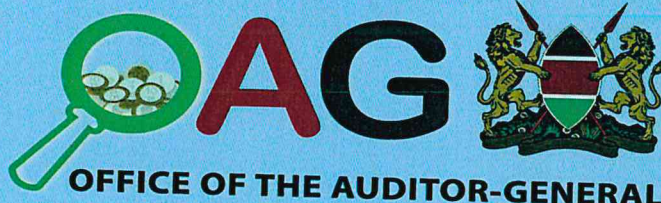


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

OF: 23 FEB 2022

DAY.

WED

TABLED

BY:

THE AUDITOR-GENERAL

THE-TABLE:

HON. JIMMY ANGWENYI, MP

perpetual karani

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2019**



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

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30 JUNE 2019**

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, 2019

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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
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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 2019 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 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, 2019

(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 COMMECIAL 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, 2019

II FORWARD BY THE CHAIRMAN NG-CDFC COMMITTEE

In the financial year 2018/2019, the NGCDF Rongai Constituency made great strides in project and programme implementation. The disbursements for the year and the balances for the year 2017/2018 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 two classrooms in Rift Valley Institute of Science and Technology(RVIST) Primary school
- The purchase of a nine seater Land cruiser vehicle for effective monitoring and evaluation of projects.
- Comprehensive renovation of Kampi Ya Moto Primary School to give it a face life to be a centre of excellence.
- Construction of class rooms at A.I.C Kabarnet Farm 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 55,040,875.00 toward the end of financial year 2018/2019. 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 24th February 2020

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, 2019

III STATEMENT OF NG-CDF COMITEE 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, 2019. 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, 2019, 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 24TH February 2020.


Fund Account Manager

Name: Kenneth K. Kamau


Sub-County Accountant-Rongai

Name: Rahab W Mathu

ICPAK Member Number: 15196

REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – RONGAI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

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 7 to 32, which comprise the statement of financial assets and liabilities as at 30 June, 2019, 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, 2019 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1.0 Cash and Cash Equivalents

The statement of financial assets and liabilities reflects bank balance of Kshs.56,987,483;(2018-Kshs.5,972,891) and as disclosed under Note 10A to the financial statements. Included in this amount are unrepresented cheques totaling to Kshs.2,852,503 out of which stale cheques amounted to Kshs.271,432 had not been written back into the cash book.

Under the circumstances, the accuracy and fair statement of bank balance of Kshs.56,987,483 as at 30 June, 2019 could not be confirmed.

2.0 Inaccuracy of Financial Statements

A review of the statement of cash flows revealed casting errors. The recomputed total receipts less total payments amounted to Kshs.58,555,592 while the statement reflected Kshs.58,555,610. Further, the recomputed net increase in cash and cash equivalent amounted to Kshs.51,014,592 instead of Kshs.51,014,892 indicated in the financial statement.

In addition, the cash and cash equivalent at the end of the year should be Kshs.56,987,483 instead of Kshs.56,987,783 reflected in the statement of cash flows.

In the circumstances, the accuracy of the financial statements cannot be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies 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 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

Budgetary Control and Performance

The summary statement of appropriation-recurrent and development combined reflects final expenditure budget and actual on comparable basis of Kshs.169,014,067 and Kshs.112,810,765 respectively resulting to net under absorption of Kshs.56,203,301 or 33% of the budget.

Management has explained the delayed absorption to be as a result of funding amounting to Kshs.56,987,784 being received late in July, 2019.

The under absorption affected the planned activities and projects for the year which may have impacted negatively on service delivery for the residents of Rongai Constituency.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness

and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Incomplete Projects

The project implementation status report as of 30 June, 2019 indicated that 48 projects with a funding allocation of Kshs.53,600,000 were at various completion statuses as detailed out below:-

Project Status	Count	Fund Allocation (Kshs.)
Complete and in use	23	23,500,000
Ongoing	19	23,800,000
Not Started	6	6,300,000
Total	48	53,600,000

The Fund Management attributed the delay in completing the twenty-five (25) projects to slow tendering processes and delayed disbursements from the NGCDF- Board. However, no measures have been put in place to deter its recurrence.

