, winders as per BQ 1800 X1500mm but 1200 x1500mm fixed, window gauge as per BQ 16G but 12G put, no explanation was given for the irregularities, classrooms were not officially handed over
4	1,000,000	Bel Primary	Construction of 1No classroom	Contractor moved out of site and classroom put to use, yet work not complete, works not done are-window glazing (window pane)-Kshs.27,200, floor tiled while BQ indicate terrazzo-Kshs.84,190, no variation was submitted, foundation sides not painted to plinths (Bitumen court) facia board not painted to finish, verge board also not painted to finish, stanchions not painted to finish(steel), single door split as double, while BQ indicate double door-Kshs.14,400, key wall not painted, project not labelled, workmanship is categorized as below standard
5	1,400,000	Bel Primary	Renovation of 5No classrooms	Renovation works not done, contractor not on site, the 5No classrooms which were to renovated are condemned state and pupils' lives are in danger as they continue to use them, no explanation was given for this state

Report of the Auditor-General on National Government Constituencies Development Fund - Rongai Constituency for the year ended 30 June, 2020

No.	Amount Disbursed (Kshs)	Institution	Project Name	Observation
6	800,00	Bel Primary Bur	Contraction of 2No. 8No doored toilet	Contractor not on site, work incomplete, works not done are-facia board not fixed, door locks fixed are not lockable from outside while BQ recommended lockable door locks, bitumen not applied, project not labelled, floor not screeded to finish, keyed wall not painted, poor quality doors fixed and cannot close and urinal not finished to BQ, the toilet not put to use not commissioned, no taking over and handing over, while the toilet in use are in a deplorable state and poise danger to the students
7	1,700,000	Kiamunyi Primary	Construction of 1No classroom	Contractor is out of site, classroom complete but not put to use since the school has not been opened to public, further, 2No classrooms were constructed in 2018/2019 also still remain idle, no explanation for given for this, value for money is in question
8	2,000,000	RV/IST Primary	Construction of 2 No classrooms	Contractor not on site and yet project not complete, workmanship very good, but certain works are not done-terrazzo not completed to smooth finish both verandah and inside classrooms, painting works not done, labelling not done, another set of 2No classrooms were done in the year 2018/2019 were equally not finished and have not been put to use, since the school is not yet operational
9	4,000,000	RV/IST Primary	Construction of 2 No classrooms	4No classrooms funded in 2018/2019 have not been completed to date, works not done are- 4No doors not painted to finish, terrazzo works not done to finish, paint works not done, black board not done, sockets and switches are not fixed and stanchions are also not painted to finish, workmanship very good but project behind schedule by over 18months, project not put to use since school is not operational
10	2,000,000	Magare Primary	Construction of dormitory	Contractor has moved out of site, project remain incomplete, works remaining are- Electrical fittings, toilets not screeded to finish, painting works not done, tilling works not done, plumbing works not done, doors not fixed, site clearance not done, entry porch not plastered to finish, building not labelled, site not cleared project has been going on for about 12 months

No.	Amount Disbursed (Kshs)	Institution	Project Name	Observation
11	600,000	Rafiki Primary	Construction of 8No doors toilet	Project complete, work well done but the contractor did not clear site and labelling not done
12	1,800,000	Lord Ranjuera Primary	Construction of 2No. Classrooms	Contractor out of site, yet project not completed, works left undone are: - verandah not done to completion, entry ramp for persons with disability, labelling not done
13	1,000,000	Kapkechui Primary	Construction of 2No. classrooms	Contractor moved out of site yet several works are not done to completion, these includes: - project not labelled, electrical sockets and switches not fixed, entry ramp not done to finish, further, the school is not operational, no pupils, o teachers, school not registered by the Ministry of Education, science and Technology, land ownership is in doubt, no activity in the compound, no value for money
14	2,500,000	Athinai Primary- Environment	Construction of 8No. Toilet for environment	8No. Doors toilet done under environment project, contractor moved out of site, workman ship good, however, doors are falling off, door walls have fallen down and project not labelled
15	2,500,001	Athinai Primary	Renovation of 5No classrooms to completion	Contractor has moved out of site, only 7No. Doors were renovated instead of 8No. Entry ramp not done and the project not labelled, however, project well done
16		Parrina Primary	construction of 2No. Classrooms	Contractor has moved out off site, project funded in 2019/2020, however it was labelled as 2018/2019 its not clear which year the funding was done
17			Renovation of 2No. Classrooms	Renovation done to completion, however it's not labelled, it's not therefore not clear which year it does relate to

No.	Amount Disbursed (Kshs)	Institution	Project Name	Observation
18	3,500,000	Rongai Day Secondary	Construction of 1No Laboratory	Contractor on site work on-going, contractor has been on site for about 7 months, work is about 75% done, remaining works are ceiling finishes-345,750, Floor finishes-screed-Kshs.62,900, Painting works-Kshs.89,800, Glazing works doors 4No-Kshs. 51,250(pg7), Glazing works windows 8No-Kshs.21,690, Electrical installation-Kshs.199,000, pressure regulator works-Kshs.317,690, Non-slip floor tiles Saij-Kshs.226,800 all totaling Kshs.1,314,880 which is about 40%, finally works poorly done are-lab worktops down warped, different shapes and sizes-not properly aligned, opening to lab office is also poorly aligned-general workmanship is rated substandard
19	2,000,000	Mimwaita Secondary	Construction of Lab	Contractor moved out of site, yet works not finished are:- Stanchions poles not fixed, terrazzo not done to finish, plaster not done to smooth finish, painting works not done, tiles on work top not done, lab fittings not done, electrical conducting done after plaster hence poor work, sinks fixed are 14 instead of 16, ceiling board not painted, glazing works not done, 2No internal doors not fixed, bitumen not applied on foundation, fascia board not fixed, timber treatment poorly done, project is not labelled and the project is behind schedule 7 months on
20	1,500,000	Ngata Secondary	Completion of lab	Contractor has moved out of site, workmanship good, however, several works were not done: - lab connections were not done, doors are poorly fixed leaving gaps, paving blocks not done to finish, entry ramp for persons with disability not fixed, waste pipe not connected to sock pit, gas chamber not screeded to finish, black/white board not fixed, site clearing not done, labelling not done and work is 10 months on
21	1,700,000	Mercy Njeri Secondary	Construction of 2 No classrooms	Contractor not on site, works not done includes- painting to finish not done, stanchions poles not painted, entry ramp for persons with disability not fixed, electrical wirings and fittings not done, bitumen paint not applied on foundation walls, labelling not done, workmanship good but project behind schedule, 12 months on

