


REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

 <b>THE NATIONAL ASSEMBLY</b> PARLIAMENT BUILDING	
<b>DATE:</b> 03 MAR 2022	<b>DAY:</b> THUR
<b>TABLED BY:</b>	LDM
<b>CLERK-AT THE-TABLE:</b>	C. Ndlovu

**OF**

**THE AUDITOR-GENERAL**

**ON**

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

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







**NG-CDF**

**National Government Constituencies Development Fund  
Subukia Constituency**

P.O Box 86.

Subukia

Cell: 0728776506

Email: subukia@cdf.go.ke

Date: 20<sup>th</sup> January, 2021

To

The Auditor General,

South Rift Hub,

P.o Box 1050-20100

Nakuru.



Dear Sir,

**RE: AMMENDED FINANCIAL STATEMENTS**

Find the attached amended Financial statements for the year ended 30<sup>th</sup> June 2020 for your perusal and Action.

Yours faithfully;

**GLORIA KEITANY**

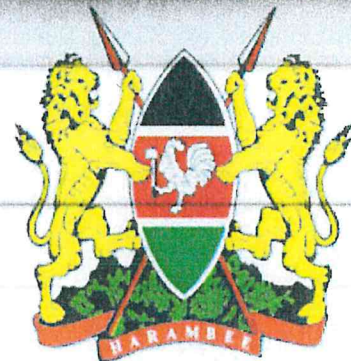
**Fund Account Manager**

**Subukia Constituency.**









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

**REPORTS AND FINANCIAL STATEMENTS**

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

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







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

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**SUBUKIA CONSTITUENCY**  
**Reports and Financial Statements**  
**For the Year Ended June 30, 2020**

**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**Mandate**

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

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

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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





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

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**For the Year ended June 30, 2020**

**Core Values**

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

**(b) Key Management**

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

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

**(c) Fiduciary Management**

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

N o	Designation	Name
1.	A.I.E holder	Gloria Keitany
2.	Sub-County Accountant	John Chege
3.	Chairman NGCDFC	Shadrack Muiruri
4.	Member NGCDFC	Erastus Chege

**(d) Fiduciary Oversight Arrangements**

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

**(e) NGCDF SUBUKIA Constituency Headquarters**

P.O. Box 86 Subukia  
Nakuru-Nyahururu Highway  
Subukia, Kenya





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

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

**(f) NGCDF SUBUKIA Constituency Contacts**

Telephone: (254)728776506  
E-mail: SUBUKIANGCDF@GMAIL.COM  
Website: www.ngcdf.go.ke

**(g) NGCDF SUBUKIA Constituency Bankers**

Equity Bank of Kenya  
Nakuru-Gate House Branch  
P.o Box 12568  
Nakuru Kenya

**Independent Auditors**

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

**(h) Principal Legal Adviser**

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



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

**II. FORWARD BY THE CHAIRMAN NG-CDF COMMITTEE**

**Annual Constituency Allocation**

I am pleased to present the unaudited financial statements for Subukia Constituency for the financial year ended 30th June 2020. During the year, the Constituency was allocated a total of Kshs 137,367,724.14 as normal allocation.

On receipt of the above allocations, Subukia National Government Constituencies Development Fund Committee (NG-CDFC) pursuant to the provisions of the National Government CDF Act 2015, as amended in 2016, met and allocated funds to various projects with reference to the priorities of the public participation meetings held across the Constituency. It is noteworthy that during the FY 2019/2020, we received 49.5% of the normal Constituency funding equivalent to Kshs 68,000,000.00 and these funds were then disbursed to earmarked projects. The constituency also received 55,040,875.50 which were allocated in the FY 2018/2019.

**Sector Prioritization**

During the year, a total of Kshs.53, 832,975.2 was allocated as transfers to other Government Units which consist of transfers to primary schools and secondary schools compared to an allocation of Kshs 30,700,000 allocated during the FY 2018/2019.

The Committee also allocated Kshs.60, 724,299.30 in normal allocation towards other grants and transfers which consists of Bursary, sports, environment and emergency compared to an allocation of Kshs.46738993.52 in the FY 2018/2019. Other allocations during the FY 2019/2020 include Kshs.10, 447,354.48 towards Security Projects, and a total of Ksh.12, 363,095.16 allocated towards administrative costs as well as the NGCDFC monitoring & evaluation programmes and Capacity Building.

**Sectoral Analysis of Funding**

Over the past 3 years the constituency, the Constituency has been allocated a total of Kshs.344,598,252.78 which were subsequently disbursed to various projects in such sectors as education, security, bursary, emergency, sports, environment, NG-CDF office, Purchase of motor vehicle, administration and monitoring and evaluation votes. The funding has benefitted over Two hundred and seventeen (217) projects and the breakdown in terms of the number of projects funded falling under National Government in these leading sectors over the last three years is as hereunder provided.

**Number of Projects Per Sectors FY2017/2018 – 2019/2020 (In Key Sectors)**

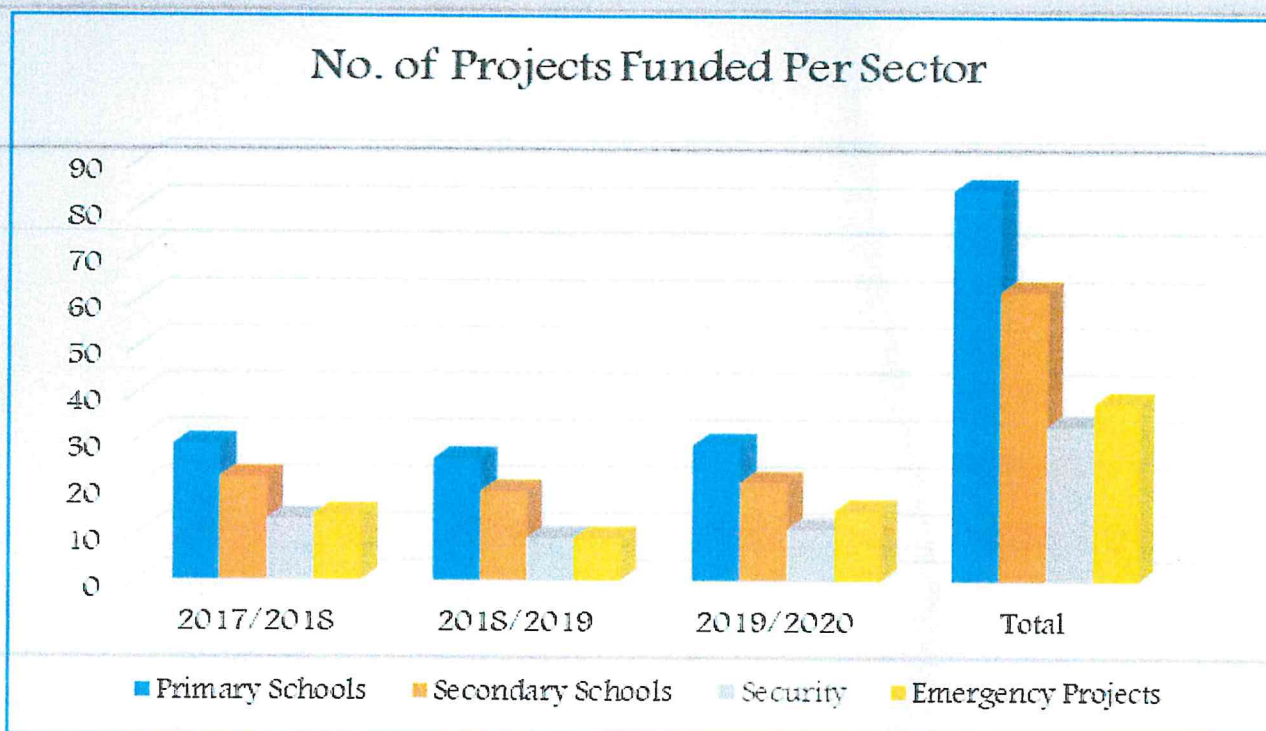
Sector	Number of Projects			
	2017/2018	2018/2019	2019/2020	Total
Primary Schools	29	26	29	84
Secondary Schools	22	19	21	62
Security	13	9	11	33
Emergency Projects	14	9	15	38
Total No Funded	78	63	76	217