The delay in completing projects may have impacted negatively on service delivery to the residents Rongai Constituency.

2. Projects Completed But Not in Use

Thirteen (13) projects with a funding allocation of Kshs.12,450,000 were sampled for verification during the month of February 2020 and the following observations were made:-

	Project Name	Details	Cost (Kshs.)	Observations
1	Kerma Primary School	Construction of an 8-door toilet to completion	400,000	Completed but not handed over
2	Kiamunyi Primary School	Construction of an 8-door toilet to completion	400,000	Casting of slab and floor done. Curing on plastered surfaces ongoing.
3	Lower Solai Primary School	Renovation of 3 classrooms to completion (roofing, plastering windows and dooring, floor)	1,300,000	Finishing level, curing on plastered surfaces ongoing.

	Project Name	Details	Cost (Kshs.)	Observations
4	Arus Primary School	Renovation of 4 classrooms to completion (roofing, plastering windows and dooring, floor)	1,000,000	Sub-structure level. Curing on slab ongoing.
5	Seet Kobor Primary School	Construction of a boy's dormitory to completion	2,000,000	Finishing level,
6	Lengenet Secondary School	Construction of 1 classroom	850,000	Completed but not handed over
7	Barina Secondary School	Completion of a twin laboratory	1,500,000	Complete but not handed over
8	Mangu Primary School	Construction of an 8-door toilet to completion	400,000	Complete and in use
9	Therando Primary School	Construction of an 8-door toilet to completion	400,000	Complete
10	Moricho Primary School	Construction of 2 classrooms to completion	1,700,000	Complete but not in use
11	Tumaini Primary School	Construction of 1 classroom to completion	850,000	Completed in use but not handed over
12	Rafiki Primary School	Construction of 1 classroom	850,000	Complete but not in use
13	Banita Chief's Office	Construction of Chief's office to completion	800,000	Curing on plastered surfaces done
	Totals		12,450,000	

No satisfactory explanation has been rendered for delays in handing over the completed projects for use.

Consequently, the constituents are not getting value for money with the continued delays in handing over of completed projects.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether 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 Fund's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless Management is aware of the 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 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 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 with limited assurance as to 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 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 judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide

a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

23 December, 2021

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019

V STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018- 2019	2017 - 2018
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	163,825,357	43,405,172.
Proceeds from Sale of Assets	2	—	—
Other Receipts	3	—	—
TOTAL RECEIPTS		163,825,357	43,405,172.
PAYMENTS			
Compensation of employees	4	2,177,420	2,366,544
Use of goods and services	5	3,485,235	4,842,702
Transfers to Other Government Units	6	47,900,000	32,650,000
Other grants and transfers	7	50,422,110	6,575,399
Acquisition of Assets	8	7,541,000	—
Other Payments	9	1,285,000	—
TOTAL PAYMENTS		112,810,765	46,434,645
SURPLUS/DEFICIT		51,014,592	(3,029,473.)

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 24th February 2020 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, 2019


IV STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2018- 2019	2017- 2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	56,987,483	5,972,891
Cash Balances (cash at hand)	10B	—	—
Total Cash and Cash Equivalents		56,987,483	5,972,891
Cash and Cash receivables			
Outstanding imprests	11		
TOTAL FINANCIAL ASSETS		56,987,483	5,972,891
FINANCIAL LIABILITIES			
Accounts payable			
Retention		—	—
Gratuity		—	—
Total Financial Liabilities		—	—
NET FINANCIAL ASSETS		56,987,484	5,972,891
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	5,972,891	9,002,364
Surplus/Defict for the year		51,014,592	(3,029,473)
Prior years adjustments	14	—	—
NET FINANCIAL POSITION		56,987,483	5,972,891