No.	Amount Disbursed (Kshs)	Institution	Project Name	Observation
22	1,000,000	Sarambei Secondary	Construction of 1No classroom	Contractor moved out of site, work well done, however entry ramp poorly done and project was not commissioned before use
23		Banita Chief's Office	Construction of chief's office	Project was funded in 2018/2019, Contractor moved out of site, project completed but not put to use since there is no toilet, value for money is in doubt
24		Ogilgai Borehole	Borehole	The borehole was drilled and equip in 2015/2016 and was later handed over to County Government of Nakuru, who is said to have handed it over to Nakuru Rural Water and Sanitation company the borehole has not been put to use, since water pipes have not been laid to the locals, no evidence of water through test results, its on 1/4 acre of land whose ownership we could not confirm, the land has been encroached, no value for money realized
	38,200,001			

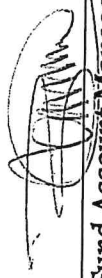


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2020

XIII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019- 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	68,600,000	163,825,357
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		68,600,000	163,825,357
PAYMENTS			
Compensation of employees	4	1,983,875	2,177,420
Use of goods and services	5	3,499,730	3,485,235
Transfers to Other Government Units	6	73,377,027	47,900,000
Other grants and transfers	7	39,706,181	50,422,110
Acquisition of Assets	8	320,000	7,541,000
Other Payments	9	1,285,000	1,285,000
TOTAL PAYMENTS		120,171,813	112,810,765
SURPLUS/DEFICIT		(51,571,813)	51,014,592

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-RONGAI Constituency financial statements were approved on 23rd February 2021 and signed by:


 Fund Account Manager

Name: Kenneth K. Kamau


 Sub-County Accountant

Name: Rahab W Mathu

ICPAK Member Number: 15196



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

XIV. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2019- 2020	2018- 2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	5,415,761	56,987,483
Cash Balances (cash at hand)	10B		-
Total Cash and Cash Equivalents		5,415,761	56,987,483
Cash and Cash receivables			
Outstanding imprests	11		
TOTAL FINANCIAL ASSETS		5,415,761	56,987,483
FINANCIAL LIABILITIES			
Accounts payable			
Retention		-	-
Gratuity		-	-
Total Financial Liabilities			-
NET FINANCIAL ASSETS		5,415,761	56,987,484
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	56,987,574	5,972,891
Surplus/Deficit for the year		(51,571,813)	51,014,592
Prior years adjustments	14	-	-
NET FINANCIAL POSITION		5,415,761	56,987,483

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-RONGAI Constituency financial statements were approved on 23rd February 2021 and signed by:


Fund Account Manager


Sub-County Accountant

Name: Kenneth K. Kamau

Name: Rahab W Mathu

ICPAK Member Number:15196

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY**

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

XV. STATEMENT OF CASHFLOW

Receipts for operating income		2019 – 2020 Kshs	2018 – 2019 Kshs
Transfers from CDF Board	1	68,600,000	163,825,357
Other Receipts			
Total receipts		68,600,000	163,825,375
Payments			
Compensation of Employees	4	1,983,875	2,177,420
Use of goods and services	5	3,499,730	3,485,235
Transfers to Other Government Units	6	73,377,027	47,900,000
Other grants and transfers	7	39,706,181	50,422,110
Other Payments	9	1,285,000	1,285,000
Total Payments		119,851,813	105,269,765
Total receipts less Total Payment		(51,251,813)	58,555,610
Adjusted for			
Outstanding Imprest		-	-
Retentin		-	-
Gratuity Payable		-	-
Prior Year Adjustments		-	-
Net Adjustments			-
Net Cash Flow from Operating activities		(51,251,813)	58,555,610
CASHFLOW FROM INVESTING ACTIVITIES			
	2		
Acquisition of assets	8	(320,000)	(7,541,000)
Net cash flow from investing activities		(320,000)	(7,541,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		(51,571,813)	51,014,892
Cash and cash equivalent at BEGINNING of the year	13	(56,987,783)	5,972,891
Cash and cash equivalent at END of the year		5,415,761	56,987,783

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-RONGAI Constituency financial statements were approved on 23rd February 2021 and signed by:

Fund Account Manager

Name: Kenneth K. Kamau

Sub-County Accountant

Name: Rahab W Mathiu

ICPAK Member Number: 15196

XVI. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget (KSH)	Adjustments (KSH)	Final Budget (KSH)	Actual on Comparable Basis (KSH)	Budget Utilization Difference (KSH)	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	137,367,724	56,987,784	137,367,724	68,600,000	68,767,724	100%
Proceeds from Sale of Assets	-	-	-	-	-	
Other Receipts	-	-	-	-	-	
TOTAL RECEIPTS	137,367,724	56,987,784	137,367,724	68,600,000	68,767,724	68%
PAYMENTS						
Compensation of Employees	2,684,000	1,044,427	3,728,427	1,983,875	1,744,552	47%
Use of goods and services	9,031,245	3,862,927	12,894,172	3,499,730	9,394,442	62%
Transfers to Other Government Units	75,200,000	26,914,237	103,664,237	73,377,027	30,287,210	70%
Other grants and transfers	55,452,479	19,922,710	71,609,671	39,706,181	31,903,490	75%
Acquisition of Assets	-	1,174,000	1,174,000	320,000	854,000	32.60%
Other Payments		1,285,000	1,285,000	1,285,000	-	
TOTAL	137,367,724	56,987,784	194,355,507	120,171,813	74,343,782	50.87%

- The adjustment revenues of Ksh 56,987,784 as at 1st July 2019 relates to fund was received in the month of July 2020 relating to financial 2018/2019.
- Variances was as a result of funds amounting to Ksh 68,767,724 relates to year under audit but was received after closure of the year received in the month of July 2020. While 5,415,761 was closing cashbook balance as at 30th June 2020.