Source: Subukia NG-CDF Records (2020)





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SUBUKIA CONSTITUENCY**  
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Source: Subukia NG-CDF Records (2020)

It is therefore notable that within the education sector, primary schools have realized the highest number of projects funded in the Constituency. Overall, the ranking based on highest number projects funded over the period has primary Schools as the leading sector. The sectoral analysis in terms of total funding to the respective sectors falling under National Government over the last 3 years is as hereunder provided:

**Sectoral Analysis FY2017/18 ~ 2019/2020 (3 Years)**

No	Financial Year	Amount Allocated	% Sectoral Allocation	
			Education	Security
1.	2017/2018	98,189,655.17	33.68	0.81
2.	2018/2019	109,040,875.50	28.15	14.67
3.	2019/2020	137,367,724.14	39.19	7.6
Average % Allocations			33.67%	7.69%

Source: Subukia NGCDF Records (2020)

From the above, it is evident that the leading sectors over the period are **education, Security** at an average percentage allocation of **33.67% and 7.69%** respectively.

**Sectoral Allocation FY. 2019-2020**

The NG-CDF (Amendment) Act 2016 introduced a major shift in the scope of projects eligible to be funded. Under this Act only projects falling within the functions of the National Government as outlined in the Constitution of Kenya 2010 will be funded. This effectively means that the Fund has since been concentrating primarily on education, security, sports and environment sectors as well as





## **NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SUBUKIA CONSTITUENCY**

### **Reports and Financial Statements**

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other national government residual functions. During the FY 2019/2020, the Committee undertook to expedite the disbursement of funds to earmarked projects in accordance with the provisions of the NGCDF Act, 2015, as amended in 2016, and the requirements of the Annual Performance Contract. The disbursements saw the implementation of approved project activities across the Constituency. As at the close of the year 2019/2020 on 30th June 2020, the funds received for the F/Y 2019/2020 from the board was Kshs. **68,000,000** and Kshs. **55,040,875.50** for the year **2018/2019** the overall funds utilization and absorption rate stood at 87.8 percent. This is an impressive performance realized by the Committee during the year on funds absorption based on funding received from the NG-CDF Board, since there was late disbursement of funds and as at the close of the financial period ending 30<sup>th</sup> June 2020, all the allocated funds had not been received from the NG-CDF Board hence some of the projects' implementation had not started.

### **Achievements and Major Undertakings**

Major physical facilities funded are infrastructure such as construction of classrooms, Toilet blocks in schools and construction of chief's offices. The continued funding towards the education sector in the Constituency has contributed to increased enrolment in primary and secondary while increasing retention and transition rates while equally reducing the burden of education for low income families.

Some project undertaken during the year is the Construction of Dormitory at St Marks Eldonio Secondary school, Construction of laboratory at St. Ulrich Lama Secondary school which are complete. Provided below are the current status of some projects funded;



**Above: St. Marks Eldonio Secondary School- Construction of girls' dormitory – project complete**



**Above: Endao Primary School-Construction and Renovation of Classrooms**





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**Above: Renovation of 4 classrooms at Ruiru Primary School- project ongoing**



**Above: Construction of classrooms – Akuisi Primary school**

**Budgetary Appropriations**

During the financial year 2019/2020, the overall budget utilization stood at 87.8 percent based on the funds received. This was achieved due to disbursement of funds received to projects by the NGCDF Committee. During the F/Y 2019/2020 Kshs 68,000,000.00 was received against the total allocation of Kshs 137,367,724.14.

**Development Planning**

The Constituency Development Funds continue to draw interest of beneficiaries and communities alike. This has seen the receipt of many proposals from communities from various sectors. To ensure focus and Constituency development, the Committee is basing its development plans on its strategic plan which spells out where the Constituency is headed over the next five years in project identification, implementation and management taking ensuring Sustainable Development Goals, Kenya Vision 2030 and related County Integrated Development Plans. The NG-CDF Committee is convinced that the strategic plan shall help the Constituency in setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal and results.





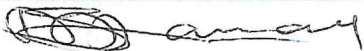
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SUBUKIA  
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**Challenges**

Despite the above impressive performance and plans, the Committee has noted various challenges in project implementation and management during the FY 2019/2020. These encompass the effect of COVID 19 pandemic that slowed down all the economic activities including implementation of various projects, inadequate record keeping by project management committees and delayed submission of the required returns for funds disbursed. Another notable challenge is the limited numbers of technical officers needed to provide the requisite technical advice in project implementation and management. To mitigate the above, the committee during the year 2019/2020 scaled up its trainings for NG-CDF Committee and staff on various aspects of NG-CDF projects management. These programmes contributed to minimizing the challenges and improving overall performance. The NG-CDFC plans to continue with the monitoring and evaluation programmes.

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



**SHADRACK MUIRURI KAMAU.  
CHAIRMAN NGCDF COMMITTEE**





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SUBUKIA  
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**III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED  
OBJECTIVES**

**Introduction**

- a) To improve access to quality education at both Basic and Tertiary Level.
- b) To improve security in the constituency.
- c) To promote youth talent and promote their social economic status.
- d) To Improve Electricity connectivity
- e) Improve the Road Network in Subukia
- f) To ensure sustainable access to clean water for domestic and Agricultural Activities.
- g) To ensure Effective and efficient delivery of services and fast tracking and Monitoring of project implementation.
- h) To Promote a Conducive working Environment.

**Progress on Attainment of Strategic Development Objectives.**

Constituency Program	Objectives	Outcome	Indicator	Performance
Education	To improve access to quality education at	-Increased number of classrooms and learning facilities. - Increase in rate of	- 30 classrooms complete and usable, one dormitory complete and usable,	In the FY 2019/2020. We increased schools'
	both Basic and Tertiary Level	transition to Secondary schools. -Conducive learning environment	one dining hall complete and usable, one dining hall in progress	infrastructures through constructing 10 classrooms, 120 doors toilets and renovation of 44
Security	To Improve security in the constituency	-Improvement of security in the constituency. -Housing and administration offices for the security personnel	- 3 administration Police houses and in use,3 police housing ongoing, 3 administration blocks for the chiefs,	In the FY 2019/2020. We have increased security through constructing 2 police posts with cells, Assistant chiefs Office.3 administration blocks for the chiefs. 12 doors toilets in security offices.
Environment	To ensure better use and management of the environment to serve current and future generation.	-Increased tree cover and better climate.	- 10,000 tree seedlings planted.	In the FY 2019/2020. We have improved environmental management through water harvesting materials to schools to help in water



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				management.
<b>Sports</b>	To nature talent and promote social integration in the constituency.	-Increase in social integration. -Reduction of crime. -Cohesion among communities	-Tournaments organized and done, 560 sports uniforms distributed to teams, 3 Trophies awarded to winning teams and 180 balls distributed 9 first aid kits.	In the FY 2019/2020. We have improved community integration through clubs' participation and distributing of sports uniforms, balls and trophies
<b>Disaster Management</b>	To reduce, or avoid, the potential losses from hazards, assure prompt and appropriate assistance to victims of disaster, and achieve rapid and effective recovery.	-Reduction of risks related to disasters.	-training done, people trained on disaster management.	In the FY 2019/2020. We have significantly reduced risks related to disasters by training the following groups on Disaster management'- NG-CDFCs, NG-CDFC staffs, PMCs



**IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

**a) Sustainability strategy and profile-**

**b) Environmental performance**

The Environmental policy guiding the NG-CDFC Office Subukia are the following; -

- ✓ Comply with all applicable environmental regulations;
- ✓ Prevent pollution whenever possible;
- ✓ Train all of our staff on environmental program and empower them to contribute and participate;
- ✓ Communicate our environmental commitment and efforts to our customers, staff, and our community; and
- ✓ Continually improve over time by striving to measure our environmental impacts and by setting goals to reduce these impacts each year.
- ✓ Complying with all applicable environmental legislation and sustainability commitments
- ✓ Preventing pollution and reducing consumption of resources through waste management strategies that promote waste minimization re-use, recovery and recycling, as appropriate
- ✓ Promoting and continuing to invest in technologies that provide alternatives to business travel
- ✓ Ensure our staff are aware of the environmental impacts of their work activities and encourage them through regular awareness and training to minimize those impacts.
- ✓ Promoting the protection and enhancement of biodiversity and ecosystems through employee awareness programs and stakeholder engagement.
- ✓ Pursuing a programme of continuous improvement by reviewing our Environmental Management System and related objectives, targets, policies and practices.

The NG-CDFC office has conducted trainings in for NG-CDFCs, NG-CDFC staffs and PMCs on environmental management which has great impacted in environment management. Tree seedlings planted and water management measures, all these has positively impacted the environment.

The office has noted a major limitation on the environmental management as prolonged draughts being experienced which causes planted seedlings to dry up.

All employees and contractors/Suppliers are encouraged to co-operate with NG-CDFC Office Subukia in the implementation of the Environmental Policy document and ensure that their own work, so far as is reasonably practicable, is carried out with minimum risk to the environment. Consultation with all relevant stakeholders is structured to ensure environmental awareness.





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) SUBUKIA  
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**c) Employee Welfare**

Recruitment is undertaken on the basis of fair competition and merit; representation of Kenya's diverse communities; adequate and equal opportunities to all gender, youth, members of all ethnic groups, persons with disabilities and minorities. One third gender rule is observed, members of staff are subjected to training

**d) Community Engagements-**

Construction of schools, security projects, awarding of bursaries to the needy students.



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**V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES**

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-Subukia Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

The Accounting Officer in charge of the NGCDF-Subukia Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

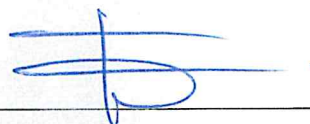
**Approval of the financial statements**

The NGCDF-SUBUKIA Constituency financial statements were approved and signed by the Accounting Officer on 21/1/2021 2020.



Fund Account Manager

Name: Aloric Kitemu



Sub-County Accountant

Name: John Chege

ICPAK Member Number: 7376

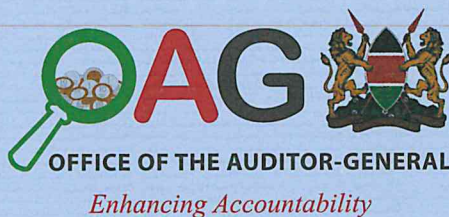
**DISTRICT  
ACCOUNTANT  
SUBUKIA**





# REPUBLIC OF KENYA

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HEADQUARTERS  
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NAIROBI

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

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### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Subukia Constituency set out on pages 1 to 32, which comprise of the statement of assets and liabilities as at 30 June, 2020, and statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Subukia 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

##### Irregular Committee Allowances

As disclosed under Note 5 to the financial statements, the statement of receipts and payments reflects use of goods and services of Kshs.6,190,132 which includes Kshs.3,513,000 incurred on committee expenses. Records provided for audit indicated that the Deputy County Commissioner, District Accountant and Fund Accounts Manager were paid allowances totalling to Kshs.960,000. The Management has not explained how the ex-officio members of the Constituency Development Fund Committee were paid allowances contrary to section 43 of the National Government Constituencies Development Fund Act, 2015.



Consequently, the regularity and validity of Kshs.3,513,000 incurred on committee allowances for the year ended 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 National Government Constituencies Development Fund - Subukia Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion

## **Key Audit Matters**

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

## **Other Matter**

### **1. Budgetary Control and Performance**

#### **1.1 Budget Shortfall**

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.212,635,927 and Kshs.123,040,876 respectively resulting to an under-funding of Kshs.89,595,051 or 42% of the budget. The underfunding affected the planned activities and projects which may have impacted negatively on service delivery for the constituents of Subukia.

#### **1.2 Under Expenditure**

The summary statement of appropriation - recurrent and development combined reflects actual receipts on comparable basis of Kshs.123,040,876, however, only Kshs.114,177,500 was absorbed resulting to an under absorption of Kshs.8,863,376 or 7.2% of the receipts.

No satisfactory explanation has been rendered contrary to the values and principles of public service as provided for under Article 232(1– c) of the Constitution which requires responsive, prompt, effective, impartial and equitable provision of services.

In the circumstances, the constituents have not received the services as planned.

### **2. Projects Implementation**

#### **2.1 Project Status**

Review of the project implementation status report as of 30 June, 2020 indicates that one hundred and five (105) projects with an allocation of Kshs.129,807,356 were at different implementation status. Further ninety-eight (98) projects with a budget allocation Kshs.123,207,356(95%) were incomplete due the to slow tendering processes and delays in receipt or reallocation of funds from the Board.

## **2.2 Incomplete Projects**

During the audit nineteen (19) projects with a total disbursement of Kshs.30,322,975 were inspected in the month of January, 2021 and the following issues were noted;

- i. Incomplete projects but already put in to use,
- ii. Branding or Project labelling has not been done,
- iii. Project complete but not put to use due to non-commissioning.

Consequently, the Fund may have failed to obtain value for money spent on the projects valued at Kshs.30,322,975 for the year ended 30 June, 2020. Hence there is need for proper implementation and follow up mechanism to ensure that projects are fully implemented for better delivery of goods and service to the citizens of Subukia 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 matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections 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**

#### **Emergency Projects**

As disclosed under Note 7 to the financial statements, the statement of receipts and payments reflects transfers to other governments units of Kshs.23,405,393 which includes Kshs.7,204,160 incurred on emergency projects. It was observed that the funds were used in construction of toilets in various primary and secondary schools and the reasons given included shortage, high population or the toilets were dilapidated contrary to section 8(3) of the NGCDF Act, 2015.

Further, verification of the project reflects that toilets funded to the tune of Kshs.2,890,000 were complete and not in use thus confirming the projects were not urgent.

In the circumstance, the Management was 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, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

### 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.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the Cash basis of accounting unless Management is aware of the intention to abolish the Fund or 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 money is applied in an effective manner.

Those charged with governance are responsible for overseeing the funds financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.



