



Enhancing Accountability

REPORT 13 APR 2022

THE NATIONAL ASSEMBLY PAPERS LAID	
TABLED BY:	LOM
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THE AUDITOR-GENERAL

ON

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

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



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

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**ROYSAMBU 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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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)
ROYSAMBU 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 Roysambu Constituency day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Mary Wanyika
2.	Sub-County Accountant	Prisca Tabut
3.	Chairman NGCDFC	David Mwangi
4.	Member NGCDFC	Jamila Wangui

(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 -Roysambu 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 Roysambu Constituency Headquarters

P.O. Box 65086-00618, **RUARAKA**
Garden Estate, Balozi Road
NAIROBI, KENYA

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(f) NG-CDF Roysambu Constituency Contacts

Telephone: (254) 722-436-368
E-mail: cdfroysambu@ngcdf.go.ke or roysambucdf@gmail.com
Website: www.ngcdfroysambu.go.ke

(g) NGCDF Roysambu Constituency Bankers

Equity Bank Ltd
Githurai Branch
P.O. Box 15801
NAIROBI, KENYA

ACCOUNT NAME: Roysambu NG-CDF

ACCOUNT NO: 0710261637282

(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

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II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

BRIEF SUMMARY ON ROYSAMBU NG-CDF

Roysambu Constituency is one of the seventeen (17) constituencies in Nairobi County, created prior to the 2013 general election, when Kasarani Constituency was split up to form two (2) other constituencies: i.e. Roysambu and Ruaraka.

It borders Mathare Constituency to the south and south east, Ruaraka and Kasarani constituencies to the east, Ruiru constituency to the north and north east, Kiambu constituency to the north west and Westlands constituency to the west.

It contains neighbourhoods such as Garden Estate, Thome, Balozi, Zimmerman, Kahawa West and part of Githurai. Kenyatta University, United States International University, National Youth Service headquarters, General Service Unit headquarters, Kamiti Maximum Prison and Kahawa Barracks are some of the prominent public and private institutions found here.

It has 5 wards namely Roysambu, Zimmerman, Githurai 44, Kahawa and Kahawa West with a population of 202,280 as per 2009 census and Include among others the following:

Roysambu NG-CDF has continuously received funds since 2013. In the financial year 2019/2020, the NG-CDF Board disbursed a total amount of Kshs.78, 784,868 (Seventy Eight Million Seven Hundred Eighty Four Thousand Eight Hundred Sixty Eight Shillings). This comprised of half of the total allocation of the financial year 2019/20 and the balance for the previous financial years, i.e. (2016/2017 and 2017/2018)

The utilization of allocated funds has not been effective thus majority of the projects have not been implemented as envisioned. The main contributing factor has been the COVID- 19 pandemic that hit the world not leaving our country Kenya.

The fund would have taken advantage of the absence of learning in public institutions and implement the projects. This was however affected by the fact that, preparation of bill of quantities and procurement process lies with the technical departments who were equally affected by the pandemic and thus could not deliver as expected. The Government encouraged its officers to work from home which sometimes was next to impossible.

Amid all these challenges, the NG-CDF Roysambu made some great steps and achieved the following:

KEY ACHIEVEMENTS

A. GARDEN ESTATE SECONDARY SCHOOL:

CONSTRUCTION OF 16NO. CLASSROOMS

Garden Estate was the first new secondary school in Roysambu Constituency. It was an additional secondary school after two other (Kahawa Garrison and Kamiti Secondary Schools) existed in the larger Kasarani Constituency.

The birth of Garden Estate Secondary (2014) was so timely that, even before the dream was actualized, the demand of this school was way above its capacity. Students (Form 2 & 3) who had dropped from other schools due to financial challenges sought admission hence starting the school with a Form 3, 2 and 1 classes with scanty infrastructural resources.

The school started with an enrolment of less than 100 students but this has risen to over 700 students



Final project handover after completion of 16NO. Classrooms in a 3-storey building



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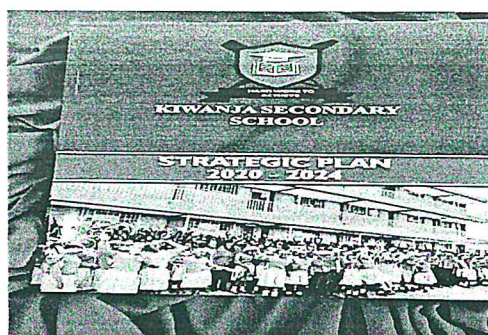
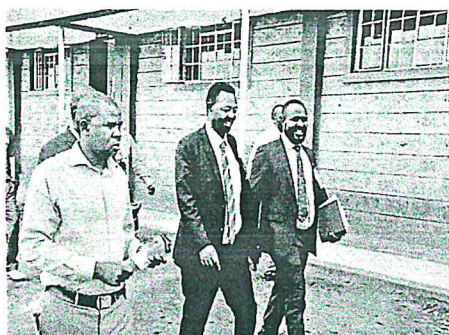
B. KIWANJA SECONDARY SCHOOL

CONSTRUCTION OF 16NO.CLASSROOMS

The school was initiated by NG-CDF Roysambu in the year 2016 with only 39 students who comprised of Form 1, 2 & 3 and a staff establishment of 3 teachers all employed by the community.

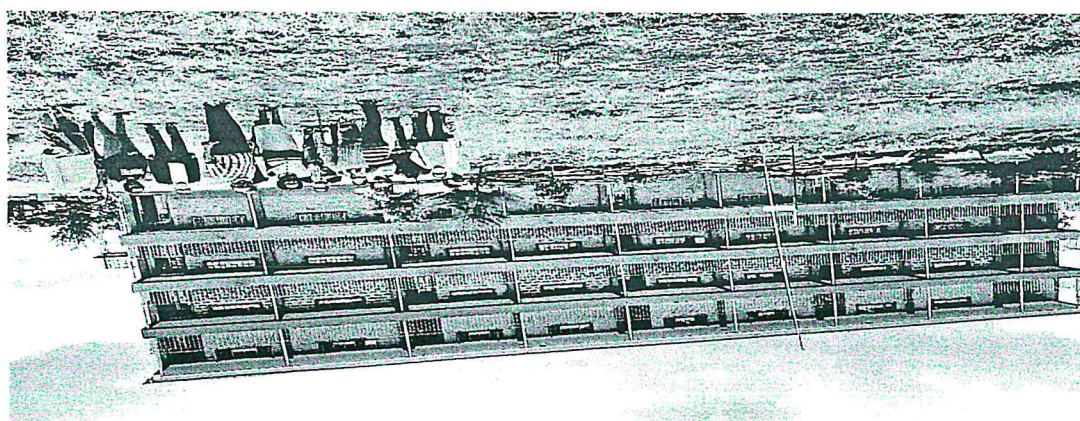
The current student population of 1,264 students where 90% of this population is drawn from the Kamae and Kongo Soweto slums in Kahawa West. The staff establishment has equally grown to from 3 to 13 NO. Teachers. Nine are employed by Teachers Service Commission while 4 are under Board of management.

The NG-CDF Roysambu has delivered 16 NO classrooms so far, fenced the school compound. Projects that are in progress include Modern twin Lab, a modern ablution block, construction of a borehole. The needy students too have continued to receive support through bursaries.



Roysambu NG-CDF Chairman, Hon. MP. Roysambu and Kiwanja Secondary School BOM Chair inspecting the NG-CDF funded projects while launching Schools Strategic Plan. This is to ensure that the strategic plan is geared towards achievement of its main objective of transforming students' lives through imparting knowledge in collaboration with the Constituency's strategic plan.

The photo below shows a 3-storey building consisting of 16 NO. Classrooms and has been officially handed over to the user ready to re-open schools after COVID-19 pandemic.



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Below are the on-going construction of Kiwanja Secondary School Ablution Block. It is expected to be complete by December, 2020 to ensure the school complies with MOH guidelines in relation to COVID-19 measures.

