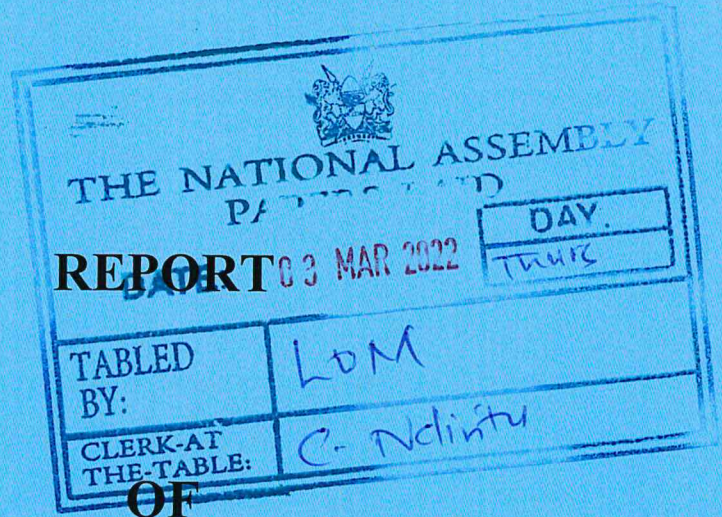


REPUBLIC OF KENYA



*Enhancing Accountability*



**THE AUDITOR-GENERAL**

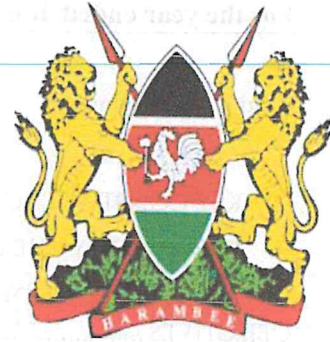
**ON**

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

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







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

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**TABLE OF CONTENT  
PAGE**

I.	KEY CONSTITUENCY INFORMATION AND MANAGEMENT .....	2
II.	FORWARD BY THE CHAIRMAN NG-CDF COMMITTEE .....	5
III.	STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES .....	9
IV.	CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING .....	12
V.	STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES .....	14
VI.	REPORT OF THE INDEPENDENT AUDITORS ON THE NG-CDF NDARAGWA CONSTITUENCY.....	15
VII.	STATEMENT OF RECEIPTS AND PAYMENTS .....	16
VIII.	STATEMENT OF ASSETS AND LIABILITIES.....	17
IX.	STATEMENT OF CASHFLOWS .....	18
X.	SUMMARY STATEMENT OF APPROPRIATION: RECUR RENT AND DEVELOPMENT COMBINED .....	19
XI.	SUMMARY STATEMENT OF APPROPRIATION: RECURRENT .....	20
XII.	SUMMARY STATEMENT OF APPROPRIATION-DEVELOPMENT.....	21
XIII.	BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES .....	22
XIV.	SIGNIFICANT ACCOUNTING POLICIES.....	26
XV.	NOTES TO THE FINANCIAL STATEMENTS .....	30
XVI.	ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE.....	39
XVII.	ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES .....	40
XVIII.	ANNEX 3 – UNUTILIZED FUND .....	41
XIX.	ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER .....	43
XX.	ANNEX 5 –PMC BANK BALANCES AS AT 30 <sup>TH</sup> JUNE 2020 .....	44
XXI.	PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS .....	46



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

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**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

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

**Mandate**

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

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

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

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

---

**Core Values**

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

**(b) Key Management**

The NG-CDF Ndaragwa 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 30<sup>th</sup> June 2020 and who had direct fiduciary responsibility were:

N	Designation	Name
o		
1.	A.I.E holder	A. Kiragu Mwangi
2.	Sub-County Accountant	Antony Ngunjiri
3.	Chairman NG-CDFC	Joshua Magu Iregi
4.	Member NG-CDFC	

**(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 -Ndaragwa 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 NDARAGWA Constituency Headquarters**

P.O. Box 16-20306  
CDF Office Building  
Nyahururu – Nyeri Road  
Ndaragwa, KENYA



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

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**(f) NG-CDF NDARAGWA Constituency Contacts**

Telephone: (254) 721898531  
E-mail: [cdfndaragwa@ngcdf.go.ke](mailto:cdfndaragwa@ngcdf.go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(g) NG-CDF NDARAGWA Constituency Bankers**

Bank Name: Cooperative Bank  
Branch: Nyahururu  
Account Name: Ndaragwa CDF  
Account Number: 01120037972400  
Address: Nyahururu