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 24th February 2020 and signed by:


Fund Account Manager

Name: Kenneth K. Kamau


Sub-County Accountant

Name: Rahab W Mathu

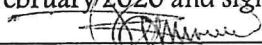
ICPAK Member Number:15196

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
RONGAI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2019


VI) STATEMENT OF CASHFLOW

Receipts for operating income		2018 – 2019 Kshs	2017 – 2018 Kshs
Transfers from CDF Board	1	163,825,357	43,405,172
Other Receipts			
Total receipts		163,825,375	43,405,172
Payments			
Compensation of Employees	4	2,177,420	2,366,544
Use of goods and services	5	3,485,235	4,842,702
Transfers to Other Government Units	6	47,900,000	32,650,000
Other grants and transfers	7	50,422,110	6,575,399
Other Payments	9	1,285,000	
Total Payments		105,269,765	46,434,645
Total receipts less Total Payment		58,555,610	(3,029,473)
Adjusted for			
Outstanding Imprest		-	-
Retentin		-	-
Gratuity Payable		-	-
Prior Year Adjustments		-	-
Net Adjustments		-	-
Net Cash Flow from Operating activities		58,555,610	3,029,473
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of assets	8	(7,541,000)	-
Net cash flow from investing activities		(7,541,000)	-
NET INCREASE IN CASH AND CASH EQUIV- ALENT		51,014,892	(3,029,473)
Cash and cash equivalent at BEGINNING of the year	13	5,972,891	9,002,364
Cash and cash equivalent at END of the year		56,987,783	5,972,891

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 24TH February 2020 and signed by:


Fund Account Manager

Name: Kenneth K. Kamau


Sub-County Accountant

Name: Rahab W Mathu

ICPAK Member Number:15196

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For the year ended June 30, 2019

VII SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	109,047,875	60,750,372	169,798,247	169,798,247	56,987,784	100%
Proceeds from Sale of Assets						
Other Receipts						
TOTAL RECEIPTS	109,047,875	60,750,372	169,798,247	169,798,247	56,987,784	68%
PAYMENTS						
Compensation of Employees	2,078,000	1,143,847	3,221,847	2,177,420	1,044,427	47%
Use of goods and services	7,147,678	200,484	7,348,162	3,485,235	3,862,927	62%
Transfers to Other Government Units	49,500,000	27,317,237	76,814,237	47,900,000	26,914,237	70%
Other grants and transfers	48,322,197	23,307,623	71,629,820	50,422,110	19,922,710	75%
Acquisition of Assets	2,000,000	8,000,000	10,000,000	7,541,000	2,459,000	32.60%
Other Payments	-	791,182	-	1,285,000	-	
TOTAL	109,047,875	60,750,372	169,014,067	112,810,765	56,987,784	50.87%

- o The adjustment revenues of ksh 5,972,891 as at 1st July 2018 and 54,777,481 relates to fund was received in the month of July 2019 funded to financial year 2017/2018 had not been received not at the closure of the year.
- o Variances was as a result of funds amounting to Kshs 56,987,784 being received in the month of July 2019.
- The NG-CDF-Rongai Constituency financial statements were approved on 24th February 2020 and signed by:



Fund Account Manager



Sub-County Accountant- Name: Rahab W Mathu

Name: Kenneth K. Kamau

ICPAK Member Number:1 5196

Reports and Financial Statements
For the year ended June 30, 2019

VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Programme/Sub-programme 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,078,000.00	-	2,078,000.00	2,177,420.00	99,420.00
1.2 Committee allowances	2,616,452.00	-	2,616,452.00	803,000.00	1,813,452.00
1.3 Use of goods and services	1,800,000.00	-	1,800,000.00	1,189,879.00	10,121.00
2.0 Monitoring and evaluation					
2.1 Capacity building	1,278,227.00	-	1,278,227.00	640,200.00	638,027.00
2.2 Committee allowances	1,400,000.00	-	1,400,000.00	400,000.00	1,000,000.00
2.3 Use of goods and services	600,000.00	-	600,000.00	452,156.00	147,844.00
3.0 Emergency	5,738,993.00	2,165,240.00	7,904,233.00		7,904,233.00
4.1 Primary Schools			-		
4.0 Bursary and Social Security			-		
4.2 Secondary Schools	15,505,387.55	15,949,297.00	31,454,684.55	23,024,826.00	8,429,858.55
4.3 Tertiary Institutions	11,849,999.00	13,639,331.26	25,489,330.26	11,262,802.00	14,226,528.26
4.4 Universities	4,000,000.00	-	4,000,000.00	4,000,000.00	-
5.0 Sports	2,180,817.00	995,295.54	3,176,112.54	-	3,176,112.54

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6.0 Environment									
6.1 Mangu Primary School		400,000.00				400,000.00		400,000.00	-
6.2 Therando Primary School		400,000.00				400,000.00		400,000.00	-
6.3 Boror Primary School		400,000.00				400,000.00		400,000.00	-
6.4 Atebwa Primary school		400,000.00				400,000.00		400,000.00	
6.5 Kerma Primary school		400,000.00				400,000.00		400,000.00	
6.6 Majani Mingi Secondary school		-	400,000.00			400,000.00		400,000.00	-
6.7 Solai day Secondary school		-	400,000.00			400,000.00		400,000.00	-
6.8 Mercy Njeri Primary school		-	400,000.00			400,000.00		400,000.00	-
8.0 Secondary Schools Projects									
(List all the Projects)									
Kiamunyi Secondary School		1,800,000.00		-		1,800,000.00		-	1,800,000.00
Muhigia secondary school		850,000.00		-		850,000.00		850,000.00	-
Chemasis secondary school		600,000.00		-		600,000.00		600,000.00	
Lake solai secondary school		850,000.00		-		850,000.00		850,000.00	-
Umoja Secondary school		850,000.00		-		850,000.00		850,000.00	-
Leldet Secondary school		1,500,000.00		-		1,500,000.00		1,500,000.00	-
Lengenet Secondary school		850,000.00		-		850,000.00		850,000.00	-
Tuyoitich Secondary school		1,500,000.00		-		1,500,000.00		1,500,000.00	-
Kerma Secondary school		850,000.00		-		850,000.00		850,000.00	-
Ngata Secondary school		2,000,000.00		-		2,000,000.00		2,000,000.00	-
Mimwaita Secondary School		850,000.00		-		850,000.00		850,000.00	-
Barina Secondary school		1,500,000.00		-		1,500,000.00		1,500,000.00	-
Kapsatec Secondary School		850,000.00		-		850,000.00		850,000.00	-
Koisamu Secondary School		850,000.00		-		850,000.00		850,000.00	-
Solai Day Secondary School		850,000.00		-		850,000.00		850,000.00	-
Bright Hope Lomolo Secondary school		1,900,000.00		-		1,900,000.00		1,900,000.00	-