It has 7NO. Boys water closets and a urinal, 5 Girls water closets and 2NO. Closets for the academic staff.

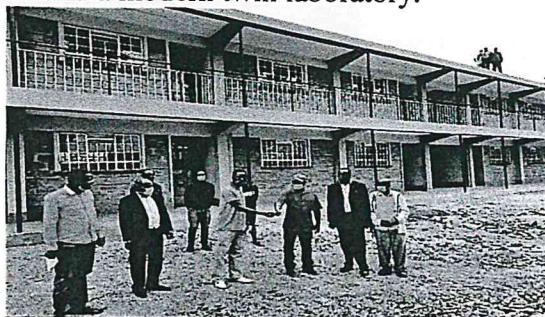


C. GITHURAI SECONDARY SCHOOL

CONSTRUCTION OF 4NO. CLASSROOMS

Githurai Secondary is the third newly started secondary school to ensure improved transition rates in Roysambu Constituency. It was started in January, 2020 with 219 students. It all started with 4NO classrooms then, but by the close of the financial year, we were able to add other 4NO. Classes and a modern ablution block. This promotes health and water sanitation as well as creating an enabling learning environment.

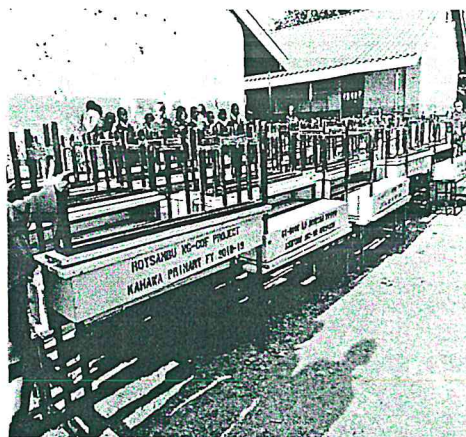
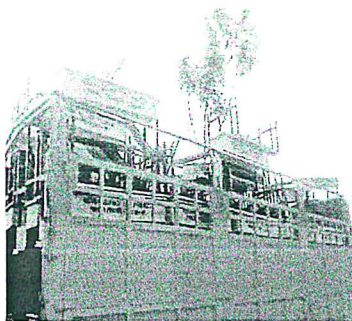
Other upcoming projects include, 8NO. Classes and a modern twin laboratory.



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SUPPLY AND DELIVERY OF 884 DESKS IN 4 NO. PRIMARY SCHOOLS.

The schools include, Kahawa, Njathaini, Mahiga and Kiwanja Primary Schools. Each of these schools benefited with 221 desks

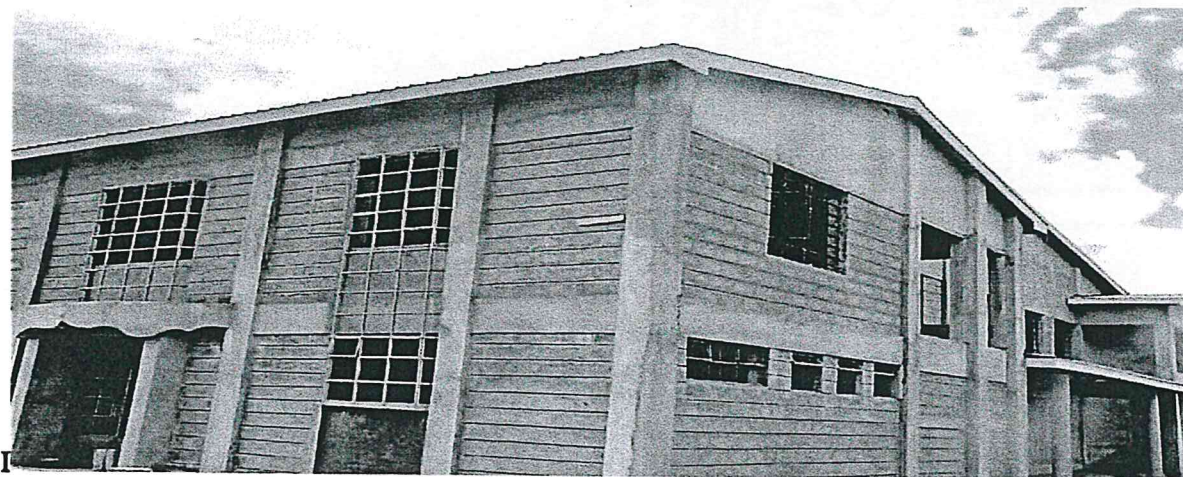
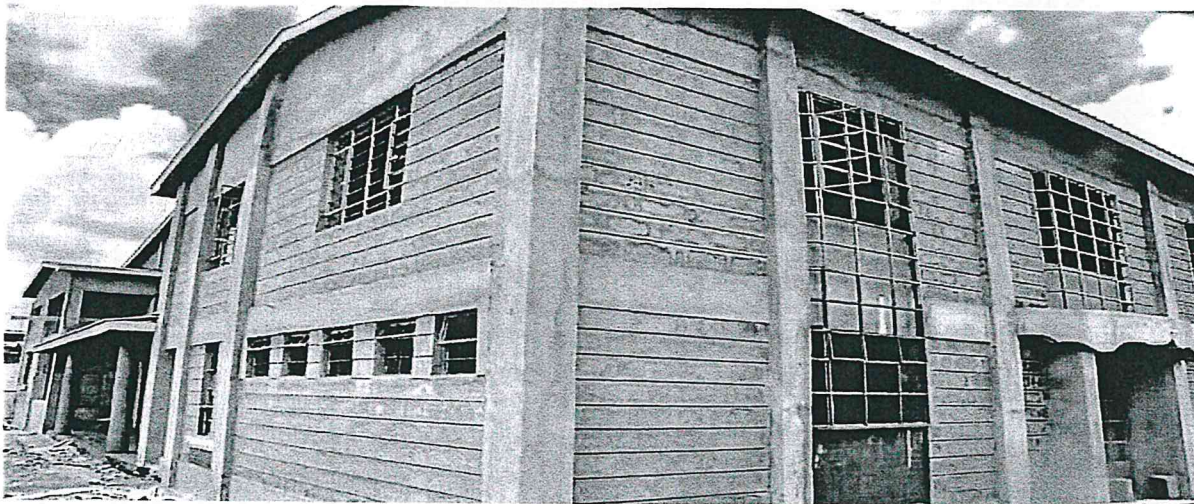


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GITHURAI PRIMARY SCHOOL

CONSTRUCTION OF A RESOURCE CENTRE

This is one facility aimed at improving the talents of the pupils and the youths.
It will serve as a recreational facility

However, it is not yet complete as we are seeking for more funding to ensure there is value for money.