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

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

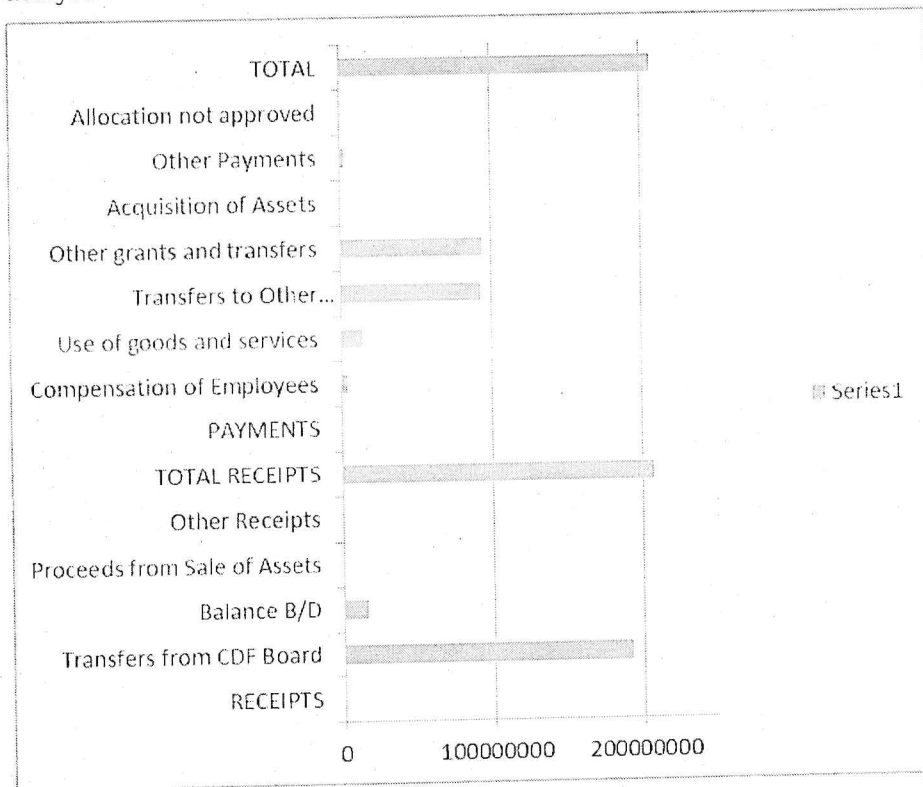
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**II.FORWARD BY THE CHAIRMAN NG-CDF COMMITTEE**

It is my great pleasure to present the annual report and financial statement prepared in accordance with the cash basis of accounting method under the International Public Sector Accounting Standard (IPSAS) for the financial year ended 30<sup>th</sup> June, 2020.

**Overall budget performance**

The overall budget performance stands as 60%. This was as a result of some of the funds delayed at the head office

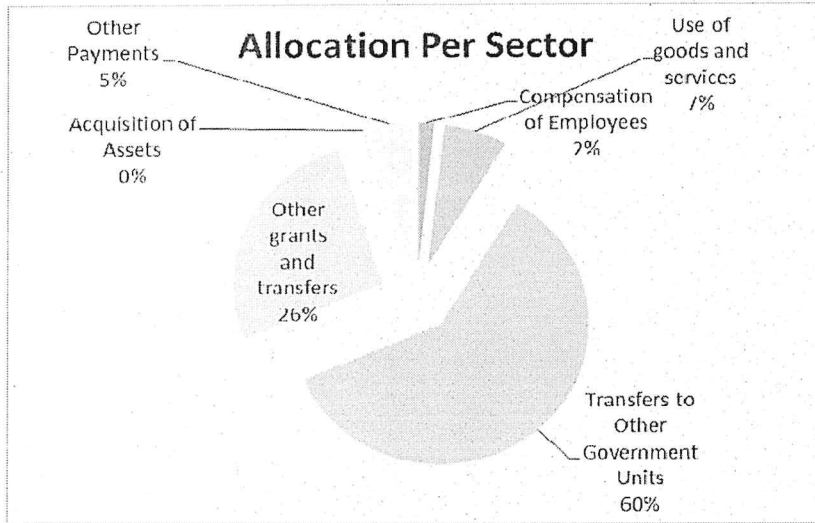


During the year most of the funds were channelled to other government units totalling to 61 % of the total payments



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

**Allocation per sector**



The NG-CDFC Ndaragwa has always allocated funds to projects to completion which has improved on the completion rates and value for money.