The NG-CDF-Kongai Constituency financial statements were approved on 25th February 2021 and signed by:

Fund Account Manager

Name: Kenneth K. Kamau

Sub-County Accountant- Name: Rahab W Mathu

ICPAK Member Number: I 5196

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RONGAI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

XVII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

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	2019/2020	2018/2019
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration					
Employees' Salaries	2,684,000.00	99,420.00	2,783,420.00	1,983,875.00	799,545.00
Goods and Services	2,100,000.00	1,813,452.00	3,913,452.00	1,389,615.00	2,523,837.00
Committee Expenses	3,026,168.00	10,121.00	3,036,289.00	700,500.00	2,335,789.00
Sub-Total	7,810,168.00	1,922,993.00	9,733,161.00	4,073,990.00	5,659,171.00
Goods and services	900,000.00	638,027.00	1,538,027.00	1,389,615.00	148,412.00
Committee Expenses	1,700,000.00	1,000,000.00	2,700,000.00	-	2,700,000.00
NG-CDFC/PMC Capacity Building	1,305,077.00	147,844.00	1,452,921.00	-	1,452,921.00
Sub-Total	3,905,077.00	1,785,871.00	5,690,948.00	1,389,615.00	4,301,333.00
3.0 Emergency					
Emergency	7,198,241.00	7,904,233.00	15,102,474.00	1,400,000.00	13,702,474.00
Emergencies	-	-	-		
Sub-Total	7,198,241.00	7,904,233.00	15,102,474.00	1,400,000.00	13,702,474.00

4.0 Bursary and Social Security Programme					
Bursary Secondary Schools	18,100,849.00	8,429,858.55	26,530,707.55	24,872,502.00	1,658,205.55
Bursary Tertiary Schools	16,000,000.00	14,226,528.26	30,226,528.26	8,769,179.00	21,617,437.26
Bursary Special Schools	4,000,000.00	-	4,000,000.00	-	4,000,000.00
Sub-Total	38,100,849.00	22,656,386.81	60,757,235.81	33,641,681.00	27,275,642.81
5.0 Sports					-
Rongai Tournament	2,503,389.00	3,176,112.54	5,679,501.54	2,214,500.00	3,465,001.54
					-
6.0 Environment					-
Athinali Primary School	400,000.00	-	400,000.00		400,000.00
Lomolo Bright Hope Secondary School	250,000.00	-	250,000.00	250,000.00	-
					-
Therando Primary school	250,000.00	-	250,000.00	-	250,000.00
Kipsaos Primary school	700,000.00	-	700,000.00	700,000.00	-
Belbur Primary school	800,000.00	-	800,000.00	800,000.00	-
Kiamunyi Secondary School	-	1,800,000.00	1,800,000.00		1,800,000.00
					-
Sub-Total	2,400,000.00	1,800,000.00	4,200,000.00	1,750,000.00	2,450,000.00
7.0 Primary School Projects					-
Sasumua Primary school	400,000.00	-	400,000.00	400,000.00	-
Kinoyo Primary School	5,000,000.00	-	5,000,000.00	5,000,000.00	-
Athinali Primary School	2,500,000.00	-	2,500,000.00	2,500,000.00	-
Barina Primary School	800,000.00	-	800,000.00	800,000.00	-
Ngecha Primary school	500,000.00	-	500,000.00	500,000.00	-
Arus Primary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) – RONGAI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Lelechwet Primary School	3,000,000.00	-	3,000,000.00	3,000,000.00	-
Rafiki Primary School	700,000.00	-	700,000.00	700,000.00	-
Menengai Primary Special School	500,000.00	-	500,000.00	500,000.00	-
Kiamunyi Primary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
R.V.S.T Primary school	2,000,000.00	-	2,000,000.00	2,000,000.00	-
Losibil Primary school	2,000,000.00	-	2,000,000.00	2,000,000.00	-
Kapkechui Primary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
Kipseynan Primary school	4,000,000.00	-	4,000,000.00	4,000,000.00	-
Seet Kobor primary School	1,400,000.00	-	1,400,000.00	1,400,000.00	-
Belbar Primary school	2,400,000.00	-	2,400,000.00	2,400,000.00	-
Nyamamithi primary school	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Leakey Primary School	3,800,000.00	-	3,800,000.00	-	3,800,000.00
Tumaini Primary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Kwokwomoi Primary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Magare Primary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
Sawaiti Primary school	-	200,000.00	200,000.00	-	200,000.00
AIC Kabarnet Farm Primary School	-	3,500,000.00	3,500,000.00	3,500,000.00	-
Ogilgei Primary school	-	2,000,000.00	2,000,000.00	2,000,000.00	-
Kamungei Do's Office	-	2,300,000.00	2,300,000.00	2,300,000.00	-
Kampi Ya Moto AP Camp	-	2,000,000.00	2,000,000.00	2,000,000.00	-
Motor Vehicles (including motor-bikes)	-	459,000.00	459,000.00	477,027.00	- 18,027.00
Sub-Total	38,000,000.00	10,459,000.00	48,459,000.00	44,477,027.00	3,981,973.00
8.0 Secondary School Projects					-
					-
Solai Kale Secondary school	2,000,000.00	-	2,000,000.00	2,000,000.00	-