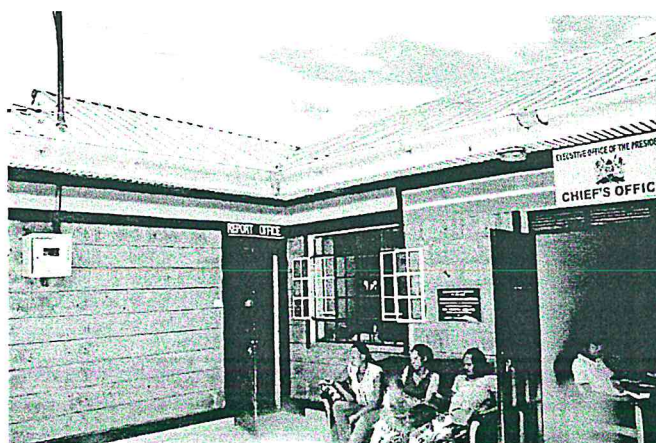
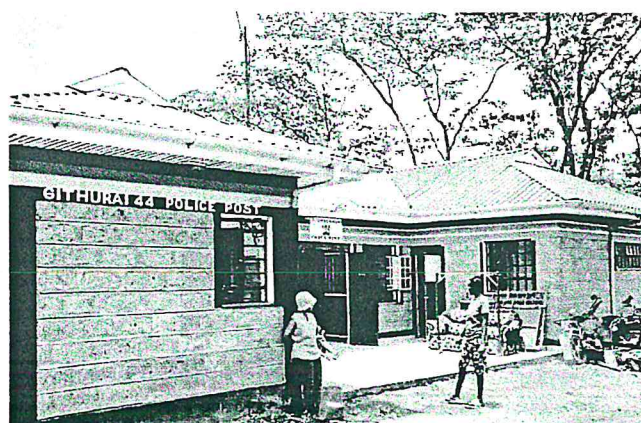
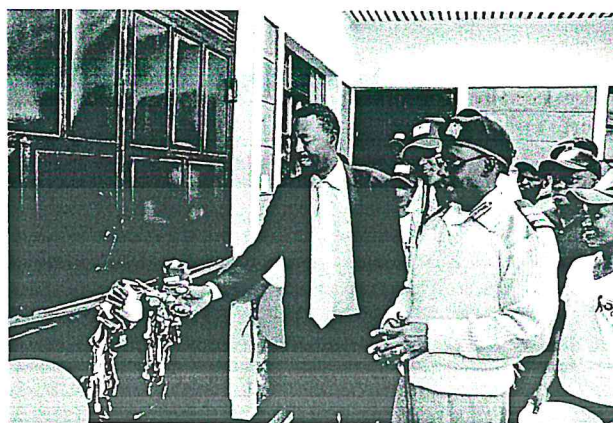
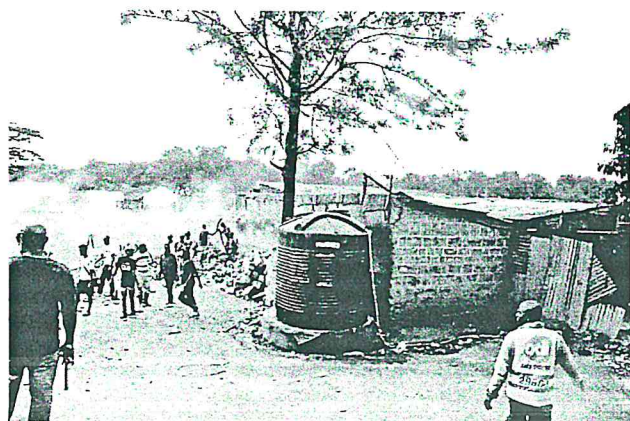
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GITHURAI CHIEFS/ AP CAMP

CONSTRUCTION OF A CHIEFS/ POLICE POST CAMP

The photos below shows the old and the new Chiefs office . This is a grest transformation as it improves service delivery by bringing it closer to mwanachi in an friendly environment.

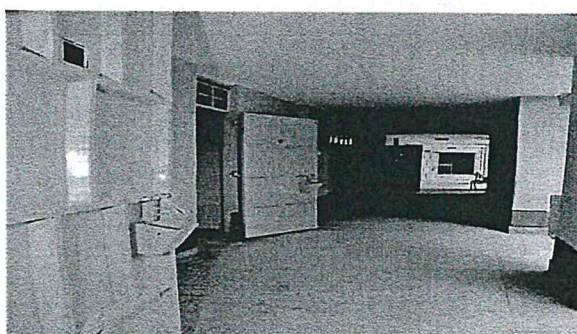
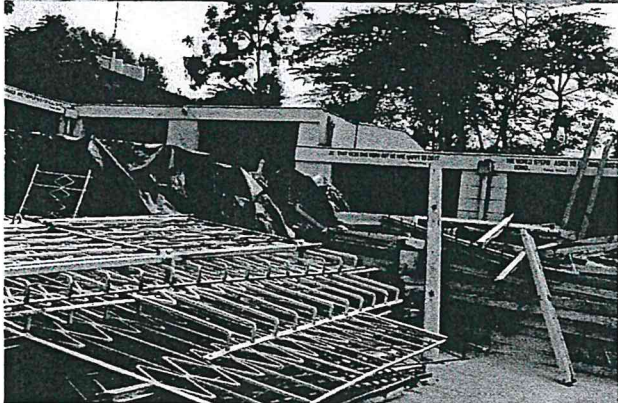
This building houses other security agencies who assist in securing the lives and property



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GARDEN ESTATE PRIMARY SCHOOL

RENOVATION OF 14NO. CLASSROOMS

The renovation of Garden Estate Primary School has greatly improved the learning of the pupils. It was started in the year 1968 by the defunct Nairobi City Council who managed the school until when the Ministry of Education took charge of all the primary schools in Nairobi County.



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EMPOWERMENT OF THE YOUTHS THROUGH DRIVING COURSES

A total number of One Hundreded Ninety One youths were taken through the courses as a way of empowering them in the transport industry.

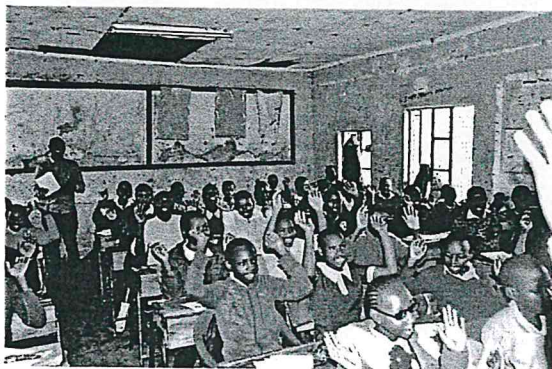
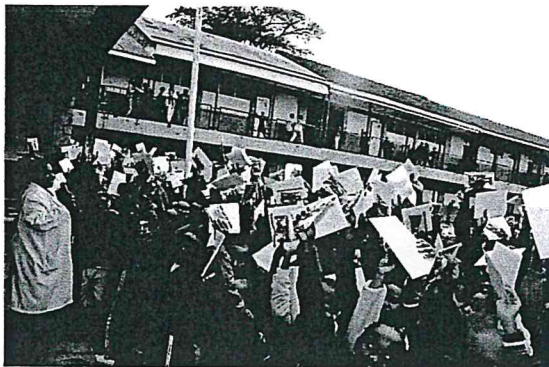


MOTIVATIONAL PROGRAM

This is an annual program where all candidates in all public learning institutions benefit from a geometrical set, a success card and motivational talk just before the national examinations kicks off. The photos below display images of students who have already benefited from the program.



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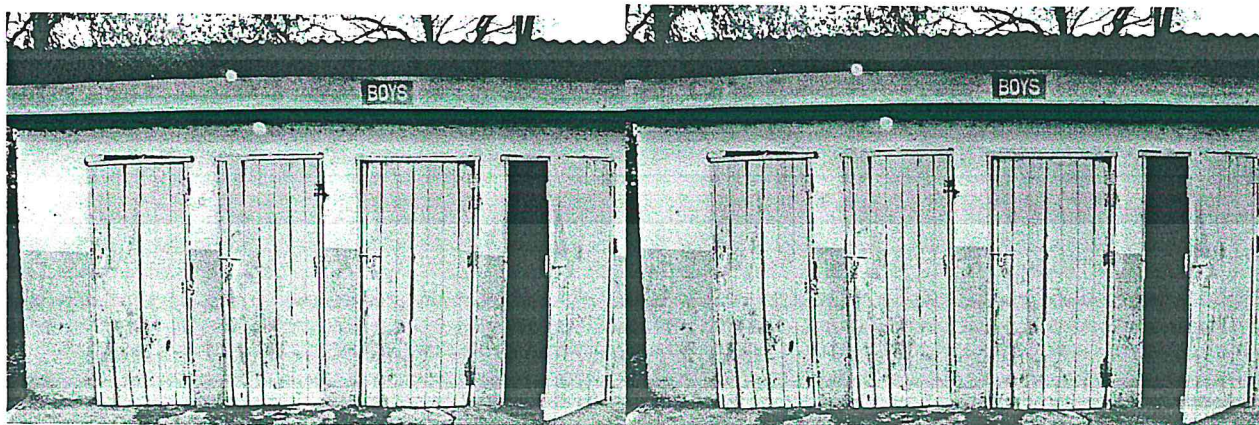