It is also important to highlight the need for the National Treasury to promptly release funds to the NG CDF Board to allow it disburse the same to the constituencies for efficiency and effectiveness in the implementation of projects.

The NG-CDF is planning to intensify PMC capacity building and carrying out intensive monitoring and evaluation to ensure any emerging challenge is sorted out within the shortest time possible.

The public are also encouraged to participate effectively in the identification of projects and having their priorities documented during public forums with a view to equity in distribution of funds.

NG-CDF Ndaragwa appreciates the recommendations from external and internal Auditors whose feedback has always been used to improve on the technical and financial management of projects.

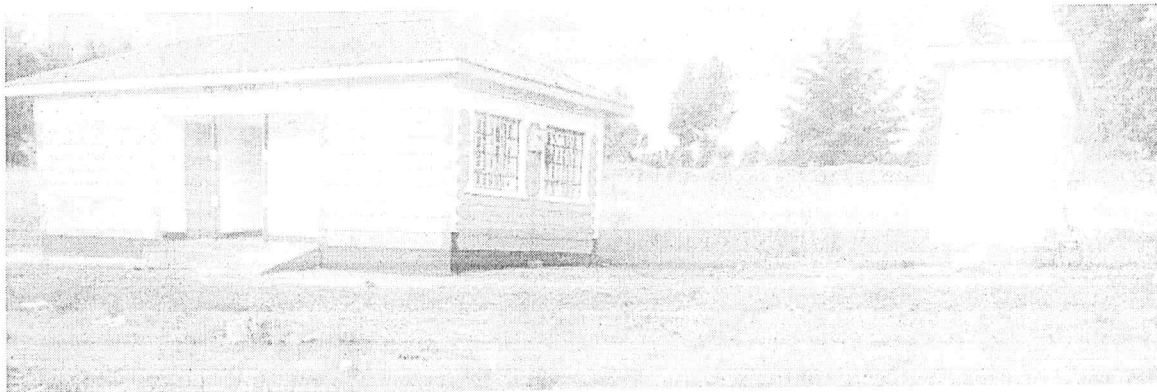
On complaints, the Fund Manager has always acknowledged, responded adequately, convincingly and in time.

I also take this opportunity to thank the NG CDF Board for its continued support during the financial year under review.

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

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**GATHANGA CHIEFS OFFICE**

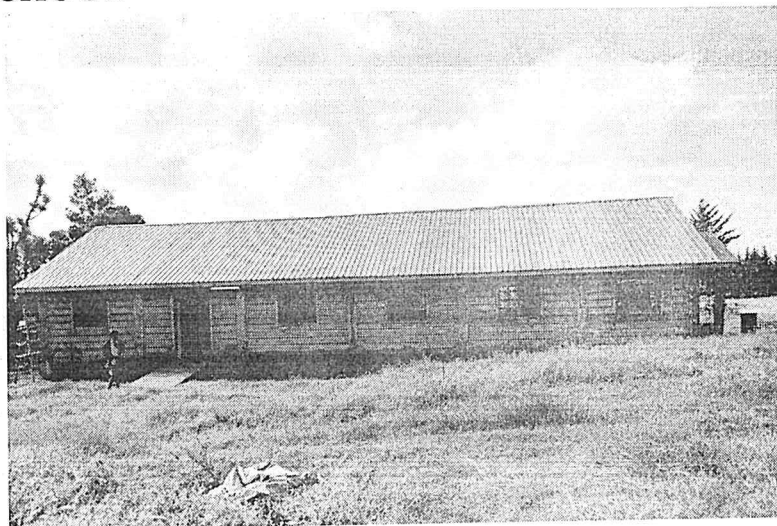


**Construction of Gathanga chief's office**

The police post will help in improving the security in the area and also offer the chief a decent working space as he doesn't have a permanent office it will also help him to serve the estimated 1,000 residents in a better way. .

**KARAGOINI SECONDARY SCHOOL**

Construction of a dining hall for the students to be able to have a comfortable place to have their lunches and also do other school based activities like drama among others the whole school population will benefit from this projects and also they can use the project as a an income generating project by renting it out to the community to hold public functions





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

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***MICHINDA PRIMARY SCHOOL CONSTRUCTION OF A DORMITORY***



Michinda primary school is one of the few boarding primary schools within the constituency it has big population and some of the students especially from class six the board so that they can be able to concentrate with their studies the school has dormitories that are made of iron sheets and NG-CDF Ndaragwa has come in to assist in construction of a dissent boarding facility for the students it also requires an additional dormitory for the girls.