Reports and Financial Statements
For the year ended June 30, 2019

Ol-Rongai Secondary School	300,000.00	-	300,000.00	300,000.00	-
Rongai Mixed day School		1,700,000.00	1,700,000.00	1,700,000.00	-
Athinai Secondary school	-	1,700,000.00	1,700,000.00	1,700,000.00	-
Solai Day Secondary School	-	450,000.00	450,000.00	450,000.00	-
9.0 primary School Projects (List all the Projects)					
Tulwabmoi Primary school	400,000.00	-	400,000.00	400,000.00	-
Mercy Njeri Primary School	1,700,000.00	-	1,700,000.00	1,700,000.00	-
Kiamunyi Primary School	400,000.00	-	400,000.00	400,000.00	-
Sasumua Primary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Lower Solai Primary	1,300,000.00	-	1,300,000.00	1,300,000.00	-
Emaragishu Primary School	1,800,000.00	-	1,800,000.00	1,800,000.00	-
Chemarmar Primary school	850,000.00	-	850,000.00	850,000.00	-
Kiriko Primary school	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Mwiteithia primary school	850,000.00	-	850,000.00	850,000.00	-
Arus Primary school	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Moricho Primary school	1,700,000.00	-	1,700,000.00	1,700,000.00	-
Tumaini Primary school	850,000.00	-	850,000.00	850,000.00	-
Lelehwet Primary school	850,000.00	-	850,000.00	850,000.00	-
Ngecha Primary school	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Ogilgei Primary School	1,000,000.00	-	1,000,000.00	1,000,000.00	-
RVST Primary School	2,000,000.00	-	2,000,000.00	2,000,000.00	-
Matuiku Primary school	1,000,000.00	-	1,000,000.00	1,000,000.00	-
Barina Primary School	2,500,000.00	-	2,500,000.00	2,500,000.00	-
Sawaiti Primary school	200,000.00	-	200,000.00	-	200,000.00
Lomolo Primary School	400,000.00	-	400,000.00	400,000.00	-
Banita Primary School	400,000.00	-	400,000.00	400,000.00	-
AIC Kabarnet Farm Primary School	850,000.00	3,500,000.00	4,350,000.00	850,000.00	3,500,000.00



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Chepseon Primary School	300,000.00	-	300,000.00	300,000.00	-
Rafiki Primary school	850,000.00	-	850,000.00	850,000.00	-
Kutoitich Primary school	850,000.00	-	850,000.00	850,000.00	-
Set Kobor Primary school	2,000,000.00	-	2,000,000.00	2,000,000.00	-
Ogilgei Primary school	2,000,000.00	-	2,000,000.00	-	2,000,000.00
Ol-Rongai Primary School	1,700,000.00	-	1,700,000.00	1,700,000.00	-
Kampi ya Moto Primary School	-	2,500,000.00	2,500,000.00	2,500,000.00	-
10.0 Security Projects			-	-	-
10.1 Kamungei Do's Office	2,300,000.00	-	2,300,000.00	-	2,300,000.00
10.2 Kandutura AP Camp	1,000,000.00	-	1,000,000.00	1,000,000.00	-
10.3 Nyamamithi Chiefs office	400,000.00	-	400,000.00	400,000.00	-
10.4 Kampi Ya Moto AP Camp	2,000,000.00	-	2,000,000.00	-	2,000,000.00
10.5 Banita Chiefs Office	800,000.00	-	800,000.00	800,000.00	-
11.0 Acquisition of assets			-	-	-
11.1 Motor Vehicles (including motor-bikes)	-	8,000,000.00	8,000,000.00	7,541,000.00	459,000.00
11.3 Purchase of furniture and equipment	1,500,000.00	-	1,500,000.00	1,500,000.00	-
11.4 Purchase of computers	500,000.00	-	500,000.00	500,000.00	-
12.0 Others					
12.1 Strategic Plan	-	3,500,000.00	3,500,000.00	1,285,000.00	2,215,000.00
12.2 Innovation Hub	-	4,667,027.20	4,667,027.20	-	4,667,027.20
	109,047,875.55	60,760,373.00	169,014,066.55	112,026,283.00	56,987,783.55

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –
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IX 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.



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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 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank

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account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized 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.

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament in June 2018 for the period 1st July 2018 to 30th June 2019 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 reconfigured to conform to the required changes in presentation.

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2019.