## **Auditor-General's Responsibilities for the Audit**

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

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

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

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

  
**CPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**28 January, 2022**



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**SUBUKIA CONSTITUENCY**  
**Reports and Financial Statements**  
**For the Year Ended June 30, 2020**

**VII. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2019-2020	2018-2019
		Kshs.	Kshs.
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	1	123,040,876	108,784,483
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	140,000
<b>TOTAL RECEIPTS</b>		<b>123,040,876</b>	<b>108,924,483</b>
<b>PAYMENTS</b>			
Compensation of employees	4	1,536,000	1,918,678
Use of goods and services	5	6,190,132	9,753,742
Transfers to Other Government Units	6	74,082,975	54,790,932
Other grants and transfers	7	23,405,393	54,195,405
Acquisition of Assets	8	5,463,000	-
Other Payments	9	3,500,000	-
<b>TOTAL PAYMENTS</b>		<b>114,177,500</b>	<b>120,658,757</b>
<b>SURPLUS/DEFICIT</b>		<b>8,863,375</b>	<b>(11,734,274)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-SUBUKIA Constituency financial statements were approved on 21/1/2021 2020 and signed by:



Fund Account Manager

Name: Gloria Ketany




National Sub-County Accountant

Name: John Choge

ICPAK Member Number: 7376

DISTRICT  
ACCOUNTANT  
SUBUKIA



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

Reports and Financial Statements

For the Year ended June 30, 2020

**VIII. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	10A	29,090,703	20,227,327
Cash Balances	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>29,090,703</b>	<b>20,227,327</b>
Current Receivables-Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>29,090,703</b>	<b>20,227,327</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable-Retention	12A		
Gratuity	12B	-	-
<b>NET FINANCIAL ASSETS</b>		<b>29,090,703</b>	<b>20,227,327</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	20,227,327	31,961,601
Surplus/Deficit for the year		8,863,375	(11,734,274)
Prior year adjustments	14		-
<b>NET FINANCIAL POSITION</b>		<b>29,090,702</b>	<b>20,227,327</b>

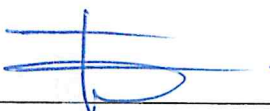
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Subukia Constituency financial statements were approved on 21/1/2021 2020 and signed by:



Fund Account Manager

Name: Caloric Kertany





National Sub-County Accountant

Name: John Choge

ICPAK Member Number: 7376

**DISTRICT  
ACCOUNTANT  
SUBUKIA**





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

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

**IX. STATEMENT OF CASHFLOW**

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
<b>Receipts for operating income</b>			
Transfers from NGCDF Board	1	123,040,876	108,784,483
Other Receipts	3	-	140,000
		<b>123,040,876</b>	<b>108,924,483</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	1,536,000	1,918,678
Use of goods and services	5	6,190,132	9,753,742
Transfers to Other Government Units	6	74,082,975	54,790,932
Other grants and transfers	7	23,405,393	54,195,405
Other Payments	9	3,500,000	-
		<b>108,714,500</b>	<b>120,658,757</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	15		
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
<b>Net Adjustments</b>		-	-
<b>Net cash flow from operating activities</b>		<b>14,326,375</b>	<b>(11,734,274)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2		-
Acquisition of Assets	8	(5,463,000)	-
<b>Net cash flows from Investing Activities</b>		<b>(5,463,000)</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>8,863,375</b>	<b>(11,734,274)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	13	<b>20,227,327</b>	<b>31,961,601</b>
<b>Cash and cash equivalent at END of the year</b>		<b>29,090,702</b>	<b>20,227,327</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Subukia Constituency financial statements were approved on 21/1/2021 2020 and signed by:

Fund Account Manager

Name: Celoxie Ketany



National Sub-County Accountant

Name: John Oge

ICPAK Member Number: 7376

**DISTRICT  
ACCOUNTANT  
SUBUKIA**





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUBUKIA CONSTITUENCY**  
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**X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Transfers from NG-CDF Board	137,367,724.00	75,268,203.00	212,635,927.00	123,040,876.00	89,595,051.00	57.86%
Proceeds from Sale of Assets	-	-	-	-	-	0%
Other Receipts	-	-	-	-	-	0%
<b>TOTAL RECEIPTS</b>	<b>137,367,724.00</b>	<b>75,268,203.00</b>	<b>212,635,927.00</b>	<b>123,040,876.00</b>	<b>89,595,051.00</b>	<b>57.86%</b>
<b>PAYMENTS</b>						
Compensation of Employees	1,660,800.00	2,053,112.00	3,713,912.00	1,536,000.00	2,177,912.00	41.36%
Use of goods and services	10,702,295.00	2,928,423.00	13,630,718.00	6,190,132.00	7,440,586.00	45.41%
Transfers to Other Government Units	53,832,975.00	32,150,000.38	85,982,975.38	74,082,975.00	11,900,000.38	86.16%
Other grants and transfers	71,171,654.00	10,959,640.62	82,131,294.62	23,405,393.00	58,725,901.62	28.50%
Acquisition of Assets	-	19,000,000.00	19,000,000.00	5,463,000.00	13,537,000.00	28.75%
Other Payments	-	8,177,027.00	8,177,027.00	3,500,000.00	4,677,027.00	42.80%
<b>TOTAL</b>	<b>137,367,724.00</b>	<b>75,268,203.00</b>	<b>212,635,927.00</b>	<b>114,177,500.00</b>	<b>98,458,427.00</b>	<b>53.70%</b>

(a) The amount of Kshs. 75,268,203.00 indicated as the budget adjustment in the receipt side of the appropriation statement is the amount which was for the previous financial year but was received during the financial year 2019/20 and spent during the same period.

(b) The utilization differences between the final budget and actual on a comparable basis figures are as a result of non-disbursement of funds from the NGCDF board as at close of the financial year.

The NGCDF-Subukia Constituency financial statements were approved on 21/1/2021 2020 and signed by:



[Signature]  
Fund Account Manager  
Name: Gloria Kertan

[Signature]

Sub-County Accountant  
Name: John Oloo  
ICPAK Member Number: 7376





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUBUKIA CONSTITUENCY**  
**Reports and Financial Statements**  
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**XI. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Transfers from NG-CDF Board	12,363,095.00	4,981,535.00	17,344,630.00	7,726,132.00	9,618,498.00	45%
Other Receipts	-	-	-	-	-	0%
<b>TOTAL RECEIPTS</b>	<b>12,363,095.00</b>	<b>4,981,535.00</b>	<b>17,344,630.00</b>	<b>7,726,132.00</b>	<b>9,618,498.00</b>	<b>45%</b>
<b>PAYMENTS</b>						
Compensation of Employees	1,660,800.00	2,053,112.00	3,713,912.00	1,536,000.00	2,177,912.00	41%
Use of goods and services	10,702,295.00	2,928,423.00	13,630,718.00	6,190,132.00	7,440,586.00	45%
<b>TOTAL PAYMENTS</b>	<b>12,363,095.00</b>	<b>4,981,535.00</b>	<b>17,344,630.00</b>	<b>7,726,132.00</b>	<b>9,618,498.00</b>	<b>87%</b>

(a) The amount of Kshs. 4,981,535.00 indicated as the budget adjustment in the receipt side of the appropriation statement is the amount which was for the previous financial year but was received during the financial year 2019/20 and spent during the same period.

(b) The utilization differences between the final budget and actual on a comparable basis figures are as a result of low expenditures as a result of the COVID – 19 pandemic and non-disbursement of funds from the NGCDF board as at close of the financial year.