Sign

**CHAIRMAN NG-CDF COMMITTEE**

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

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**III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES**

**Introduction**

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

Ndaragwa is a constituency whose capability for growth is promising. The constituency stands firm on the potential of its capable constituents, its geographical location and the existence of natural resources. The recognition of its potential development and growth majorly depends on its process of planning for and regulating physical and economic development that capitalizes on reliable opportunities and prudent financial and administrative threads.

To achieve its vision and mission, the NG - CDFC Ndaragwa has derived the following strategic objectives which are anchored on five priority areas as guided by the NG - CDF Act. Each objective has matching strategies and strategic activities:

- a. **Education and Training:** Improve infrastructure in learning institutions; improve access to education; and improve academic performance in KCPE and KCSE
- b. **Enhance and Sustain the Security:** Ensure that Ndaragwa Constituency has a secure and stable environment that fosters peaceful co-existence, democracy and prosperity
- c. **Conservation of environment for posterity:** Promote sustainable environment management practices in Ndaragwa Constituency
- d. **Youth, Culture and Sports:** Effective participation of youth in the socio-cultural development of Ndaragwa Constituency.
- e. **Information, Communication & Technology (ICT):** Increase access to innovations and ICT infrastructure in Ndaragwa Constituency

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

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:

Thematic Area	Strategic	Strategies	Expected Results	Performance
1. Education and Training	<p>b. To improve infrastructure in learning institutions</p> <p>c. To improve access to education</p> <p>d. To improve academic performance in KCPE and KCSE</p>	<ul style="list-style-type: none"> <li>• Timely disbursement of bursary funds to needy students in secondary schools and tertiary institutions</li> <li>• Construct classrooms in primary and secondary schools</li> <li>• Construct modern laboratories and dormitories in secondary schools</li> <li>• Construct kitchens and dining halls in primary and secondary schools</li> <li>• Fence learning institutions (primary, secondary and tertiary institutions)</li> <li>• Construct libraries and administration blocks in primary and secondary schools</li> <li>• Construct toilets and latrines in primary and secondary schools</li> <li>• Purchase desks and lockers in learning institutions</li> <li>• Distribute electricity to learning institutions</li> </ul>	<ul style="list-style-type: none"> <li>• Improved education standards</li> <li>• Increased transition from primary to secondary schools</li> <li>• Increased transition from secondary school to TVET and University</li> <li>• Improved retention of learners in primary, secondary and tertiary institutions</li> <li>• Increased number of youths with technical and vocational skills</li> <li>• Increased employability of skilled youth</li> <li>• Increase number of women with technical skills</li> </ul>	<p>In the FY 2019/2020. We increased schools' infrastructures through constructing 18 classrooms, 20 doors toilets and renovation of 24 classes            Construction of 3 dining hall</p>



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

**NDARAGWA CONSTITUENCY**

**Reports and Financial Statements**

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

2. Security	To enhance and sustain security in Ndaragwa Constituency	<ul style="list-style-type: none"> <li>• Construction of Deputy County Commissioner's office</li> <li>• Construction and renovations of Assistant County Commissioners Office</li> <li>• Construction of Chiefs and Assistant Chiefs offices</li> <li>• Construction of police stations and police posts</li> </ul>	<ul style="list-style-type: none"> <li>• Conducive working environment for security personnel</li> <li>• Increased security coverage</li> <li>• Secure business environment</li> </ul>	In the FY 2019/2020. We have increased security through completion of one chiefs office completion of 3 administration office and construction of 2 two posts with cells,
3. Environment	To promote sustainable environment management practices	<ul style="list-style-type: none"> <li>• Construct -toilets in schools</li> <li>• Plant trees in public schools and chiefs' offices</li> <li>• Create awareness on use of energy saving jikos</li> </ul>	<ul style="list-style-type: none"> <li>• Increases awareness and use of green economy in the Constituency</li> <li>• Increase forest cover in the Constituency</li> <li>• A more informed citizenry on environmental conservation</li> </ul>	In the FY 2019/2020. We have improved environmental management through water harvesting program in 3 schools to help in water management.
4. Youth, Culture and Sports	To harness youth talent and promote local culture To promote sustainable youth empowerment programmes	<ul style="list-style-type: none"> <li>• Conduct campaigns on drugs and substance abuse, and on HIV and AIDS</li> <li>• Create awareness on the establishment of youth groups.</li> <li>• Support cultural exhibitions</li> <li>• Support football tournaments</li> <li>• Purchase sporting uniforms and equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Job opportunity for talented youth</li> <li>• A positively engaged youth</li> <li>• Reduced Crime rate</li> </ul>	In the FY 2019/2020. We have improved community integration through clubs' participation and distributing of sports uniforms, balls and trophies
5. ICT	To increase access to ICT infrastructure	<ul style="list-style-type: none"> <li>• Construct ICT laboratories in schools</li> <li>• Install ICT infrastructure in the NG – CDF Ndaragwa offices</li> <li>• Establish ICT Hubs for the community</li> </ul>	<ul style="list-style-type: none"> <li>• Efficiency in service delivery</li> <li>• Increased number of youths doing online businesses</li> <li>• Lowered cost of doing business</li> </ul>	The office was able to have one ict hub operational at the NGCDF Office