Umoya Secondary school	2,000,000.00	-	2,000,000.00	2,000,000.00	-
Solai Day secondary school	1,500,000.00	-	1,500,000.00	1,500,000.00	-
Majani Mingi Secondary school	3,500,000.00	-	3,500,000.00	3,500,000.00	-
Rongai Secondary school	3,500,000.00	-	3,500,000.00	3,500,000.00	-
Bomasan Secondary school	1,500,000.00	-	1,500,000.00	1,500,000.00	-
Kimangu Secondary school	1,000,000.00	401,159.00	1,401,159.00	-	1,401,159.00
Chemasis Secondary school	1,050,000.00	-	1,050,000.00	1,050,000.00	-
Matuike Secondary school	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Mercy Njeri Secondary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
Testai Secondary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Saranbei Secondary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Kamasop Secondary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Mama Ngina Kenyatta Secondary school	3,000,000.00	-	3,000,000.00	1,060,000.00	1,940,000.00
Barina Secondary school	300,000.00	-	300,000.00	300,000.00	-
Mimwita Secondary school	3,500,000.00	-	3,500,000.00	3,500,000.00	-
Leledet Secondary school	500,000.00	-	500,000.00	500,000.00	500,000.00
Tuyoitoch Secondary school	1,600,000.00	-	1,600,000.00	1,600,000.00	-
Ngata Secondary School	1,500,000.00	-	1,500,000.00	1,500,000.00	-
Sub-Total	32,450,000.00	401,159.00	32,851,159.00	29,010,000.00	3,841,159.00
9.0 Tertiary institutions projects					-
					-
10.0 Security Projects					-
Kamipi Ya Moto Sub county Assistant commissioner office	2,000,000.00	-	2,000,000.00	-	2,000,000.00
Ngata Police post	1,500,000.00	-	1,500,000.00	-	1,500,000.00
Ngata D.Os office	1,500,000.00	-	1,500,000.00	-	1,500,000.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) – RONGAI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Kinoyo Primary School	0.00		0.00		-
Total	5,000,000.00	-	5,000,000.00	-	5,000,000.00
12.0 Others					-
Strategic Plan	-	2,215,000.00	2,215,000.00	2,215,000.00	-
NG- CDF office	-	4,667,027.20	4,667,027.20	-	4,667,027.20
			-	-	-
	-	6,882,027.20	6,882,027.20	2,215,000.00	4,667,027.20
Sub-Total	0				-
GRAND TOTAL	137,367,724.00	56,987,782.55	194,355,506.55	120,171,813.00	74,343,781.55



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
RONGAI CONSTITUENCY**

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

XVIII. 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 NG-CDF-RONGAI Constituency. The financial statements encompass the reporting entity as specified under section 81 of the Public Finance Management Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Transfers from the 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.

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

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 criterion 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

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.

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

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 Funds

Unutilized funds consist of bank balances in the constituency account and previous year(s) balances not yet disbursed by the Board to the constituency at the beginning of the financial year. These balances are available for use in the year under review to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(1) of NG-CDF Act, 2015.

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 in June 2019 for the period 1st July 2019 to 30th June 2020 as required by Law and there was one. 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 refigured 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.

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

15. Disclosure

There exists a legal case in Nakuru Magistrate Court case No. 587 of 2014 between US and Saikabe Construction Company Limited of P.O BOX 137 Elburgon who has sued for damages arising from termination of contract. The contract sum was Ksh 1,635,282.25

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

XIX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018 - 2019
	Kshs	Kshs
DEP07/2016/2018/354		
DEP07/2018/2019/753	-	34,705,172
DEP07/2019/2020/243	-	12,079,310
DEP07/2019/2020/1135	-	10,000,000
DEP07/2018/2019/809	-	12,000,000
DEP07/2019/2020/473	-	8,000,000
DEP07/2019/2020/979	-	12,000,000
DEP07/2019/2020/1308	-	8,000,000
DEP07/2019/2020/1405	-	12,000,000
2019/2020/232	-	55,040,875
2018/2020/747	4,000,000	-
2018/2020/848	600,000	-
2018/2020/1096	6,000,000	
2018/2020/845	14,000,000	
2018/2020/1417	20,000,000	
	24,000,000	
	68,600,000	163,825,357

2. PROCEEDS FROM SALE OF ASSETS

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

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

4. COMPENSATION OF EMPLOYEES

Description	2019 - 2020	2018 - 2019
	Ksh	Ksh
Basic wages of contractual employees	1,719,875	1,586,315
Basic wages of casual labour	240,000	60,000
Personal allowances paid as part of salary		-
House allowance		-
Transport allowance		-
Leave allowance		-
Other personnel payments		24,000
Employer contribution to NSSF	24,000	507,105
Gratuity-contractual employees	-	
TOTAL	1,983,875.00	2,177,420

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2019 - 2020	2018 - 2019
	Ksh	Ksh
Utilities, supplies and services	24,500	57,600
Electricity	–	–
Water & sewerage charges	–	–
Office rent	–	–
Communication, supplies and services	9,450	–
Domestic travel and subsistence	78,800	121,800
Printing, advertising and information supplies & services	531,462	218,080
Rentals of produced assets	–	–
Training expenses	–	640,200
Hospitality supplies and services	214,600	310,728
Other committee expenses	–	–
Committee allowance	720,500	803,000
Insurance costs	–	–
Specialised materials and services	–	–
Office and general supplies and services	988,000	834,139
Fuel, oil & lubricants	580,000	420,000
Other operating expenses	115,000	–
Bank service commission and charges	109,748	20,786
Security operations	–	–
Routine maintenance - vehicles and other transport equipment	127,580	58,902
Routine maintenance- other assets	–	–
TOTAL	3,499,730	3,485,235

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

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019 - 2020	2018 - 2019
	Ksh	Ksh
Transfers to Primary schools	44,477,027	23,000,000
Transfers to Secondary schools	28,900,000	24,900,000
Transfers to Tertiary institutions	=	-
Transfers to Health institutions	=	-
TOTAL	73,377,027	47,900,000

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2019 - 2020	2018 - 2019
	Ksh	Ksh
Bursary -Secondary	24,872,502	23,400,908
Bursary - Tertiary	8,769,179	15,902,000
Bursary-Special schools	=	3,784,482
Mocks & CAT	=	=
Water	=	=
Food security	=	=
Office renovations	=	569,480
Security	=	1,200,000
Sports	2,214,500	=
Environment	2,450,000	2,850,000
Emergency Projects	1,400,000	2,715,240
TOTAL	39,706,181	50,422,110

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

8 ACQUISITION OF ASSETS

Non-Financial Assets			2019 - 2020	2018 - 2019
			Kshs	Kshs
Purchase of Buildings			-	-
Construction of Buildings			-	-
Refurbishment of Buildings			-	-
Purchase of Vehicles				7,541,000
Purchase of Bicycles & Motorcycles				-
Overhaul of Vehicles				-
Purchase of Office furniture and fittings				-
Purchase of computers, printers and other IT equipment's			320,000	-
Purchase of photocopier				-
Purchase of other office equipment's				-
Purchase of soft ware				
Acquisition of Land				-
Total			320,000	7,541,000

9 OTHER PAYMENTS

		2019-2020	2018-2019
		Kshs	Kshs
Strategic plan		1,285,000	7,541,000
ICT Hub		-	-
		1,285,000	7,541,000