The NGCDF-Subukia Constituency financial statements were approved on 21/1/2021 2020 and signed by:



Fund Account Manager

Name: Alfred Kaitany



Sub-County Accountant

Name: John Ogo

ICPAK Member Number: 7376

DISTRICT  
ACCOUNTANT  
SUBUKIA







**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUBUKIA CONSTITUENCY**  
Reports and Financial Statements  
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**XII. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Transfers from NG-CDF Board	125,004,629.00	70,286,668.00	195,291,297.00	115,314,744.00	79,976,553.00	59.05%
Proceeds from Sale of Assets	-	-	-	-	-	0%
Other Receipts	-	-	-	-	-	0%
<b>TOTAL RECEIPTS</b>	<b>125,004,629.00</b>	<b>70,286,668.00</b>	<b>195,291,297.00</b>	<b>115,314,744.00</b>	<b>79,976,553.00</b>	<b>59.05%</b>
Transfers to Other Government Units	53,832,975.00	32,150,000.38	85,982,975.38	74,082,975.00	11,900,000.38	86.16%
Other grants and transfers	71,171,654.00	10,959,640.62	82,131,294.62	23,405,393.00	58,725,901.62	28.50%
Acquisition of Assets	-	19,000,000.00	19,000,000.00	5,463,000.00	13,537,000.00	28.75%
Other Payments	-	8,177,027.00	8,177,027.00	3,500,000.00	4,677,027.00	42.80%
<b>TOTAL</b>	<b>125,004,629.00</b>	<b>70,286,668.00</b>	<b>195,291,297.00</b>	<b>106,451,368.00</b>	<b>88,839,929.00</b>	<b>54.51%</b>

(a) The amount of Kshs. 70,286,668.00 indicated as the budget adjustment in the receipt side of the appropriation statement is the amount which was for the previous financial year but was received during the financial year 2019/20 and spent during the same period.

(b) The utilization differences between the final budget and actual on a comparable basis figures are as a result of low expenditures as a result of the COVID – 19 pandemic and non-disbursement of funds from the NGCDF board as at close of the financial year.

The NGCDF-Subukia Constituency financial statements were approved on 21/1/2021 2020 and signed by:

  
Fund Account Manager

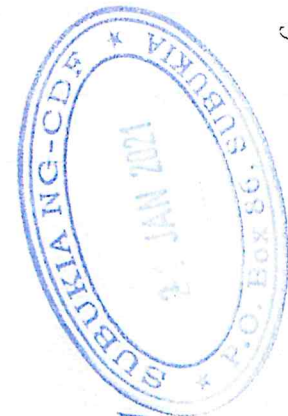
Name: Gloria Karani

Sub-County Accountant

Name: John Chugs

ICPAK Member Number

7376



**DISTRICT ACCOUNTANT  
SUBUKIA**



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

**XIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES**

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on	Budget
	2019/2020		2019/2020	30/06/2020	utilization
	Kshs	Kshs	Kshs	Kshs	difference
<b>ADMINISTRATION</b>					
Salaries	1,660,800	2,053,112	3,713,912	1,536,000	2,177,912
<b>GOODS AND SERVICES</b>	4,081,263	2,600,736	6,681,999	2,369,328	4,312,671
Committee Expenses	2,500,000	48,000	2,548,000	1,068,000	1,480,000
Monitoring and Evaluation Capacity			0		0
<b>GOODS AND SERVICES</b>	500,000	70,304	570,304	307,800	262,504
<b>COMMITTEE EXPENSES</b>	2,500,000	209,379	2,709,379	2,445,000	264,379
<b>CAPACITY BUILDING</b>	1,121,032		1,121,032		1,121,032
<b>3.0 Emergency</b>					
3.0 Emergency	7,198,241	707,959	7,906,200		702,040
Arash primary school				600,000	
Arash primary school				700,000	
Rigogo secondary				700,000	
Wiyumiririe secondary				700,000	
Mburu gichua primary school				300,000	
Our lady of victory primary pwd				790,000	
Our lady of victory primary				700,000	
ST. Michael atagati				916,200	
Mansukh primary				500,000	
Wiyumiririe primary				700,000	
Lari primary				597,960	
<b>BURSARY</b>					
Secondary	28,607,384	201,686	28,809,069	2,330,236	26,478,834
Tertiary	15,000,000	1,629,000	16,629,000	7,051,390	9,577,610
Special	4,471,320	221,000	4,692,320	1,272,257	3,420,063
Social Security		1,200,000	1,200,000		1,200,000
<b>PRIMARY SCHOOLS</b>					
Munyaka Primary		6,000,000	6,000,000	6,000,000	0
Munyaka Primary		700,000	700,000	700,000	0





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

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

Maombi Primary			1,050,000	1,050,000	1,000,000	50,000
Kianyoro Primary			200,000	200,000	200,000	0
Tachasis Primary School			650,000	650,000	650,000	0
Endao Primary School			600,000	600,000	600,000	0
Akuisi Primary School			1,200,000	1,200,000	1,200,000	0
Simboyon Primary School			650,000	650,000	650,000	0
Kaptarakwa Pry School			650,000	650,000	650,000	0
Akuisi Primary School	682,975			682,975	682,975	0
Arash Primary School	800,000			800,000	800,000	0
Arash Primary School	800,000			800,000	800,000	0
Eldonio Primary School	1,450,000			1,450,000	1,450,000	0
Endao Primary School	1,000,000			1,000,000	1,000,000	0
Endao Primary School	700,000			700,000	700,000	0
Gakingi Primary School	600,000			600,000	600,000	0
Jamhuri Primary School	2,800,000			2,800,000	2,800,000	0
Kamemo Primary School	3,200,000			3,200,000	3,200,000	0
Kaptarakwa Pry School	1,000,000			1,000,000	1,000,000	0
Lari Primary School	100,000			100,000		100,000
Magomano Primary School	500,000			500,000	500,000	0
Magomano Primary School	700,000			700,000	700,000	0
Magomano Primary School	700,000			700,000	700,000	0
Mansuk Primary School	400,000			400,000	400,000	0
Marana Primary School	2,400,000			2,400,000	2,400,000	0
Mburu Gichua Pry Sch	2,000,000			2,000,000	2,000,000	0
Mihango Primary School	1,500,000			1,500,000	1,500,000	0
Mikima Primary School	450,000			450,000		450,000
Mwireri Primary School	400,000			400,000	400,000	0
Mwireri Primary School	700,000			700,000	700,000	0
Ruiru Primary School	900,000			900,000	900,000	0
Sidai Primary School	1,650,000			1,650,000	1,650,000	0
Subukia Primary School	3,500,000			3,500,000	3,500,000	0
Wiyumiririe Primary School	1,300,000			1,300,000	1,300,000	0
Eldonio Primary School	300,000			300,000		300,000
Endao Primary School	300,000			300,000		300,000
Gitura Primary School	300,000			300,000		300,000
Jamhuri Primary School	300,000			300,000		300,000



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

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Marigu B Primary School	300,000			300,000		300,000
Kirima Primary School	300,000			300,000		300,000
Ndungiri Primary School	300,000			300,000		300,000
Olbonata Primary School	300,000			300,000		300,000
Rigogo Primary School	300,000			300,000		300,000
Ruiru Primary School	300,000			300,000		300,000
Mansuk Primary School	300,000			300,000		300,000
Solai Nyakinyua Pry Sch	300,000			300,000		300,000
<b>SECONDARY</b>				0		0
Forest Hill Secondary School			9,000,000	9,000,000		0
Our Lady of Victories Secondary School			2,600,000	2,600,000		0
Ruiru Secondary			1,300,000	1,300,000		0
Olmnyatta Secondary School			600,000	600,000		0
Rigogo Secondary			900,000	900,000		0
Maryland Secondary			600,000	600,000		0
Maryland Secondary			400,000	400,000		0
Subukia Day Secondary			400,000	400,000		0
Subukia Day Secondary			400,000	400,000		0
Sidai Secondary			2,500,000	2,500,000		0
Patel Day Secondary			1,300,000	1,300,000		0
Ndungiri Secondary School			300,000	300,000		300,000
Arash Secondary School	2,000,000			2,000,000		0
Gitura Secondary School	300,000			300,000		300,000
Green Hills Secondary School	6,000,000			6,000,000		6,000,000
Kabazi Secondary School	700,000			700,000		0
Kabazi Secondary School	1,500,000			1,500,000		0
Kieni Secondary School	600,000			600,000		600,000
Maryland Secondary School	1,000,000			1,000,000		0
Ndungiri Secondary School	3,200,000			3,200,000		0
Olmnyatta Sec School	3,000,000			3,000,000		0
Patel Day Secondary School	500,000			500,000		500,000
Wiyumiririe Sec School	900,000			900,000		0
St Michael Gatagati Sec School			450,000	450,000		0
<b>Environment</b>				0		0
Subukia DCC's Toilet Project			1,000,000	1,000,000		0
Planting Trees In 10 Schools			1,000,000	1,000,000		0