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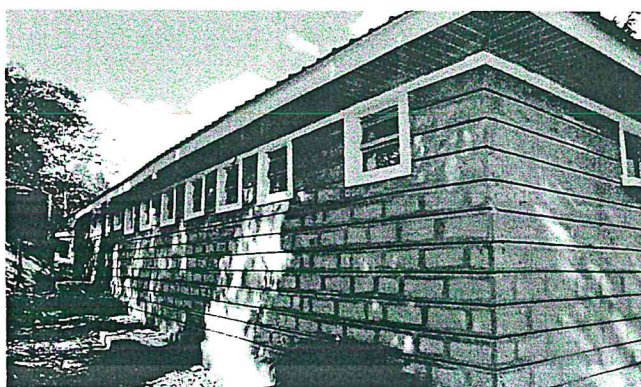
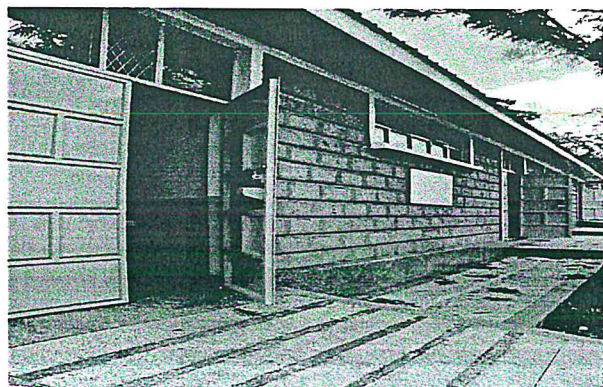
KENYATTA UNIVERSITY PRIMARY SCHOOL

CONSTRUCTION OF AN ABLUTION BLOCK

The old structures

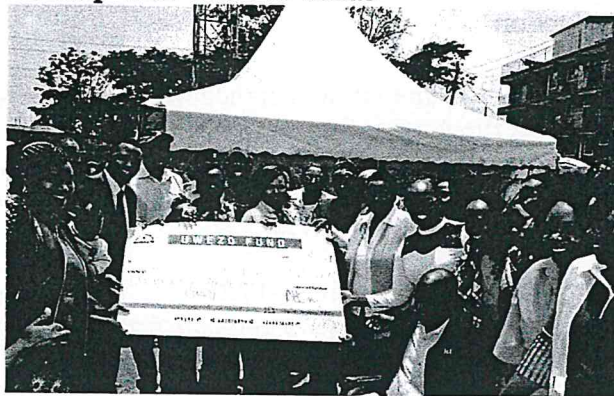


The newly constructed modern ablution block



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Empowering the youths and PWD through partnership with UWEZO funds



IMPLEMENTATION CHALLENGES

- 1) Delays in regard to project implementation due to inadequate manpower from the technical departments.
- 2) Conflict of interest form different quarters
- 3) Political interest.
- 4) Inadequate space for expansion of learning institutions.
- 5) Low literacy rate among the stakeholders entrusted with project implementation.

WAY FORWARD.

- 1) Inclusion of the County Public Technical persons to share workload with the Public Works personnel
- 2) Continuous capacity building on the stakeholders expected to deliver on project implementation
- 3) Adherence of existing laws and all guidelines provided by Government agencies


CHAIRMAN
ROYSAMBU NGCDFC

Date: _____
P.O. Box 69986-00100

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III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES

Introduction

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

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

- a) To improve infrastructure on the education sector in Roysambu Constituency
- b) To improve the retention and transition rate of pupils
- c) To improve and raise the standard of security and safety in Roysambu Constituency
- d) Adoption of environmental friendly practices
- e) To promote sports and PWD related activities

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To improve infrastructure on the education sector	Expansion and creation of more space for learners thus reduce congestion on the existing space.	Number of usable physical infrastructure build in secondary schools.	In FY 19/20 - We increased the number of classrooms from 34 to 46 in the following schools (Garden Estate, Githurai and Kiwanja Secondary Schools. Build 1NO. Modern twin laboratory for Kiwanja Secondary School.
	To improve both retention and transition rate at both secondary and tertiary levels	Increased enrolment in secondary schools and improved transition to secondary schools.	Number of bursary beneficiaries at all levels	A total number of 690 students (secondary & tertiary) benefited from bursary as per schedules prepared.

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Security	To raise and improve standard of security and safety	Increased safety in public learning institutions	Number of perimeter walls build in public learning institutions Number of Chiefs/ Police posts build Number of Entry/Exit points for public	Erected 1NO. perimeter wall for Githurai Primary School Constructed 1NO. Chief/ Police Station at Githurai Ward Improved 2NO. Entry/exit points for Garden Estate Primary School and Kiwanja Secondary School
Environment	Adoption of environmental friendly practices	Increased the number of waste management friendly practices in public learning institutions	Number of incinerators build	Increased the number of incinerators from 9 to 16 in public learning institutions
Youth and Sports	Promote sports and PWD related activities	Establish a youth resource centre	Number of resource centres build	Introduced a youth resource centre from none to one
Disaster Management	Allocate emergency funds to any unforeseen occurrences	Timely response to any disaster occurring within the constituency.	Number of emergencies covered in the constituency	Upgraded 1NO. Play ground in Garden Estate primary School after heavy rains poured and pupils could not access it for recreational activities

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NG-CDF Roysambu Constituency exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely; Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

The Constituency Committee has continued to provide sustainability approach in relation to the management of projects, to increase effective and efficient delivery of services to the public. In this regard, the constituency has employed certain metrics and standards that are needed during project identification through feasibility studies, formulation, design, appraisal, funding, implementation, monitoring, and evaluation.

Through its strategic plan, the Roysambu National Government Constituency Development Fund Committee found it necessary to undertake a comprehensive analysis of the social, economic, legal, cultural, educational, and political environments for project implementation. The project philosophy, mission, vision, values, goals, and objectives were articulated and this informs the annual planning of constituency activities.

The involvement of stakeholders from all the five wards and technical Government representatives is a key strength for our project sustainability. It is through these elements that the Committee has enhanced sustainability which in turn have determined project relevance, acceptability, political expediency, viability and adaptability of the project. Other factors such as financial analysis against the needs especially on bursary consideration, risk analysis based on the NG-CDF Board guidelines and trainings, communication and network determination, annual operational plans drawn from the strategic plan, training of Constituency committee members and staff, and capacity building of PMCs, environmental and community analysis to determine the needs have also continued to support the sustainability of projects in the constituency.

2. Environmental Performance

Environmental sustainability refers to concerted efforts put in place by the Committee to mitigate against environmental degradation. It is the maintenance of factors and practices that contribute to the quality of environment on a long term basis. The National Environmental Management Authority (NEMA) has but in place Performance Contract Guidelines for all Ministries, Departments and Agencies (MDAs) provide that institutions undertake an Audit to establish extent of compliance with and enforcement of the constitution and other statutory obligations.

These guidelines provide a framework for environmental sustainability audit for MDAs consistent with the provisions of EMCA. During the self-audit, and using the guidelines provided by the Board on Environmental sustainability, the Roysambu NG-CDF has continued to implement environmental sustainability programme while undertaking project activities. These guidelines have enabled the committee to focus on planning for environmental sustainability by making decisions and taking action that are in the interests of protecting the natural world, with particular emphasis on preserving the capacity of the environment to support human life.

The committee provides Annual environmental audit reports and forwards them to the Board. Environmental education and awareness are other focus for the Constituency. This entails understanding the fragility of our constituency environment and the importance of its protection. The Committee need to make all their staff aware of their relationship with the environment from a social, ecological and economic perspective. The same understanding and awareness should be extended to other stakeholders and the local community.