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
KCB Account No. 1101849169	5,415,761	56,987,483
Total	5,415,761	56,987,485
10B: CASH IN HAND		
Location 1		-
Other Locations	-	-
	-	-

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

11. OTHER IMPORTANT DISCLOSURES

11: 1 OUTSTANDING IMPRESTS

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

12A. RETENTION

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>

12B. STAFF GRATUITY OUTSTANDING

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

13. BALANCES BROUGHT FORWARD

	2019 - 2020	2018- 2019
	<i>Kshs (1/7/2019)</i>	<i>Kshs (1/7/2018)</i>
Bank accounts <i>KCB Account no 1101849169</i>	5,575,759	56,987,485
Cash in hand		-
Imprest		-
TOTAL	5,575,759	56,987,485

14. PRIOR YEAR ADJUSTMENTS

Description of the error	Balance b/f FY 2018/2019 as per Finan- cial state- ments	Adjustments	Adjusted Balance b/f FY 2019/2020
	<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
Bank account Balances	–	–	–
Cash in hand	–	–	–
Accounts Payables	–	–	–
Receivables	–	–	–
Others (<i>specify</i>)	–	–	–
	–	–	–

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

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	–	–
Imprest issued during the year (B)	2,400,000	3,100,000
Imprest surrendered during the Year (C)	2,400,000	3,100,000
Net changes in account receivables D= A+B-C	–	–

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

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
NGCDFC Staff	–	–
Others	–	–
	–	–

15.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Amounts due to other Government entities	33,737,210	28,464,237
Amounts due to other grants and other transfers	28,503,490	21,157,192
Use of goods and services	8,219,530	3,862,927
	–	2,459,000
Acquisition of assets	1,744,552	1,044,427
Others		
	74,663,782	56,987,784

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

16.1: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	53,412,147.00	24,532,080
	53,412,147.00	24,532,080

16.2 CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	131,000	–
Others (<i>specify</i>)	–	–
	131,000	–

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	–	–
Use of goods and services	–	–
Amounts due to other Government entities (see attached list)	–	–
Amounts due to other grants and other transfers (see attached list)	–	–
Acquisition of assets	–	–
Others (<i>specify</i>)	–	–
	–	–

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	53,412,147.00	24,532,080.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) – RONGAI CONSTITUENCY

Reports and Financial Statements
For the year ended 30 June 2020

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

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

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount (KSH)	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
Senior Management		a	b	c	d=a-c	
1.						
2.						
3.						
Sub-Total						
Middle Management						
4.						
5.						
6.						
Sub-Total						
Unionisable Employees						
7.						
8. MICHAEL EKAL	D	131,000		-	131,000	Gratuity for the service
9.						
Sub-Total						
Others (specify)						
10.						
11.						
12.						
Sub-Total						
Grand Total		131,000			131,000	

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

ANNEX 3 - SUMMARY OF UNUTILIZED FUND

Programme/Sub-programme	Brief Transaction Description	2019/2020	2018/2019	
		Kshs	Kshs	
1.1 Compensation of employees	Employees' salaries		99,420.00	
1.2 Committee allowances	Committee allowances		1,813,452.00	
1.3 Use of goods and services	Use of goods and services		10,121.00	
2.1 Capacity building	Training of CDFC		638,027.00	
2.2 Committee allowances	Committee allowances		1,000,000.00	
2.3 Use of goods and services	Use of goods and services		147,844.00	
3.0 Emergency	Emergency activity within the constituency		7,904,233.00	
4.1 Secondary Schools			8,429,858.55	
4.2 Tertiary Institutions	Bursary for needy and deserving student		14,226,528.26	
5.0 Sports	Sporting activities within the constituency		3,176,112.54	
6.6 Majani Mingi Secondary school	Construction of toilet		-	
6.7 Solai day Secondary school	Construction of toilet		-	
6.8 Mercy Njeri Primary school	Construction of toilet		-	
Kiamunyi Secondary School	Construction of two classrooms		1,800,000.00	
Rongai Mixed day School	Construction of two class rooms		-	
Athirai Secondary school	Completion of a library		-	
Solai Day Secondary School	Construction of a toilet		-	
Sawaiti Primary school	Completion of a toilet		200,000.00	
AIC Kabarnet Farm Primary School	Drilling of Borehole in school		3,500,000.00	
Ogilgei Primary school	Construction of dormitory		2,000,000.00	
Kampi ya Moto Primary School	Renovation of five classrooms		-	
10.1 Kamungei Dō's Office	Construction of Dos office		2,300,000.00	
10.4 Kampi Ya Moto AP Camp	Construction of A.P Houses		2,000,000.00	
11.1 Motor Vehicles (including motorbikes)	Purchasing of a Motor vehicle		459,000.00	
12.1 Strategic Plan	Preparation of strategic plan		2,215,000.00	
12.2 Innovation Hub			4,667,027.20	
			74,343,782.00	

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

Programme/Sub-programme	Original Budget	2019/2020		2018/2019	
		Kshs		Kshs	
Employees' Salaries	Employees' Salaries	999,930.00		99,420	
Goods and Services	Committee allowances	1,427,015.00		1,813,452	
Committee Expenses	Use of a Goods and Services	2,200,000.00		10,121	
Committee Expenses	Use of a Goods and Services	1,052,921.00		1,000,000	
NG-CDFC/PMC Capacity Building	Training of CDFC	11,102,474.00		638,027	
Emergency	Emergency activity within the constituency	7,889,207.55		7,904,233	
Bursary Secondary Schools	Bursary for needy and deserving students in secondary	15,226,528.26		8,429,858	
Bursary Tertiary Schools	Bursary for needy and deserving students in Tertiary students	4,000,000.00		14,226,528	
Bursary Special Schools	Bursary for needy and deserving students with special students			2,000,000	
Rongai Tournament	Sporting activities within the constituency	400,000.00		3,176,112.54	
Sasumua Primary school	Renovation of classrooms	2,500,000.00		-	
Athinai Primary School	Renovation of classrooms	800,000.00		-	
Barina Primary School	Construction of two door toilets	500,000.00		-	
Ngecha Primary school	Completion of renovations	700,000.00		-	
Rafiki Primary School	Construction of toilets	1,000,000.00		-	
Kiamunyi Primary School	Construction of two classroom	2,000,000.00		-	
R.V.S.T Primary school	Construction of two classrooms	2,000,000.00			
Losibil Primary school	Construction of dormitory	3,800,000.00		-	
Leakey Primary School	Construction of one classroom	1,000,000.00		-	
Kwkwomoi Primary School	Construction of one classroom	200,000.00		-	
Sawaiti Primary school	Completion of toilet	1,401,159.00		-	
Kimangu Secondary school	Construction one classrooms and toilet	2,000,000.00		-	
Mercy Njeri Secondary School	Construction of two classrooms	3,000,000.00		-	
Mama Ngina Kenyatta Secondary school	Completion of library	2,000,000.00		-	