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

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Akuisi Secondary	300,000		300,000		300,000	300,000
Gitura Secondary	300,000				300,000	300,000
Ndungiri Secondary	300,000				300,000	300,000
Olbonata Secondary	300,000				300,000	300,000
Patel Day Secondary School	300,000				300,000	300,000
Rigogo Secondary School	300,000				300,000	300,000
Ruiru Secondary School	300,000				300,000	300,000
Solai Boys Secondary School	300,000				300,000	300,000
Akuisi Primary School	300,000				300,000	300,000
St. Mark Eldonio Sec School	300,000				300,000	300,000
<b>SPORTS</b>					0	0
<b>SPORTS</b>	2,747,355				2,747,355	2,747,355
<b>SECURITY</b>					0	0
Kabazi Chiefs Office			500,000		500,000	0
Kirengero Police Post			1,100,000		100,000	1,000,000
Kagocii Chiefs Post			500,000		500,000	0
Haji Post			500,000		500,000	0
Magomano Police Post			400,000		400,000	400,000
Wiyumirire Sub Chief Office			500,000		500,000	0
Wei A.P Post			800,000		800,000	0
Tetu Chief's Office			400,000		400,000	0
Arahuka Police Post	200,000				200,000	200,000
Edgewood Chiefs Office	300,000				300,000	300,000
Gitura Police Post	500,000				500,000	500,000
Kabazi Police Post	3,000,000				3,000,000	3,000,000
Lari Sub-Chiefs Office	400,000				400,000	400,000
Mumoi Police Post	3,000,000				3,000,000	3,000,000
Munanda Sub-Chiefs Office	500,000				500,000	500,000
Munanda Sub-Chiefs Office	300,000				300,000	300,000
Simboyon Chiefs Office	1,500,000				1,500,000	1,500,000
Simboyon Chiefs Office	500,000				500,000	500,000
Wei Admin Police Post	247,354				247,354	0
<b>ACQUISITION OF ASSETS</b>						0
NG-CDF Office Construction			10,000,000		10,000,000	10,000,000
NG- CDF Office Vehicle			6,000,000		5,463,000	537,000
NG-CDF Office Land Purchase			3,000,000		3,000,000	3,000,000



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

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<b>OTHER PAYMENTS</b>						
STRATEGIC PLAN			3,500,000	3,500,000	3,500,000	0
INNOVATION HUB			4,677,027	4,677,027		4,677,027
<b>TOTAL</b>	<b>137,367,724</b>	<b>75,268,203</b>	<b>212,635,927</b>	<b>114,177,500</b>	<b>98,458,427</b>	





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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**XIV. SIGNIFICANT ACCOUNTING POLICIES**

The principle accounting policies adopted in the preparation of these financial statements are set out below:

**1. Statement of Compliance and Basis of Preparation**

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

**2. Reporting Entity**

The financial statements are for the NGCDF-SUBUKIA Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012.

**3. Reporting Currency**

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

**4. Significant Accounting Policies**

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

**a) Recognition of Receipts**

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

**•Tax Receipts**

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

**•Transfers from the Exchequer**

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.



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**SIGNIFICANT ACCOUNTING POLICIES**

**•External Assistance**

External assistance is received through grants and loans from multilateral and bilateral development partners.

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30<sup>th</sup> June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

**•Other receipts**

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

**b)Recognition of payments**

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

**•Compensation of Employees**

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

**•Use of Goods and Services**

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

**•Acquisition of Fixed Assets**

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

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





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**SIGNIFICANT ACCOUNTING POLICIES**

**5. In-kind Contributions**

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

**6. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

**9. Pending Bills**

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

**10. Unutilized Fund**

Unutilized funds consist of bank balances in the constituency account and funds not yet disbursed by the Board to the constituency at the end of the financial year. These balances are available for use in the subsequent financial year to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(2) of NGCDF Act, 2015.



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**SIGNIFICANT ACCOUNTING POLICIES**

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2019 for the period 1<sup>st</sup> July 2019 to 30<sup>th</sup> June 2020 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

**12. Comparative Figures**

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

**13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2020.

**14. Errors**

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

**15. Related Party Transactions**

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUBUKIA  
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**XV. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board			
AIE NO B030159	1		54,784,483
AIE NO B030214	2		10,000,000
AIE NO B005478	3		10,000,000
AIE NO B047052	4		28,000,000
AIE NO B007480	5		6,000,000
AIE NO B047225	1	55,040,876	
AIE NO B041214	2	4,000,000	
AIE NO B047655	3	20,000,000	
AIE NO B049181	4	7,000,000	
AIE NO B104151	5	14,000,000	
AIE NO B104485	6	23,000,000	
<b>TOTAL</b>		<b>123,040,876</b>	<b>108,784,483</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	2019-2020	2018-2019
	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	~	~
<b>Total</b>	<b>~</b>	<b>~</b>

**3. OTHER RECEIPTS**

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	~	~
Rents	~	~
Receipts from Sale of tender documents	~	140,000
Other Receipts Not Classified Elsewhere	~	~
<b>Total</b>	<b>~</b>	<b>140,000</b>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUBUKIA  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4. COMPENSATION OF EMPLOYEES**

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of contractual employees	1,471,200.00	1,918,678
Personal allowances paid as part of salary	-	-
Pension and other social security contributions (Gratuity)	-	-
Employer Contributions Compulsory national social security schemes	64,800.00	-
<b>Total</b>	<b>1,536,000.00</b>	<b>1,918,678</b>

**5. USE OF GOODS AND SERVICES**

Description	2019 - 2020	2018 - 2019
	Kshs	Kshs
Utilities, supplies and services	24,540	806,205
Electricity	-	53,977
Communication, supplies and services	217,020	395,750
Domestic travel and subsistence	94,400	296,600
Printing, advertising and information supplies & services	605,715	515,470
Training expenses	-	1,800,000
Hospitality supplies and services	511,720	-
Other committee expenses	286,000	2,432,000
Committee allowance	3,513,000	2,240,000
Insurance costs	-	-
Specialised materials and services	-	198,020
Office and general supplies and services	213,270	270,720
Fuel, oil & lubricants	250,000	300,000
Other operating expenses	-	445,000
Bank service commission and charges	69,529	-
Other Operating Expenses	-	-
Routine maintenance - vehicles and other transport equipment	-	-
Routine maintenance- other assets	404,938	-
<b>TOTAL</b>	<b>6,190,132</b>	<b>9,753,742</b>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUBUKIA  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description		2019 - 2020	2018 - 2019
		Kshs	Kshs
Transfers to Primary Schools		41,332,975	27,173,132
Transfers to Secondary Schools		32,750,000	27,617,800
Transfers to Tertiary Institutions		-	-
Transfers to Health Institutions		-	-
<b>TOTAL</b>		<b>74,082,975</b>	<b>54,790,932</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

Description		2019 - 2020	2018 - 2019
		Kshs	Kshs
Bursary - Secondary		2,330,232	26,065,946
Bursary -Tertiary		7,051,390	8,481,000
Bursary- Special Schools		1,272,257	3,279,000
Mocks & CAT		-	-
Food Security		-	-
Electricity		-	-
Security		3,547,354	6,733,765
Sports		-	3,035,694
Environment		2,000,000	1,000,000
Emergency Projects		7,204,160	5,600,000
<b>TOTAL</b>		<b>23,405,393</b>	<b>54,195,405</b>