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3. Employee Welfare

The Occupational Health and Safety Act (OSHA) provide for the health, safety and welfare of persons employed, and all persons lawfully present at workplaces and related matters. The Roysambu NG-CDFC understands the fact that it has an obligation to provide and maintain systems and procedures of work that are safe and without risk to workers' health. The Committee ensures safety and absence of risks to health in connection with the use, handling, storage and transport of articles and substances. There have been continued awareness sessions to the Committee members, Staff and even project management teams to provide such information, instruction, training and supervision of workers as is necessary and very crucial in maintenance of safe and healthy workplace. Currently, we don't have safety and occupation policy from the Board.

As regards to the reward system, the leadership of the constituency has provided a conducive environment for working space. We currently have an office that is well equipped and furnished to provide a good ambience for staff. Workers are well informed of any risks and imminent dangers related to new technologies and are encouraged to participate in the application and review of safety and health measures at the constituency.

4. Market Place Practices-

The NG-CDFC acknowledges the Fund's critical role in shaping markets to maximize community access to NG-CDF activities and further emphasizes its desire for the Fund to more actively shape markets for items and activities undertaken to optimize price, quality, design and sustainable supply of materials and services.

The Committee also recognizes that this fund is well positioned to drive value for money and leverage its role as the primary financier of essential sectors in the community to improve quality, price, design, and sustainable supply of project activities. Through its decision, the NG-CDFC has recognized the importance of the prequalification of service providers and contractors that has resulted to lower prices as well as increased leverage and negotiation power with clients. The Fund recognizes that this will lead to increased market transparency and competition, resulting in greater affordability, as well as facilitating the adoption of innovative skills in quality projects. The Committee has a fiduciary responsibility to protect the interest of the public. The Committee commits to continue undertaking this duty.

5. Community Engagements-

The NG-CDF Act, 2015- as amended, provides that the projects implemented under the Act must be community based and therefore should be implemented to a wide cross section of the community. This therefore means that there is need to engage the community in the following areas:

- a. Project design, selection and identification
- b. Project Implementation
- c. Social Audits
- d. Sustainability and maintenance of the projects

The Constituency Committee has ensured that this works well through enabling relationships and building trust over time. Community engagement events are planned and designed with this in mind and aim to contribute to the overall aims of the engagement process. The Committee involves the community in decision making process and procurement of materials and services for the community. Community or voluntary groups may be in most times allowed to participate at a range of levels – from providing advice to co-designing the process and from undertaking some aspects of the engagement to delivering projects to meet some of the outcomes.

Constituency exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely; Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

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

Reports and Financial Statements

For the year ended June 30, 2020

STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 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.

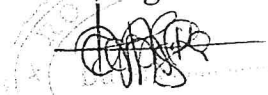
The Accounting Officer in charge of the NG-CDF Roysambu Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2020. 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 NG-CDF Roysambu 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 Roysambu NG-CDF financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NG-CDF Roysambu Constituency further confirms the completeness of the accounting records maintained for Roysambu NG-CDF, 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 Roysambu 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

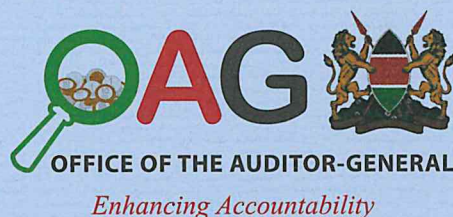
The NGCDF-ROYSAMBU Constituency financial statements were approved and signed by the Accounting Officer on 6th September, 2020.


Fund Account Manager
Name: Mary Wanyika


Sub-County Accountant
Name: Prisca Tabut
ICPAK Member Number: 15993

REPUBLIC OF KENYA

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund-Roysambu Constituency set out on pages 23 to 52, which comprise the statement of assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows for the year then ended, summary statement of appropriation - recurrent and development combined, 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 - Roysambu 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 Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1.0 Accuracy of the Financial Statements

1.1 Misstatement of Use of Goods and Services

The statement of receipts and payments reflects comparative expenditure amounting to Kshs.9,249,923 on use of goods and services. However, Note 5 to the financial statements reflects an amount of Kshs.9,283,889 resulting to a difference of Kshs.33,966.

1.2 Inaccurate Prior Year Adjustments

Note 14 to the financial statements reflects prior year adjustments amounting to Kshs.52,938,512. However, the statement of assets and liabilities reflects a balance of Kshs.5,597,674 resulting to an unreconciled difference of Kshs.47,340,838.

1.3 Variance between Budget and Financial Statements Amounts

The statement of receipts and payments reflects total receipts amounting to Kshs.78,784,868 against summary statement of appropriation - recurrent and development combined actual receipts amounting to Kshs.131,723,381 resulting to unreconciled variance of Kshs.52,938,513.

In the circumstances, the accuracy of the financial statements could not be confirmed.

2.0 Unsupported Expenditures

2.1 Unsupported Project Expenses

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects transfers to other government entities amounting to Kshs.70,431,296. Included in this amount is Kshs.21,837,819 transferred to primary schools. Review of project documents revealed that the National Government Constituencies Development Fund – Roysambu Constituency tendered for construction of a resource center at Githurai Primary School at a contract sum of Kshs.14,637,420. The contract was signed on 20 February, 2019 with a contract period of 24 weeks. However, project inspection carried out on 17 February, 2021 revealed that the project was incomplete and had stalled.

In addition, the installation of doors, windows, external and internal finishes amounting to Kshs.4,473,620 had not been done as per the bills of quantities. Further, review of payment vouchers revealed that the contractor had been paid an amount of Kshs.16,707,889 equivalent to 114 % of the contract amount or Kshs.2,070,489 above the contract sum. The audit also observed that payments amounting to Kshs.1,245,258 and Kshs.1,971,732, respectively, were not supported with payment certificates contrary to Regulation 104(1) Public Finance Management Act (National Government) Regulations, 2015 which states that all receipts and payments shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation.

In the circumstances, the accuracy and validity of the expenditure of Kshs.16,707,889 could not be confirmed.

2.2 Unsupported Training Expenses

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects an expenditure of Kshs.8,584,984 in respect to use of goods and services. Review of records revealed that the Fund paid an amount of Kshs.570,000 to

a hotel for a training of its National Government Constituencies Development Fund Committee members. The training was conducted between 8 and 12 October, 2019. However, members of the National Government Constituencies Development Fund Committee signed for two days, that is, 8 and 9 October, 2019. Further, the audit observed that the consultant was paid Kshs.250,000 for training of the National Government Constituencies Development Fund Committee members. However, supporting documents provided for audit review were not clear on the purpose of the training.

In the circumstances, the validity and completeness of the training expenses amounting to Kshs.820,000 could not be confirmed.

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

Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined, reflects receipts budget and actual on comparable basis of Kshs.209,856,547 and Kshs.131,794,381, respectively, resulting in an underfunding of Kshs.78,062,166 or about 37% of the budget. Similarly, the Fund expended Kshs.103,792,359 against an approved budget of Kshs.209,856,547 resulting to an under-expenditure of Kshs.106,064,188 or 51% of the budget. The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, except for the matters described in the Conclusion on Compliance and Effectiveness section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective way.

Basis for Conclusion

1.0 Unlabeled Projects

Project inspection carried out on 17 February, 2021 revealed that all projects undertaken for the year under review which were complete or yet to be completed were not labeled contrary to Regulation 15(1)(f) of the National Government Constituencies Development Fund Regulations, 2016 which states that the Project Management Committee shall undertake project closure, labelling and handover upon completion.

In the circumstances, the Project Management Committees were in breach of the Regulations.

2.0 Unutilized Funds

Note 17.3 together with Annex 3 to the financial statements reflects un-utilized funds of Kshs.72,488,823 which increased during the year from Kshs.64,670,549 prior year. Further, the un-utilized funds were occasioned by un-approved re-allocations by Management across projects rather than non-implementation of projects whose monies can be accessed in the bank accounts.