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

Kamp Ya Moto Sub county Assistant commissioner office	Construction of Dos office	1,500,000.00	-
Ngata Police post	Construction of police post	1,500,000.00	-
Ngata D.Os office	Construction of Dos office	1,500,000.00	-
Kinoyb Primary School	Construction of five Classrooms	5,000,000.00	-
GRAND TOTAL		74,663,793.55	

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

ANNEX 4 - SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land	–	–	–	–
Buildings and structures	–	–	–	–
Transport equipment	7,841,000.00	–	–	7,841,000.00
Office equipment, furniture and fittings	432,820.00	–	–	432,820.00
ICT Equipment, Software and Other ICT Assets	311,552.00	320,000.00	–	631,552.00
Total	8,585,372.00	320,000.00	–	8,905,372.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – RONGAI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Refer- ence No. on the exter- nal audit Re- port	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and design- ation)	Status: (Resolved / Not Re- solved)	Timefram e: (Put a date when you expect the issue to be resolved)
1	Examination of the bank reconciliation statement as at 30 June 2019 disclosed un-presented cheques of Kshs.1,612,110. Out of this amount, cheques worth Kshs.713,956.55 were stale as at the closure of the year. Some of these cheques date back to 5 February 2014 and most of them were in respect of statutory deductions payable to various institutions and it was not clear why they were not remitted. In the circumstances, it was not possible to confirm the accuracy of the reported cash and cash equivalents balance of Kshs.5,972,891 in the statement of assets and liabilities.	The stale cheques were replaced with the same Payees	Kenneth K Kamau- F.A.M Rongai	Resolved	
2	Note 7 to the financial statements reflects bursary to secondary schools of Kshs.1,425,399 for the year ended 30 June 2019. However, the supporting schedule provided for audit reflected a balance of Kshs.1,006,000 and hence a variance of Kshs.419,399. No explanation has been given for the variance.	The financial statement were amended as advised by the your office.	Kenneth K Kamau- F.A.M Rongai	Resolved	
3	The statement of cash flows reflects net cash flow from operating activities of Kshs.46,434,645 instead of negative Kshs.3,029,473 and therefore the statement is inaccurate. No explanation has been given for the misstatement.	The financial statement were amended as advised by the your office.	Kenneth K Kamau- F.A.M Rongai	Resolved	
4	The statement of receipts and payments for the year ended 30 June 2019 reflects an	The documents were availed to	Kenneth K Kamau-	Resolved	

expenditure of Kshs.4,842,702 was incurred on use of goods and services. Out of this amount, an expenditure of Kshs.108,330 was incurred on printing, advertising and information supplies and Kshs.95,000 on routine maintenance- vehicles and other transport equipment. However, no store ledgers cards were maintained and it was therefore not possible to confirm delivery and usage of the items bought. In the circumstances, the propriety of the expenditure of Kshs.203,330 could not be confirmed.	During the year under review, an expenditure of Kshs.1,425,399 was incurred in disbursement of bursary to secondary as disclosed under note 7 to financial statements. It was however, noted that only Kshs.565,070 was acknowledged by various schools leaving a balance of Kshs.860,329 unaccounted for. No explanation was given for non-acknowledgement of the bursary despite the NGCDFC having a bursary committee in place and the monitoring and evaluation team. The summary statement of appropriation: recurrent and development combined reflects final budget of Kshs107,192,018.86. However, only Kshs.43,405,172 was received from the CDF Board and thus leaving a budget deficit of Kshs.63,786,846.86 The underfunding has not been explained despite the board having approved the budget. Consequently, the Constituents of Rongai Constituency were denied the much needed development activities. It is therefore not clear why the Board approved a budget it could not finance.	the Auditor for F.A.M Rongai verification	The CDPC committee through ward for	The CDPC committee through ward for		Kenneth K Kamau- F.A.M Rongai Resolved			
6	5								

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) – RONGAI CONSTITUENCY

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

ANNEX 5 - PROJECTS MANAGEMENT ACCOUNT BALANCES SUMMARY

NAME OF THE PROJECT	ACCOUNT NO	BANK NAME	BALANCES
KIPSAOS PRIMARY SCHOOL	472091001	TNB	711,574.00
KOYUMTICH PRIMARY SCHOOL	472446001	TNB	885.00
SAWAITII PRIMARY SCHOOL	472068001	TNB	9,007.00
SEET KOBOR PRIMARY SCHOOL	4973001	TNB	624,410.00
LOSIBIL PRIMARY SCHOOL	472215001	TNB	3,676.00
LOWER SOLAI PRIMARY SCHOOL	472089001	TNB	3,049.00
SASUMUA PRIMARY SCHOOL	472091001	TNB	711,574.00
OGILGEI PRIMARY SCHOOL	472484001	TNB	7,431.00
OGILGEI PRIMARY SCHOOL	472484001	TNB	7,431.00
LOWER SOLAI PRIMARY SCHOOL	472089001	TNB	3,049.00
KERMA PRIMARY SCHOOL	471293002	TNB	4,694.00
RAFIKI PRIMARY SCHOOL	472493001	TNB	27,733.00
RVIST PRIMARY SCHOOL	472494001	TNB	5,904,968.00
NGECHA PRIMARY SCHOOL	49579001	TNB	-1,127.00
BARINA PRIMARY SCHOOL	472065001	TNB	2,032.00
SASUMUA PRIMARY SCHOOL	472091001	TNB	0.00
LOSIBIL PRIMARY SCHOOL	472215001	TNB	3,676.00
KINOYO KAPTICH PRIMARY SCHOOL	472726001	TNB	2,283,091.00
KINOYO KAPTICH PRIMARY SCHOOL	472726001	TNB	2,283,091.00
ARUS PRIMARY SCHOOL	471166002	TNB	500,418.00
LELECHWET PRIMARY SCHOOL	471268002	TNB	1,529,404.00
R.V.S.T PRIMARY SCHOOL	472494001	TNB	5,904,968.00
NYAMAMITHI PRIMARY SCHOOL	471269002	TNB	1,002,833.00
TESTAI PRIMARY SCHOOL	472751001	TNB	1,002,833.00
MAGARE PRIMARY SCHOOL	472750001	TNB	2,005,667.00