**8. ACQUISITION OF ASSETS**

Description		2019 - 2020	2018 - 2019
		Kshs	Kshs
Construction of Buildings		-	-
Refurbishment of Buildings		-	-
Purchase of Vehicles and Other Transport Equipment		5,463,000	-
Purchase of Household Furniture and Institutional Equipment		-	-
Purchase of Office Furniture and General Equipment		-	-
Purchase of ICT Equipment, Software and Other ICT Assets		-	-
Acquisition of Land		-	-
<b>Total</b>		<b>5,463,000</b>	<b>0</b>





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

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**9. OTHER PAYMENTS**

Description		2019-2020	2018-2019
		Kshs	Kshs
Strategic plan		3,500,000	~
ICT Hub		~	~
<b>Total</b>		<b>3,500,000</b>	<b>~</b>

**10. A. BANK ACCOUNTS (CASH BOOK BANK BALANCE)**

Name of Bank, Account No. & currency	Account Number	2019-2020	2018-2019
		Kshs	Kshs
<i>Subukia NG-CDF - Equity Bank, Gate House Branch.</i>	<i>1460262029565</i>	29,090,702	20,227,327
<b>Total</b>		<b>29,090,702</b>	<b>20,227,327</b>
<b>10B: CASH IN HAND</b>		<b>2019-2020</b>	<b>2018-2019</b>
Location 1		~	~
Location 2		~	~
Location 3		~	~
Other Locations ( <i>specify</i> )		~	~
		~	~
<b>Total</b>		<b>~</b>	<b>~</b>



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUBUKIA  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11. OUTSTANDING IMPRESTS**

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

**12. A. RETENTION**

<i>Description</i>	<i>2019 - 2020</i>	<i>2018-2019</i>
	<i>Kshs</i>	<i>Kshs</i>
Supplier 1	~	~
Supplier 2	~	~
Supplier 3	~	~
<b>Total</b>	~	~

**12B. GRATUITY DEPOSITS**

<i>Description</i>	<i>2019 - 2020</i>	<i>2018-2019</i>
	<i>Kshs</i>	<i>Kshs</i>
NGCDFC staff gratuity	~	~
<b>Total</b>	~	~

**13. BALANCES BROUGHT FORWARD**

	<i>2019-2020</i>	<i>2018-2019</i>
	<i>Kshs</i>	<i>Kshs</i>
Bank accounts	20,227,331.15	31,961,601
Cash in hand	~	~
Imprest	~	~
<b>Total</b>	<b>20,227,331.15</b>	<b>31,961,601</b>





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SUBUKIA  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**14. PRIOR YEAR ADJUSTMENTS**

	Balance B/f FY 2019/2020 as per Financial Statements	Adjustments	Adjusted Balance B/f FY 2018/2019
Description of the error	Kshs	Kshs	Kshs
Bank Account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-

**15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST'**

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

**16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS**

Description	2019 - 2020	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> 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) – SUBUKIA  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**17. OTHER IMPORTANT DISCLOSURES**

**17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

Description	2019-2020	2018-2019
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**17.2: PENDING STAFF PAYABLES (See Annex 2)**

Description	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**17.3: UNUTILIZED FUND (See Annex 3)**

Description	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	2,177,912	2,053,112
Use of goods and services	7,440,586	3,138,416
Amounts due to other Government entities (see attached list)	11,900,000	32,000,000
Amounts due to other grants and other transfers (see attached list)	58,725,902	10,659,645
Acquisition of assets	13,537,000	27,177,027
Others (Innovation hubs)	4,677,027	-
<b>Total</b>	<b>98,458,427</b>	<b>75,028,200</b>

**17.4: PMC account balances (See Annex 5)**

Description	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	56,146,259.11	25,219,781.00
<b>Total</b>	<b>56,146,259.11</b>	<b>25,219,781.00</b>



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**XVI. ANNEXURES**

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

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





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**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
		a	b	c	d=a-c	
<b>Senior Management</b>						
1.						
2.						
3.						
Sub-Total						
<b>Middle Management</b>						
4.						
5.						
6.						
Sub-Total						
<b>Unionisable Employees</b>						
7.						
8.						
9.						
Sub-Total						
<b>Others (<i>specify</i>)</b>						
10.						
11.						
12.						
Sub-Total						
Grand Total						



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**ANNEX 3 – UNUTILIZED FUND**

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2019/20	2018/19	
Compensation of employees		2,177,912	2,053,112	
GOODS AND SERVICES		4,312,671	2,600,736	
COMMITTEE EXPENSES		1,480,000	48,000	
MONITORING AND EVALUATION CAPACITY				
GOODS AND SERVICES		262,504	70,304	
COMMITTEE EXPENSES		264,379	209,379	
CAPACITY BUILDING		1,121,032		
		9,618,498		
<b>Amounts due to other Government entities</b>				
Munyaka Primary			6,700,000	
Maombi Primary		50,000.00	1,050,000	
Kianyoro Primary			200,000	
Tachasis Primary			650,000	
Endao Primary			600,000	
Akuisi Primary			1,200,000	
Simboyon Primary			650,000	
Kaptarakwa Primary			650,000	
Forest Hill Secondary			9,000,000	
Our Lady of Victories			2,600,000	
Ruiru Secondary			1,300,000	
Rigogo Secondary			900,000	
Olmanyatta Secondary			600,000	
Maryland Secondary			1,000,000	
Subukia Day Secondary			800,000	
Sidai Secondary			2,500,000	
Patel Day Secondary			1,300,000	
Ndungiri Secondary School			300,000	
Mikima Primary School		450,000.00		
Lari Primary School		100,000.00		
Eldonio Primary School		300,000.00		
Endao Primary School		300,000.00		
Gitura Primary School		300,000.00		
Jamhuri Primary School		300,000.00		
Marigu B Primary School		300,000.00		
Kirima Primary School		300,000.00		
Ndungiri Primary School		300,000.00		
Olbonata Primary School		300,000.00		
Rigogo Primary School		300,000.00		





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Ruiru Primary School		300,000.00		
Mansuk Primary School		300,000.00		
Solai Nyakinyua Pry School		300,000.00		
Ndungiri Secondary School		300,000.00		
Gitura Secondary School		300,000.00		
Green Hills Secondary School		6,000,000.00		
Kieni Secondary School		600,000.00		
Patel Day Secondary School		500,000.00		
<b>Sub-Total</b>		<b>11,900,000</b>	<b>32,000,000</b>	
<b>Amounts Due to Other Grants and Other Transfers</b>				
Emergency		702,040	707,959	
Bursary Secondary Schools		26,478,833.94	201,686	
Bursary Tertiary Institutions		9,577,610.00	1,629,000	
Bursary special		3,420,063.00	221,000	
Social Security		1,200,000.00	1,200,000	
<b>Environment</b>			2,000,000	
Akuisi Secondary		300,000		
Gitura Secondary		300,000		
Ndungiri Secondary		300,000		
Olbonata Secondary		300,000		
Patel Day Secondary School		300,000		
Rigogo Secondary School		300,000		
Ruiru Secondary School		300,000		
Solai Boys Secondary School		300,000		
Akuisi Primary School		300,000		
St. Mark Eldonio Sec School		300,000		
<b>Sports</b>		2,747,354.68		
<b>Security</b>				
Kabazi Chiefs Office			500,000	
Kirengero Police Post		1,000,000	1,100,000	
Haji AP Post			500,000	
Kagocii Chiefs Office			500,000	
Magomano Police Post			400,000	
Wiyumiririe Sub-Chief's Office		400,000	500,000	
Wei A.P POST			800,000	
Tetu Chief's Office			400,000	
Arahuka Police Post		200,000		
Edgewood Chiefs Office		300,000		
Gitura Police Post		500,000		
Kabazi Police Post		3,000,000		
Lari Sub-Chiefs Office		400,000		
Mumoi Police Post		3,000,000		
Munanda Sub-Chiefs Office		500,000		
Munanda Sub-Chiefs Office		300,000		
Simboyon Chiefs Office		1,500,000		
Simboyon Chiefs Office		500,000		
<b>Sub-Total</b>		<b>58,725,902</b>	<b>10,659,645</b>	