Consequently, the Fund's budget is not realistic and has no capacity to implement the overlapping 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, the Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to abolish the Fund or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them 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' use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to

the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

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

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

I also provide the 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


10 February, 2022


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

VI. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NG-CDF board	1	78,784,868	152,446,048
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	<u>71,000</u>	<u>40,000</u>
TOTAL RECEIPTS		78,855,868	152,486,048
PAYMENTS			
Compensation of employees	4	2,984,651	1,940,064
Use of goods and services	5	8,584,984	9,249,923
Transfers to Other Government Units	6	70,431,296	47,268,833
Other grants and transfers	7	20,797,888	44,439,475
Acquisition of Assets	8	993,540	-
Other Payments	9	0	3,500,000
TOTAL PAYMENTS		103,792,359	106,398,294
SURPLUS/(DEFICIT)		<u>(24,936,491)</u>	<u>46,087,754</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Roysambu Constituency financial statements were approved on 6th September, 2020 and signed by:


Fund Account Manager
Name: Mary Wanyika


THE NATIONAL
SUB-COUNTY ACCOUNTANT
KASARANI
National Sub-County Accountant
Name: Prisca Jepchumba
ICPAK Member Number: 15993

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

VII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	28,002,021	46,087,754
Cash Balances (cash at hand)	10B	0	0
Total Cash and Cash Equivalents		28,002,021	46,087,754
Accounts Receivable			
Outstanding Imprests	11	0	0
TOTAL FINANCIAL ASSETS		28,002,021	46,087,754
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	0	0
Deposits (Gratuity)	12B	0	0
TOTAL FINANCIAL LIABILITIES		0	0
NET FINANCIAL ASSETS		28,002,021	46,087,754
REPRESENTED BY			
Fund balance b/fwd	13	52,938,512	1,253,084
Prior year adjustments	14	0	5,597, 674
Surplus/Deficit for the year		(24,936,491)	46,087,754
NET FINANCIAL POSITION		28,002,021	52,938,512

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Roysambu Constituency financial statements were approved on 6th September, 2020 and signed by:

Fund Account Manager
Name: Mary Wanyika

THE NATIONAL
SUB-COUNTY ACCOUNTANT
Name: Prisca Jepchumba
ICPAK Member Number: 15993

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

Reports and Financial Statements

For the year ended June 30, 2020

VIII. STATEMENT OF CASHFLOW

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NG-CDF Board	1	78,784,868	152,446,048
Other Receipts	3	71,000	40,000
Total receipts		78,855,868	152,486,048
Payments for operating expenses			
Compensation of Employees	4	2,984,651	1,940,064
Use of goods and services	5	8,584,984	9,249,923
Transfers to Other Government Units	6	70,431,296	47,268,833
Other grants and transfers	7	20,797,888	44,439,475
Other Payments	9	0	3,500,000
Total payments		102,798,819	106,398,294
Total Receipts Less Total Payments		(23,942,951)	46,087,754
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	0	0
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	0	0
Prior year adjustments	14	0	5,597,674
Net cash flow from operating activities		(23,942,951)	52,938,512
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	8	(993,540)	0
Net cash flows from Investing Activities		(993,540)	52,938,512
NET INCREASE IN CASH AND CASH EQUIVALENT		(24,936,491)	46,087,754
Cash and cash equivalent at BEGINNING of the year	13	52,938,512	1,253,084
Cash and cash equivalent at END of the year		<u>28,002,021</u>	<u>52,938,512</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Roysambu Constituency financial statements were approved on 6th September 2020 and signed by:

Fund Account Manager
Name: Mary Wanyika

THE NATIONAL
SUB-COUNTY ACCOUNTANT
KASARANI
National Sub-County Accountant
Name: Prisca Jepchumba
ICPAK Member Number: 15993

IX. 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 Utilization Difference e=c-d	% of Utilization f=d/c %
RECEIPTS						
Transfers from NGCDF Board	137,367,724	72,417,823	209,785,547	131,723,381	78,062,166	63%
Proceeds from Sale of Assets	0	0	0	0		
Other Receipts (A-I-A)		71,000	71,000	71,000		63%
TOTAL RECEIPTS	137,367,724	72,488,823	209,856,547	131,794,381	78,062,166	
PAYMENTS						
Compensation of Employees	3,200,000	693,085	3,893,085	2,984,651	908,434	77%
Use of goods and services	9,163,095	1,324,138	10,487,233	8,584,984	1,602,149	82%
Transfers to Other Government Units	70,233,049	41,031,176	111,264,225	70,431,296	41,832,929	63%
Other grants and transfers	54,771,580	28,369,424	83,141,004	20,797,888	63,343,106	25%
Acquisition of Assets	0	1,000,000	1,000,000	993,540	6,460	99%
Other Payments	0	0	0	0	0	
Unallocated funds (A-I-A)		71,000	71,000		71,000	
TOTAL PAYMENTS	137,367,724	72,488,823	209,856,547	103,792,359	106,064,188	49%


N/B: The adjustment column comprises of the opening cashbook balance as at 1st July 2019 and all other funds from previous financial years and received from the NG-CDF Board within the FY.


(a) Appropriation in Aid of Kshs. 71,000 was arrived from sale of tender documents

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

RECEIPTS	% of Utilization	Reasons for Underutilization
Transfers from the NG-CDF Board	63%	The worldwide COVID-19 pandemic affected the absorption after funds were received within the third quarter of the FY.
PAYMENTS		
Compensation of Employees	77%	The NG-CDFC is in the process of recruiting INO. Staff (Clerk of Works) after the former staff resigned and thus will be factored in the budget at the beginning of the year.
Use of Goods and Services	82%	There was minimal office operations during the fourth quarter after the country was hit by the COVID-19 pandemic.
Transfers to other Governments Units	63%	The absorption was equally affected by the pandemic directly as well as indirectly. There was minimal office operations by the immediate staff and the technical staff involved in preparation of bill of quantities and procurement committees at various levels.
Other Grants and Transfers	25%	Reallocations and resubmissions as guided by the NG-CDF Board thus affecting rate of absorption and thus delay in implementation of projects.

The NG-CDF Roysambu Constituency financial statements were approved on 6th September, 2020 and signed by:


Fund Account Manager
Name: Mary Wanyika


Sub-County Accountant
Name: Prisca Tabut
ICPAK Member Number: 15993

X. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020 Kshs	Adjustments Kshs	Final Budget 2019/2020 Kshs	Actual on comparable basis 30/06/2020 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	3,200,000	693,085	3,893,085	2,984,651	908,434
1.2 Committee allowances	1,368,000		1,368,000	1,368,000	0
1.3 Use of goods and services	3,674,063	982,759	4,656,822	3,579,927	1,076,895
2.0 Monitoring and evaluation					
2.1 Capacity building	1,600,000		1,600,000	1,600,000	0
2.2 Committee allowances	660,000		660,000	660,000	0
2.3 Use of goods and services	1,861,032	341,379	2,202,411	1,377,057	825,354
3.0 Emergency					
3.1 Primary Schools	3,275,144		3,275,144	3,275,144	0
3.2 Security projects	566,880		566,880	566,880	0
3.3 Unallocated	3,356,217	9,060,711	12,416,928	0	12,416,928
4.0 Bursary and Social Security					
4.1 Secondary Schools	20,975,000	5,597,674	26,572,674	4,696,707	21,875,967
4.2 Universities	21,025,000		21,025,000	4,400,000	16,625,000
5.0 Sports					
5.1	2,747,354	227,586	2,974,940	0	2,974,940
6.0 Environment					
6.1		227,586	227,586	227,586	0
6.2 Kamiti Secondary School	305,261		305,261	305,261	0
6.3 Kenyatta University Pry School	305,261		305,261	305,261	0
6.4 Kiwanja Secondary School	305,261		305,261	305,261	0
6.5 Garden Estate Sec School	305,262		305,262	305,262	0