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

KAPKECHUI PRIMARY SCHOOL	472756001	TNB	80,003.00
TUMAINI PRIMARY SCHOOL	472500001	TNB	1,002,833.00
KIPSEYENAN PRIMARY SCHOOL	472749001	TNB	4,011,333.00
BELBUR PRIMARY SCHOOL	472753001	TNB	802,267.00
LENGINET SECONDARY SCHOOL	472451001	TNB	57,337.00
KIPSEYNAN SECONDARY SCHOOL	472755001	TNB	1,704,817.00
KAPTERA PRIMARY SCHOOL	471733001	TNB	1,780.00
BELBUR PRIMARY SCHOOL	472753001	TNB	802,267.00
ATHINAI PRIMARY SCHOOL	472724001	TNB	251.00
THERANDO PRIMARY SCHOOL	472453001	TNB	30,193.00
LELDET SECONDARY SCHOOL	472067001	TNB	606,018.00
BARINA SECONDARY SCHOOL	472065001	TNB	2,032.00
SARAMBEI SECONDARY SCHOOL	471720001	TNB	7,258.00
KIMANGU SECONDARY SCHOOL	49904001	TNB	1,576.00
TUVIOTICH SECONDARY SCHOOL	472468001	TNB	1,993,247.00
BRIGHT HOPE LOMOLO SECONDARY SCHOOL	472481001	TNB	298,859.00
MIMWAITA SECONDARY SCHOOL	471289001	TNB	2,004,900.00
SOLAI KALE SECONDARY SCHOOL	472746001	TNB	2,005,667.00
MAJANI MINGI SECONDARY SCHOOL	472747001	TNB	3,509,917.00
MATUIKU SECONDARY SCHOOL	472086001	TNB	1,042,245.00
RONGAI SECONDARY SCHOOL	472242001	TNB	3,527,861.00
KAMOSOP SECONDARY SCHOOL	49713001	TNB	706,252.00
CHEMASIS SECONDARY SCHOOL	49766001	TNB	576,540.00
CHEMASIS SECONDARY SCHOOL	49766001	TNB	576,540.00
MAMA NGINA KENYATTA SECONDARY SCHOOL	472703001	TNB	1,012,918.00
CHEMASIS SECONDARY SCHOOL	49766001	TNB	576,540.00
NGATA SECONDARY SCHOOL	472070001	TNB	70,407.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) – RONGAI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

MENENGAI PRIMARY SCHOOL	1178907570	KCB	584,350.00
KIAMUNYI PRIMARY SCHOOL	1210478722	KCB	1,141,572.00
MERCY NJERI SECONDARY SCHOOL	1151965774	KCB	138,000.00
			53,412,147.00