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<b>Acquisition of Assets</b>				
NG-CDF Office Construction		10,000,000		
NG-CDF Office Vehicle		537,000		
NG-CDF Office Land Purchase		3,000,000		
<b>Sub-Total</b>		<b>13,537,000</b>		
<b>Others</b>			27,177,027	
Innovation Hub		4,677,027		
<b>Sub-Total</b>		<b>4,677,027</b>	<b>27,177,027</b>	
<b>Grand Total</b>		<b>98,458,426.46</b>	<b>75,028,200</b>	



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**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical
	B/f.			Cost
	(Kshs) 2018/19			(Kshs) 2019/20
Land				
Buildings and structures				
Transport equipment	5,308,000	5,463,000		10,771,000
Office equipment, furniture and fittings	446,000			446,000
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>5,754,000</b>	<b>5,463,000</b>	<b>0</b>	<b>11,217,000</b>





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**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2020**

No	Account Name	Bank	Account No.	Bank balance as at 30/6/2020	Bank Balance as at 30/6/2019
1	Akuisi Primary	Equity Bank	1460262144314	1,386,467.00	503,646.00
2	Edgewood Primary	Equity Bank	0130278047700	100.00	100.00
3	Mwireri Secondary	Equity Bank	0130261913305	1,040.00	505,160.00
4	Olbonata Primary	Equity Bank	0130266636887	8,447.00	62,207.00
5	St.Michael Gati Gati Secondary	Equity Bank	1460262247499	458,059.10	506,239.10
6	Simboiyon Primary	Equity Bank	0130262569553	211,258.00	11,258.00
7	Subukia Primary	Equity Bank	0130270299238	3,508,770.00	1,308,890.00
8	Wiyumiririe Chiefs Office	Equity Bank	0130278768330	773,920.00	273,920.00
9	Tachasis Secondary	Equity Bank	0130262571073	11,752.00	1,676,220.00
10	Tachasis Primary School	Equity Bank	0130264785146	340,265.00	2,087,285.00
11	St.Marks Eldonio Secondary	Equity Bank	0130262581962	1,875.00	2,402,715.00
12	Olbonata Secondary	Equity Bank	0310261966642	368.75	608,608.75
13	Gitura Primary	Equity Bank	0130277431540	120,355.90	120,355.00
14	Gitura Secondary	Equity Bank	1460263634765	16,986.20	1,314,416.20
15	Mansuk Patel Primary	Equity Bank	1460264414036	835.00	1,200,615.00
16	Kianyoro Primary	Equity Bank	1460264241394	230,466.15	600,129.15
17	Endao Solai Primary	Equity Bank	1460264169561	166,217.00	264,985.00
18	Mikima Primary	Equity Bank	0130262600907	282.24	2,124,772.00
19	Magomano Secondary	Equity Bank	1460262224521	4,492.00	4,492.00
20	Kabazi Chiefs Office	Equity Bank	0130264793011	24,205.00	285.00
21	Kamemo Primary	Equity Bank	0130278047712	3,210,085.00	226,135.00
22	Wiyumiririe Secondary	Equity Bank	1460262239083	2,102,700.00	502,500.00
23	Lari Assistant Chiefs Office	Equity Bank	0130272225653	602,212.22	965,272.00
24	Ndungiri Primary	Equity Bank	0310290169823	9,200.00	600,000.00
25	Kianyoro Chiefs Office	Equity Bank	0130278972540	-	300,000.00
26	Ruiru Primary	Equity Bank	0130262619048	1,250,692.00	700,692.00
27	Arash Secondary	Equity Bank	0310299481192		



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				7,655.00	300,895.00
28	Maombi Primary	Equity Bank	1460264034019	625,456.45	562,591.45
29	Simboiyon Police Post	Equity Bank	0130270255504	1,045.45	501,705.45
30	Arash Primary	Equity Bank	1460262170734	1,666,510.00	65.00
31	Rigogo Secondary	Equity Bank	0130278050775	1,143,620.00	2,000,000.00
32	Marigo B Primary	Equity Bank	0130190137870	2.80	390,242.80
33	Tetu Chiefs Office	Equity Bank	0130264850878	26,620.00	286,920.00
34	Mumoi Primary	Equity Bank	0310272220509	608,145.00	1,806,095.00
35	Kaptarakwa Primary	Equity Bank	0160290844844	1,700,190.00	500,370.00
36	Munyaka Primary School	Equity Bank	0130262645655	126,460.45	-
37	Our Lady Of Victories Secondary School	Equity Bank	0130262583460	3,000,400.35	-
38	Magomano Primary School	Equity Bank	0310190181327	449.00	-
39	Patel Day Secondary	Equity Bank	0130263993619	1,900,012.00	-
40	Mburu Gichua Primary	Equity Bank	1224062300700	2,000,000.00	-
41	Eldonio Primary School	Equity Bank	0130264093091	2,250,531.00	-
42	Forest Hill Secondary School	Equity Bank	0130277458530	2,550,000.00	-
43	Gakingi Primary	Equity Bank	0130262611371	635,001.00	-
44	Haji AP Post	Equity Bank	0130272023835	6,990.00	-
45	Jamhuri Primary School	Equity Bank	1460162220233	3,105,299.15	-
46	Kabazi Secondary School	Equity Bank	0310262150838	2,701,423.00	-
47	Kagocii Chiefs Office	Equity Bank	0130272024010	4,520.00	-
48	Lari Primary School	Equity Bank	0130262548445	5,390.00	-
49	Magomano Primary	Equity Bank	0310190181327	1,900,000.00	-
50	Marana Primary	Equity Bank	0130264224722	2,600,802.00	-
51	Maryland Secondary	Equity Bank	1460262093626	683,067.50	-
52	Mihango Primary	Equity Bank	0130262564981	1,799,995.00	-
53	Mwireri Primary	Equity Bank	1460279247778	300,000.00	-
54	Ndungiri Secondary	Equity Bank	0310299830038	3,200,629.40	-
55	Olmanyatta Secondary	Equity Bank	0160279887331	3,000,000.00	-



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56	Our Lady Of Victories Primary	Equity Bank	0130263987976	61,970.00	-
57	Sidai Primary	Equity Bank	0130278047703	1,249,880.00	-
58	Sidai Secondary	Equity Bank	1460262178174	442.80	-
59	Subukia Day Secondary School	Equity Bank	1460262259028	402,603.10	-
60	Wei Ap Post	Equity Bank	0160279819408	1,047,354.00	-
61	Wiyumiririe Primary	Equity Bank	0130262574314	1,800,310.00	-
		<b>Total</b>		<b>56,146,259.11</b>	<b>25,219,781.90</b>





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**XVII. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Use of goods and services	Unreconciled expenditure of Kshs 548,400 and kshs 95,773	FAM	Resolved	
2	Incomplete projects	The projects to be funded to completion	NG CDFC	Resolved	
3	Projects not undertaken	CDFC to implement projects in time and have completion certificates	CDFC/FAM	Resolved	