14. Errors



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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) –
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X NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
DEP07/2016/2017/354	34,705,172	-
DEP07/2017/2018/753	12,079,310	-
DEP07/2018/2019/243	10,000,000	-
DEP07/2018/2019/1135	12,000,000	-
DEP07/2017/2018/809	8,000,000	-
DEP07/2018/2019/473	12,000,000	-
DEP07/2018/2019/979	8,000,000	-
DEP07/2018/2019/1308	12,000,000	-
DEP07/2018/2019/1405	55,040,875	-
DEP07/2017/2018/153	-	5,500,000
DEP07/2017/2018/753	-	37,905,172
Total	163,825,357	43,405,172

2. PROCEEDS FROM SALE OF ASSETS

	2018-2019	2017-2018
	Kshs	Kshs
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	-	-



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

Description	2018-2019	2017-2018
	Kshs	Kshs
Interest Received		
Rents		
Receipts from Sale of tender documents	-	
Other Receipts Not Classified Elsewhere	-	
Total	-	-

4. COMPENSATION OF EMPLOYEES

Description	2018 - 2019	2017 - 2018
	Kshs	Kshs
Basic wages of contractual employees	1,586,315	1,645,031
Basic wages of casual labour	60,000	-
Personal allowances paid as part of salary	-	-
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Other personnel payments	-	-
Employer contribution to NSSF	24,000	24,000
Gratuity-contractual employees	507,105	697,513
TOTAL	2,177,420	2,366,544

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2018 - 2019	2017 - 2018
	Kshs	Kshs
Utilities, supplies and services	57,600	732,009
Electricity	–	–
Water & sewerage charges	–	–
Office rent	–	–
Communication, supplies and services	–	–
Domestic travel and subsistence	121,800	155,000
Printing, advertising and information supplies & services	218,080	108,330
Rentals of produced assets	–	–
Training expenses	640,200	1,077,931
Hospitality supplies and services	310,728	–
Other committee expenses	–	–
Committee allowance	803,000	1,780,000
Insurance costs	–	–
Specialised materials and services	–	–
Office and general supplies and services	834,139	597,920
Fuel , oil & lubricants	420,000	–
Other operating expenses	20,786	–
Bank service commission and charges	–	–
Security operations	–	–
Routine maintenance - vehicles and other transport equipment	58,902	391,512
Routine maintenance- other assets	–	–
TOTAL	3,485,235	4,842,702



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018 - 2019	2017 - 2018
	Kshs	Kshs
Transfers to Primary schools	23,000,000	21,250,000
Transfers to Secondary schools	24,900,000	11,400,000
Transfers to Tertiary institutions	-	-
Transfers to Health institutions	-	-
TOTAL	47,900,000	32,650,000

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2018 - 2019	2017 - 2018
	Kshs	Kshs
Bursary -Secondary	23,400,908	1,425,399
Bursary -Tertiary	15,902,000	-
Bursary-Special schools	3,,784,482	-
Mocks & CAT	-	-
Water	-	-
Food security	-	-
Office renovations	569,480	-
Security	1,200,000	1,650,000
Sports	-	-
Environment	2,850,000	-
Emergency Projects	2,715,240	3,500,000
TOTAL	50,422,110	6,575,399

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 ACQUISITION OF ASSETS

Non-Financial Assets		2018 - 2019	2017 - 2018
		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		-	-
Purchase of photocopier		-	-
Purchase of other office equipment's		-	-
Purchase of soft ware		-	-
Acquisition of Land		-	-
Total		7,541,000	-

9 OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Strategic plan	1,285,000	—
ICT Hub	—	—
	1,285,000	—

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
KCB Account No. 1101849169	56,987,483	5,972,891
Total	56,987,485	5,972,891
10B: CASH IN HAND		
Location 1	—	—

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Other Locations	–	–
	–	–

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

	2018 - 2019	2017-2018
	Kshs	Kshs

12B. STAFF GRATUITY OUTSTANDING

	2018 - 2019	2017-2018
	Kshs	Kshs
Total		

13. BALANCES BROUGHT FORWARD

	2018 - 2019	2017- 2018
	Kshs (1/7/2018)	Kshs (1/7/2017)
Bank accounts	56,987,485	5,972,891
Cash in hand	–	–
Imprest	–	–
TOTAL	56,987,485	5,972,891

14. PRIOR YEAR ADJUSTMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	–	–
Cash in hand	–	–
Imprest	–	–
Total	–	–

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15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2018-2019	2017-2018
	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)