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
6.6 GSU Primary School	305,262		305,262	305,262	0
6.7 Kahawa Garrison Primary School	305,262		305,262	305,262	0
6.8 Kahawa Primary School	305,262		305,262	305,262	0
6.9 Kamiti Primary School	305,262		305,262	305,262	0
6.10 Marurui Primary School	305,262		305,262	305,262	0
7.0 Primary Schools Projects (List all the Projects)					
7.1 Garden Estate Primary School	1,320,000		1,320,000	0	1,320,000
7.2 Kamiti Primary School	1,320,000		1,320,000	0	1,320,000
7.3 Kenvatta University Pry School	1,320,000		1,320,000	0	1,320,000
7.4 Roysambu Primary School	1,320,000		1,320,000	0	1,320,000
7.5 Githurai Primary School	4,000,000		4,000,000	4,000,000	0
7.6 Njathaini Primary School	4,000,000	1,458,600	5,458,600	1,458,600	4,000,000
7.7 Mahiga Primary School	4,000,000	1,458,600	5,458,600	1,458,600	4,000,000
7.8 Roysambu Primary School	6,500,000		6,500,000	0	6,500,000
7.9 Githurai Primary School	3,600,000		3,600,000	0	3,600,000
7.10 Garden Estate Primary School	7,700,308		7,700,308	7,003,419	696,889
7.11 Kahawa Primary School		1,458,600	1,458,600	1,458,600	0
7.12 Kiwanja Primary School		1,689,634	1,689,634	1,458,600	231,034
7.13 Kamiti Primary School	1,055,650		1,055,650	0	1,055,650
8.0 Secondary Schools Projects (List all the Projects)					
8.1 Garden Estate Secondary School	600,000	3,500,000	4,100,000	3,500,000	600,000
8.2 Garden Estate Secondary School	4,800,000	5,000,000	9,800,000	9,800,000	0
8.3 Githurai Secondary School	11,500,000		11,500,000	11,500,000	0

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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
8.4 Githurai Secondary School	1,500,000		1,500,000	1,000,000	500,000
8.5 Kiwanja Secondary School	1,827,675	5,000,000	6,827,675	6,827,675	0
8.6 Kiwanja Secondary School	2,600,000	4,100,000	6,700,000	2,600,000	4,100,000
8.7 Kiwanja Secondary School	1,500,000		1,500,000	1,000,000	500,000
8.8 Githurai Secondary School	7,450,000		7,450,000	0	7,450,000
8.9 Githurai Secondary School	1,800,000	7,329,115	9,129,115	7,329,115	1,800,000
8.10 Githurai Secondary School	519,416	4,677,027	5,196,443	4,677,027	519,416
8.11 Kahawa Garrison Sec Sch		5,359,660	5,359,660	5,359,660	0
9.0 Security Projects					
9.1 Thome Police Post	78,630		78,630	28,350	50,280
9.2 Githurai Chiefs/AP Camp		3,736,592	3,736,592	0	3,736,592
9.3 Githurai Chiefs/AP Camp		300,000	300,000	0	300,000
10.0 OTHERS					
10.1 NG-CDF Office		8,719,275	8,719,275	4,855,867	3,863,408
10.2 NG-CDF Office		1,000,000	1,000,000	993,540	6,460
10.3 Kamuthi-Githurai Bridge		500,000	500,000	0	500,000
10.4 Un allocated Funds (A-I-A)		71,000	71,000	0	71,000
TOTAL	137,367,724	72,488,823	209,856,547	103,792,359	106,064,188

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the Entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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XI. 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 Roysambu Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy is applicable to entity)

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

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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 equivalent's

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board			
AIE NO	1		43,405,173
AIE NO	2		10,000,000
AIE NO	3		13,000,000
	4		11,000,000
	5		12,000,000
	6		8,000,000
	7		55,040,875
AIE NO	1	4,000,000	
AIE NO	2	3,736,592	
AIE NO	3	20,000,000	
	4	6,000,000	
	5	15,000,000	
	6	7,048,276	
	7	23,000,000	
TOTAL		78,855,868	152,446,048

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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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	-	-
Total	-	-

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

3. OTHER RECEPTS

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	71,000	40,000
Other Receipts Not Classified Elsewhere	-	-
Total	71,000	40,000

4. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	1,938,241	1,940,064
Personal allowances paid as part of salary	-	-
Pension and other social security contributions (Gratuity)	1,022,110	-
Employer Contributions Compulsory national social security schemes	24,300	-
Total	2,984,651	1,940,064

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	3,383,300	3,508,000
Utilities, supplies and services, Office rent	346,957	1,559,134
Office Rent	1,039,200	
Electricity	30,890	
Communication, supplies and services	422,151	200,000
Domestic travel and subsistence	191,450	120,000
Printing, advertising and information supplies & services	3,047	420,000
Rentals of produced assets	0	0
Training expenses	680,800	1,400,000
Hospitality supplies and services	825,795	200,000
Insurance costs	0	0
Specialized materials and services	0	0
Office and general supplies and services	1,049,068	700,000
Other operating expenses	522,966	1,100,755
Routine maintenance – vehicles and other transport equipment	0	0
Routine maintenance – other assets	11,960	76,000
Bank Service Commission and charges	77,400	
Total	8,584,984	9,283,889

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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 National Government entities	0	0
Transfers to primary schools (see attached list)	21,837,819	13,346,976
Transfers to secondary schools (see attached list)	48,593,477	33,921,857
Transfers to tertiary institutions (see attached list)	0	0
Transfers to health institutions (see attached list)	0	0
TOTAL	70,431,296	47,268,833

7. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	4,696,707	20,491,800
Bursary – tertiary institutions (see attached list)	4,400,000	12,348,628
Bursary – special schools (see attached list)	0	240,000
Mock & CAT (see attached list)	0	0
Security projects (see attached list)	4,884,217	3,525,000
Sports projects (see attached list)	0	3,917,023
Environment projects (see attached list)	2,974,940	3,917,023
Emergency projects (see attached list)	3,842,024	0
Total	20,797,888	44,439,474

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

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	993,540	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	993,540	-

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	-	3,500,000
ICT Hub	-	-
	-	3,500,000

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Equity Bank, 0710261637282</i>	28,002,021	52,938,512
Total	28,002,021	52,938,512
10B: CASH IN HAND		
Location 1	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		

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11: OUTSTANDING IMPRESTS

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

12A. RETENTION

	2019 - 2020	2018-2019
	Kshs	Kshs
Supplier 1	-	-
Total	-	-

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	Kshs	Kshs
Isaac Mwangi	67,236	189,663
Eshter Ndegwa	62,670	174,981
Eva Wamuyu	57,090	138,186
Biancah Mwaniki	46,500	98,000
Samuel Mwangi	55,800	49,600
Total	289,296	650,430

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	52,938,512	1,253,084
Cash in hand	-	-
Imprest	-	-
Total	52,938,512	1,253,084

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	47,340,838	5,597,674	52,938,512
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
	47,340,838	5,597,674	52,938,512

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Outstanding Imprest as at 1 st July 2019 (A)	-	0
Imprest issued during the year (B)	4,040,020	7,251,790
Imprest surrendered during the Year (C)	4,040,020	7,251,790
Net changes in account receivables D= A+B-C	0	0

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	465,856	-
Supply of goods	-	-
Supply of services	-	-
	465,856	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	289,296	-
Others (<i>specify</i>)	-	-
	289,296	-

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	693,085	0
Use of goods and services	1,324,138	1,630,176
Amounts due to other Government entities (see attached list)	41,031,176	38,134,043
Amounts due to other grants and other transfers (see attached list)	28,369,424	16,189,303
Acquisition of assets	1,000,000	0
Others (<i>ICT Hubs</i>)	-	8,677,027
A-I-A	71,000	40,000
	72,488,823	64,670,549

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

17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	62,663,734	62,198,089
	62,663,734	62,198,089