RONGAI CONSTITUENCY DEVELOPMENT FUND									
UPDATED ASSETS REGISTER									
AS AT JUNE 2020									
REGION	COUNTY	CONSTITUENCY	CONSTITUENCY CODE	ASSET NAME/DESCRIPTION	ASSET CATEGORY	ASSET TAG NUMBER	SERIAL NUMBER	ACQUISITION YEAR	ACQUISITION ASSET VALUE
SOUTH RIFT	NAKURU	RONGAI	173	YAMAHA MOTOR CYCLE	MOTOR BIKE	CDF/173/040	3TT-154132	2008	150,000.00
SOUTH RIFT	NAKURU	RONGAI	173	HP LASERJET P2035	COMPUTER ACCESSORIES	CDF/173/042	VN5500500	2008	42,000.00
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS	FURNITURE	CDF/173/009	NONE	2009	4,200.00
SOUTH RIFT	NAKURU	RONGAI	173	OFFICE TELEPHONE	FURNITURE	CDF/173/010	NONE	2009	4,200.00
SOUTH RIFT	NAKURU	RONGAI	173	EXECUTIVE OFFICE CHAIR	COMPUTER ACCESSORIES	CDF/173/043	700322878	2009	5,800.00
SOUTH RIFT	NAKURU	RONGAI	173	EXECUTIVE OFFICE TABLE	FURNITURE	CDF/173/104	NONE	2009	5,200.00
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS	FURNITURE	CDF/173/105	NONE	2009	4,220.00
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS	FURNITURE	CDF/173/018	NONE	2010	4,200.00
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS	FURNITURE	CDF/173/020	NONE	2010	4,200.00
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS	FURNITURE	CDF/173/011	NONE	2011	4,200.00
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS	FURNITURE	CDF/173/012	NONE	2011	4,200.00
SOUTH RIFT	NAKURU	RONGAI	173	SECRETARIAL CHAIRS	FURNITURE	CDF/173/013	NONE	2011	4,200.00
SOUTH RIFT	NAKURU	RONGAI	173	COMPUTER MONITOR	COMPUTER	CDF/173/022	NONE	2011	5,800.00
SOUTH RIFT	NAKURU	RONGAI	173	FIXED SHELVES	FURNITURE	CDF/173/106	NONE	2011	16,600.00
SOUTH RIFT	NAKURU	RONGAI	173	FIXED SHELVES	FURNITURE	CDF/173/107	NONE	2011	4,210.00
SOUTH RIFT	NAKURU	RONGAI	173	COMPUTER TABLE	FURNITURE	CDF/173/001	NONE	2012	12,000.00
SOUTH RIFT	NAKURU	RONGAI	173	METALIC OFFICE CABINET	FURNITURE	CDF/173/002	NONE	2012	19,000.00
SOUTH RIFT	NAKURU	RONGAI	173	CONFERENCE TABLE	FURNITURE	CDF/173/003	NONE	2012	16,000.00
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS	FURNITURE	CDF/173/005	NONE	2012	4,200.00
SOUTH RIFT	NAKURU	RONGAI	173	KEYBOARD	COMPUTER ACCESSORIES	CDF/173/039	E-CO12-035116(B)	2012	2,000.00
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS	FURNITURE	CDF/173/004	NONE	2013	4,200.00
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS	FURNITURE	CDF/173/006	NONE	2013	4,200.00
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS	FURNITURE	CDF/173/008	NONE	2014	4,200.00
SOUTH RIFT	NAKURU	RONGAI	173	FILLING CUPBOARDS	FURNITURE	CDF/173/109	NONE	2014	16,000.00
SOUTH RIFT	NAKURU	RONGAI	173	HP Laser Jet P2035	FURNITURE	CDF/173/110	NONE	2014	16,000.00
SOUTH RIFT	NAKURU	RONGAI	173	COMPUTER ACCESSORIES	COMPUTER	CDF/173/111	VNC4B3360	2014	42,000.00
SOUTH RIFT	NAKURU	RONGAI	173	EXECUTIVE CHAIR	FURNITURE	CDF/173/112	NONE	2014	8,000.00
SOUTH RIFT	NAKURU	RONGAI	173	EXECUTIVE CHAIR	FURNITURE	CDF/173/113	NONE	2014	8,000.00
SOUTH RIFT	NAKURU	RONGAI	173	VISITORS CHAIRS	FURNITURE	CDF/173/114	NONE	2014	5,000.00
SOUTH RIFT	NAKURU	RONGAI	173	VISITORS CHAIRS	FURNITURE	CDF/173/115	NONE	2014	5,000.00
SOUTH RIFT	NAKURU	RONGAI	173	OFFICE TABLE	FURNITURE	CDF/173/116	NONE	2014	5,000.00
SOUTH RIFT	NAKURU	RONGAI	173	OFFICE TABLE	FURNITURE	CDF/173/117	NONE	2014	16,000.00
SOUTH RIFT	NAKURU	RONGAI	173	OFFICE TABLE	FURNITURE	CDF/173/118	NONE	2014	16,000.00
SOUTH RIFT	NAKURU	RONGAI	173	OFFICE TABLE	FURNITURE	CDF/173/119	NONE	2014	16,000.00
SOUTH RIFT	NAKURU	RONGAI	173	FILLING CABINET (4 DRAWERS)	FURNITURE	CDF/173/120	NONE	2014	11,000.00
SOUTH RIFT	NAKURU	RONGAI	173	FILLING CABINET (4 DRAWERS)	FURNITURE	CDF/173/121	NONE	2014	11,000.00
SOUTH RIFT	NAKURU	RONGAI	173	Acer Keyboard-	COMPUTER	CDF/173/122	NONE	2014	12,000.00
SOUTH RIFT	NAKURU	RONGAI	173	DSP521P03125200105K701	COMPUTER	CDF/173/123	NONE	2014	34,000.00
SOUTH RIFT	NAKURU	RONGAI	173	MMIXNNE00074120438E4201	COMPUTER	CDF/173/124	NONE	2014	12,000.00
SOUTH RIFT	NAKURU	RONGAI	173	Acer CPU	COMPUTER	CDF/173/125	NONE	2014	52,000.00
SOUTH RIFT	NAKURU	RONGAI	173	LAPTOP	COMPUTER	CDF/173/126	NONE	2015	4,500.00
SOUTH RIFT	NAKURU	RONGAI	173	CONFERENCE CHAIRS	FURNITURE	CDF/173/127	NONE	2015	4,000.00
SOUTH RIFT	NAKURU	RONGAI	173	OFFICE CHAIRS	FURNITURE	CDF/173/128	NONE	2015	200,000.00
SOUTH RIFT	NAKURU	RONGAI	173	YAMAHA MOTOR CYCLE 125 CC	MOTOR CYCLE	CDF/173/129	GBK 715 L	2015	200,000.00
SOUTH RIFT	NAKURU	RONGAI	173	MOTOR CYCLE	MOTOR CYCLE	CDF/173/130	GBK 715 L	2015	200,000.00



SOUTH RIFT	NAKURU	RONGAI	173	TENDER BOX		FURNITURE	CDF/173/044	NONE		2016	3,000.00	CDF OFFICE	GOOD
SOUTH RIFT	NAKURU	RONGAI	173	HP LASERJET PRINTER CP1025 (COLOURED)		COMPUTER ACCESSORIES	CDF/173/127	CNFC63340		2016	47,000.00	CDF OFFICE	GOOD
SOUTH RIFT	NAKURU	RONGAI	173	HP LAPTOP		COMPUTER	CDF/173/131	CND60326RS		2016	48,000.00	CDF OFFICE	GOOD
SOUTH RIFT	NAKURU	RONGAI	173	Transend Portable Hard Drive 500 GB		COMPUTER	CDF/173/132	CND6032FWQ		2016	48,000.00	CDF OFFICE	GOOD
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS		FURNITURE	CDF/173/133	C77066-0116		2016	6,000.00	CDF OFFICE	GOOD
SOUTH RIFT	NAKURU	RONGAI	173	TOYOTA LAND CRUISER GK 8075V		MOTOR VEHICLE	CDF/173/134	GK 8075V		2017	4,200.00	CDF OFFICE	GOOD
SOUTH RIFT	NAKURU	RONGAI	173	HARDWOOD OFFICE CHAIRS		FURNITURE	CDF/173/007	NONE		2018	7,541,000.00	CDF OFFICE	GOOD
SOUTH RIFT	NAKURU	RONGAI	173	HP Probook 450 G6 Laptop		COMPUTER	CDF/173/008	5CD9284ZSJ		2020	4,200.00	CDF OFFICE	GOOD
SOUTH RIFT	NAKURU	RONGAI	173	HP Probook 450 G6 Laptop		COMPUTER	CDF/173/009	5CD9284Z3X		2020	86,000	CDF OFFICE	GOOD
SOUTH RIFT	NAKURU	RONGAI	173	HP Pavilion 1.5 x360		COMPUTER	CDF/173/010	8CG8399GF8		2020	112,000	CDF OFFICE	GOOD