	2018-2019	2017-2018
	Kshs	Kshs
Amounts due to other Government entities	28,464,237	27,317,237
Amounts due to other grants and other transfers	21,157,192	23,307,623
Use of goods and services	3,862,927	200,484
Acquisition of assets	2,459,000	8,000,000
	1,044,427	1,143,847
	56,987,784	60,750,372

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

12.1: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	24,532,080	12,031,526
	24,532,080	12,031,526

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
Construction of buildings	a	b	c	d=a-c	
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					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contract ed	Amo unt Paid To-Date	Outstanding Balance 2019	Comments
		a	b	c	d=a-c	
Senior Management						
1.						
2.						
3.						
Sub-Total						
Middle Management						
4.						
5.						
6.						
Sub-Total						
Unionisable Employees						
7.						
8.						
9.						
Sub-Total						
Others (<i>specify</i>)						
10.						
11.						
12.						
Sub-Total						
Grand Total						

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ANNEX 3 – SUMMARY OF UNUTILIZED FUND

Programme/Sub-programme	Brief Transaction Description	2018/2019	2017/2018
		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	2,165,240.00
4.2 Secondary Schools		8,429,858.55	15,949,297.00
4.3 Tertiary Institutions	Bursary for needy and deserving student	14,226,528.26	13,639,331.20
5.0 Sports	Sporting activities within the constituency	3,176,112.54	995,295.50
6.6 Majani Mingi Secondary school	Construction of toilet	-	400,000.00
6.7 Solai day Secondary school	Construction of toilet	-	400,000.00
6.8 Mercy Njeri Primary school	Construction of toilet	-	400,000.00
Kiamunyi Secondary School	Construction of two classrooms	1,800,000.00	
Rongai Mixed day School	Construction of two class rooms	-	1,700,000.00
Athinai Secondary school	Completion of a library	-	1,700,000.00
Solai Day Secondary School	Construction of a toilet	-	450,000.00
Sawaiti Primary school	Completion of a toilet	200,000.00	
AIC Kabarnet Farm Primary School	Drilling of Borehole in school	3,500,000.00	3,500,000.00
Ogilgei Primary school	Construction of dormitory	2,000,000.00	
Kampi ya Moto Primary School	Renovation of Five classrooms	-	2,500,000.00
10.1 Kamungei Do'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	8,000,000.00
12.1 Strategic Plan	Preparation of strategic plan	2,215,000.00	3,500,000.00
12.2 Innovation Hub		4,667,027.20	4,667,027.20
		56,987,784.00	60,760,373.00

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	–	–	–	–
Buildings and structures	–	–	–	–
Transport equipment	350,000.00	7,541,000.00	–	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	–	–	311,552.00
Total	1,094,372.00	7,541,000.00	–	8,635,372.00

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Examination of the bank reconciliation statement as at 30 June 2018 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 2018. 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 2018 reflects an	The documents were availed to	Kenneth K Kamau-	Resolved	

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	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.	the Auditor for verification	F.A.M Rongai		
5	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 CDFC committee through ward for	Kenneth K Kamau- F.A.M Rongai	Resolved	
6		The CDFC committee through ward for			