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – ROYSAMBU CONSTITUENCY
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
Construction of buildings	a	b	c	d=a-c	
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4. Grading and gravelling of Garden Estate Primary school	3,741,000	August, 2019	3,275,144	465,856	To pay once the remaining works are completely done.
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – ROYSAMBU CONSTITUENCY

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
Senior Management		a	b	c	d=a-c	
1.						
2.						
3.						
Sub-Total						
Middle Management						
4.						
5.						
6.						
Sub-Total						
Unionisable Employees						
7.						
8.						
9.						
Sub-Total						
Others (NG-CDFC Staff)						
10. Isaac Kamau	N/A	270,244	31st Jan 2022	0	270,244	The gratuity will be paid at the end of the contract period(January 2022)
11. Esther Ndegwa	N/A	250,672	31st Jan 2020	0	250,672	
12. Eva Wamuyu	N/A	228,032	31st Jan 2022	0	228,032	

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
Reports and Financial Statements
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Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
13. Samuel Mwangi	N/A	223,200	31 st Jan 2022	0	223,200	
14. Biancah Mwaniki	N/A	186,000	31 st Jan 2022	0	186,000	
Sub-Total						
Grand Total		1,158,148			(1,158,148)	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – ROYSAMBU CONSTITUENCY

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees	Employee Salaries	693,085	0	
Use of goods & services	Purchase of fuel, repairs & maintenance, printing, stationery, telephone, travel and subsistence	1,324,138	1,630,176	
Sub Total		2,017,223	1,630,176	
Amounts due to other Government entities				
Garden Estate Sec Sch	Construction of an Ablution Block	3,500,000	2,000,000	
Garden Estate Sec Sch	Construction of 4NO. Classes	5,000,000		
Githurai Secondary School	Construction of an Ablution Block	4,677,027		
Githurai Secondary School	Construction of 4NO. Classes	7,329,115		
Kahawa Garrison Secondary School	Construction of 2NO. Classes	5,359,600		
Kamiti Secondary School	Construction of modern Kitchen and Completion of Dining Hall		2,000,000	
Kiwanja Secondary School	Construction of an ablution block	4,100,000	6,100,000	
Kiwanja Secondary School	Construction of 4NO. Classrooms (Phase III)		8,500,000	
Kiwanja Secondary School	Construction of 4NO. classrooms (Phase IV)	5,000,000	5,000,000	
Kiwanja Secondary School	Construction of Modern Twin Laboratory		7,000,000	
Kiwanja Secondary School	Drilling of a Borehole		3,748,632	
Roysambu Secondary School	Construction of 4NO. Classrooms		1,000,000	
SUB TOTAL		34,965,742	35,948,632	

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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Kiwanja Primary School	Additional funds for construction of an ablution block	231,034	231,034	
Kiwanja Primary School	Supply and delivery of 221 desks	1,458,600		
Kahawa Primary School	Supply and delivery of 221 desks	1,458,600		
Mahiga Primary School	Supply and delivery of 221 desks	1,458,600		
Njathaini Primary School	Supply and delivery of 221 desks	1,458,600		
Kenyaatta University Primary School	Construction of an Ablution Block		2,554,377	
Sub Total		6,065,434	2,785,411	
Grand-Total		41,031,176	38,134,043	

Amounts due to other grants and other transfers				
Githurai Chiefs/AP Camp	Construction of Chiefs/AP Camp	300,000		
Githurai Chiefs Camp	Additional funds for construction of Chiefs/AP houses Camp	3,736,592	7,600,000	
Thome Police Post	Construction of 3Single Units		525,000	
Sub- Total		4,036,592	8,125,000	
NG-CDF Offices	Construction of NG-CDF Offices	3,863,408		
NG-CDF Offices	Construction of NG-CDF Offices	4,855,867		
Bursary to Tertiary Institutions	Bursary award to needy and bright students	5,597,674	1,027,976	

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Constituency Sports	Constituency Tournament	227,586	1,963,792	
Environment Activities	Installation of dustbins in 3NO. Public Primary Schools	227,586	1,963,792	
Emergency	Unforeseen occurrence's	586,966	3,108,743	
Emergency	Unforeseen Occurrence's	3,108,743		
Emergency	Unforeseen Occurrence's	5,365,002		
Sub-Total	Unforeseen Occurrence's	23,832,832	8,064,303	
Acquisition of assets (NG-CDF Office)		1,000,000		
Others (ICT Hub)	Construction of 4NO. Internet Sites	Reallocated to Githurai Secondary School (Ablution Block)	4,677,027	
Strategic Plan			3,500,000	
Kamuthi- Githurai Bridge		500,000	500,000	
Sub-Total			8,677,027	
Un allocated funds (A-I-A)		71,000	40,000	
Grand Total		72,488,823	64,670,549	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/19
Land				
Buildings and structures				
Transport equipment				
Office equipment, furniture and fittings	2,697,560	993,540		3,691,100
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	2,697,560	993,540		3,691,100

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

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Kiwanja Secondary School PMC	Equity Bank	0710263683343	13,580,688	16,911,085
Muthaiga Primary School PMC	Equity Bank	0710169615309	148,022	148,022
Kahawa Primary School PMC	Equity Bank	0710169615207	9,620	9,620
Mahiga Primary School PMC	Equity Bank	0710169615263	3,899	3,899
Githurai Primary School PMC	Equity Bank	0710170691229	6,461,563	8,956,630
Kahawa Garrison Secondary School PMC	Equity Bank	1130279078716	2,160,054	0
Kamiti Secondary School PMC	Equity Bank	0710169615286	3,967,628	7,008,612
Githurai Secondary School PMC	Equity Bank	0710279261865	19,369,053	0
Roysambu SP & Website PMC	Equity Bank	0710265125322	30,060	100,180
Githurai Chiefs Camp PMC	Equity Bank	0710164999549	8,467,865	7,796,050
Roysambu Const. Envi. PMC	Equity Bank	0710265125462	2,979,434	2,224,794
Roysambu Const. Sports PMC	Equity Bank	0710265125134	64,546	2,157,088
Njathaini Primary School PMC	Cooperative Bank of Kenya	01134284238500	2,912	2,912
Garden Estate Primary School PMC	Cooperative Bank of Kenya	01141576865400	177,087	0
Garden Estate Secondary School PMC	Cooperative Bank of Kenya	01134575250401	2,721,751	7,837,275
Roysambu Secondary School PMC	Cooperative Bank of Kenya	01134284428400	0	6,367,665
Thome AP Police Post PMC	Cooperative Bank of Kenya	01134575510900	3,469	627,775
Kiwanja Primary School PMC	Family Bank	044000007040	38,812	38,812
Zimmerman Chiefs/ AP Camp	Family Bank of Kenya	044000007831	0	0
Kamiti Primary School PMC	Family Bank	044000007785	2,474,154	0
Kenyatta University Primary School PMC	National Bank of Kenya	01022205462900	3,117	2,007,581
Total			62,663,734	62,198,089

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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)
001/17-18	Cash and cash equivalents of Kshs. 1,253,084 yet bank reconciliation indicates unrepresented cheques of Kshs. 8,858,381 which includes stale cheques of Kshs. 1,686,846. This could not therefore confirm the cash equivalents of Kshs. 1,253,084	The unrepresented cheques could not be cancelled neither reversed since their maturity had not lapsed. The stale cheques amounting to Kshs. 1,686,846 were cancelled and reversed in the cashbook on the month of July 2018.	Mary Wanyika-Fund Account Manager	Not Resolved	December, 2020
002/17-18	Royambu NGCDF received Kshs. 128,765,638 against actual budget of Kshs. 75,507,381 resulting to under expenditure of Kshs. 53,258,257.	Royambu NGCDF had received Kshs.76, 753,447.10 out of which Kshs. 75,507,380.86 was utilized. This presents a total of 98.37% utilization budget. The Kshs. 53,258,257 explains the budget which was received after the close of the year under review.	Mary Wanyika-Fund Account Manager	Not Resolved	December, 2020