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ANNEX 5 – PROJECTS MANAGEMENT ACCOUNT BALANCES SUMMARY

ACCOUNT NO.	ACCOUNT NAME	BALANCE AS AT 30TH JUNE 2019
472443/500UCA00/1/0	BARRINA PRIMARY SCHOOL CDF ACCOUNT	10,796.00
472451/500UCA00/1/0	LENGINET SECONDARY SCHOOL	753.00
472463/500UCA00/1/0	BANITA PRIMARY SCHOOL	189,552.00
472487/500UCA00/1/0	CHEMARMAR PRIMARY SCHOOL	82,484.00
472493/500UCA00/1/0	RAFIKI PRIMARY SCHOOL	853,612.00
472467/500UCA00/1/0	BOROR PRIMARY SCHOOL	401,700
472490/500UCA00/1/0	MWITEITHIA PRIMARY SCHOOL	852,357.00
472065/500UCA00/1/0	BARINA SECONDARY SCHOOL CDF	1,532,246.00
472491/500UCA00/1/0	KIRIKO SUBUKIA PRIMARY SCHOOL	1,004,250.00
472494/500UCA00/1/0	RVIST PRIMARY SCHOOL	2,008,500.00
472499/500UCA00/1/0	CHEPSEON PRIMARY SCHOOL	301,275.00
472500/500UCA00/1/0	TUMAINI PRIMARY SCHOOL	853,612.00
471268/500UCA00/2/0	LELECHWET PRIMARY SCHOOL CDF	853,612.00
470453/500UCA00/1/0	AIC KABARNET FARM	9,320.00
472452/500UCA00/1/0	AIC TULWOBMOI PRIMARY SCHOOL	637.00
472096/500UCA00/1/0	ATEBWO PRIMARY SCHOOL	403,374.00
49579/2000DA00/1/0	NGECHA PRIMARY SCHOOL	997,316.00
49730/2000DA00/1/0	SET KOBOR PRIMARY SCHOOL	34,730.00
472215/500UCA00/1/0	LOSIBIL PRIMARY SCHOOL	775.00
472350/500UCA00/1/0	MAJANI MINGI PRIMARY SCHOOL	50,509.00
471293/500UCA00/2/0	KERMA PRIMARY SCHOOL CDF	1,627.00
471167/500UCA00/2/0	MANGU PRIMARY SCHOOL CDF	401,700.00
472074/500UCA00/1/0	EMARANGISHU PRIMARY SCHOOL CDF	3,059.00
472454/500UCA00/1/0	MURICHO PRIMARY SCHOOL	1,707,225.00
472069/500UCA00/1/0	OL RONGAI PRIMARY SCHOOL CDF	1,729,025.00
471166/500UCA00/2/0	ARUS PRIMARY SCHOOL CDF	1,004,250.00

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472498/500UCA00/1/0	NYAMAMITHI CHIEFS OFFICE	401,700.00
472497/500UCA00/1/0	BANITA CHIEFS OFFICE	803,400
472094/500UCA00/1/0	SOLAI DAY MIXED SECONDARY SCHOOL	3,512.00
472469/500UCA00/1/0	UMOJA SECONDARY SCHOOL	852,357.00
472462/500UCA00/1/0	KAPSETEK SECONDARY SCHOOL	851,132.00
472466/500UCA00/1/0	KOISAMO MIXED SECONDARY SCHOOL	853,466.00
471715/500UCA00/1/0	KERMA SECONDARY SCHOOL CDF	562,308.00
472441/500UCA00/1/0	NGATA SECONDARY SCHOOL	1,201,696.00
472067/500UCA00/1/0	LEDET SECONDARY SCHOOL CDF	1,611,572.00
470799/2000DA00/1/0	OL RONGAI SECONDARY SCHOOL	304,750.00
472489/500UCA00/1/0	MUHIGIA SECONDARY SCHOOL	852,357.00
472086/500UCA00/1/0	MATUIKU SECONDARY SCHOOL CDF	609,631.00
472468/500UCA00/1/0	TUIYOTICH MIXED DAY SECONDARY SCHOOL	1,506,375.00
472088/500UCA00/1/0	LAKE SOLAI SECONDARY SCHOOL	6,954.00
471289/500TCA00/1/0	MIMWAITA SECONDARY SCHOOL CDF	6,940.00
472242/500UCA00/1/0	RONGAI MIXED DAY SECONDARY SCHOOL CDF	17,880.00
470832/2000DA00/1/0	ATHINAI SECONDARY SCHOOL	1,370.00
472446/500UCA00/1/0	KOYUMTICH PRIMARY SCHOOL	753.00
		24,532,080.00