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

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

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

**2. ENVIRONMENTAL PERORMANCE**

The NG-CDFC Ndaragwa has an objective ensuring that we promote sustainable environment management practices

This is done by ensuring the we;

- Construct proper toilets in schools
- Plant trees in public schools and chiefs' offices
- water harvesting in public schools
- Create awareness on use of energy saving Jikos
- Train people on various ways of conserving the environment

The Expected Results are

- Increases awareness and use of green economy in the Constituency
- Increase forest cover in the Constituency
- A more informed citizenry on environmental conservation

**3. EMPLOYEES WELFARE**

NG-CDFC Ndaragwa undertakes recruitment 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 orientations and promotions depending of ones performance

**4. MARKET PLACE PRACTICES**

NG-CDFC fund was designed to support constituency-level, grass-root development projects. It is aimed to achieve equitable distribution of development resources across regions and to control imbalances in regional development brought about by partisan politics. It targets all constituency-level development projects, particularly those aiming to combat poverty at the grassroots and entrench equitable distribution of development in line with the NG-CDFC Act 2015 provisions

The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

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

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a. **Responsible competition practice.**

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

b. **Responsible Supply chain and supplier relations**

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

c. **Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices**

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

d. **Product stewardship**

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

## 5. COMMUNITY ENGAGEMENTS

### Public Participation in Project Identification and Implementation and Monitoring

NG-CDF Ndaragwa through the chairperson of the ensures that there was public participation to deliberate on development matters in the ward and in the constituency. NG-CDFC then deliberate on project proposals from all the wards in the constituency and any other projects which the Constituency Committee considers beneficial to the constituency,

We conduct public participation with stakeholders to :

- We get the information that helps us to understand the issues, options, and solutions available for the projects
- Helps in obtaining their feedback on alternatives or decisions
- Enhances project ownership
- Increase accountability hence ensure local citizens gain skills and confidence to carryout social audits as means to enhanced accountability in management of other devolved funds apart from NG-CDF at constituency and other levels within the constituency
- Ensuring implementation of NG-CDF funded projects are transparent and known to everybody within the community



**V. STATEMENT OF NGCDF NDARAGWA MANAGEMENT RESPONSIBILITIES**

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

The Accounting Officer in charge of the NG-CDF Ndaragwa 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 NG-CDF Ndaragwa; (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 Ndaragwa Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the NG-CDF Ndaragwa 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 Ndaragwa Constituency further confirms the completeness of the accounting records maintained for the NG-CDF Ndaragwa, 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 Ndaragwa Constituency confirms that the NG-CDF Ndaragwa has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

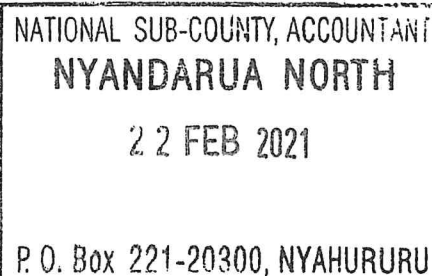
The NG-CDF Ndaragwa Constituency financial statements were approved and signed by the Accounting Officer on **Feb 22nd 2021**.



Fund Account Manager  
Name: A.KIRAGU MWANGI



Sub-County Accountant  
Name: Antony Ngunjiri  
ICPAK Member Number: 15171







# REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NDARAGWA 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 - Ndaragwa Constituency set out on pages 16 to 48 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 - Ndaragwa Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

#### **Basis for Qualified Opinion**

##### **1. Unsupported and Omitted Project Management Committee (PMC) Account Balances**

Note 17.4 to the financial statements reflects forty-eight (48) bank accounts with a balance of Kshs.23,900,952 for Project Management Committee and as detailed under Annex 5. However, two (2) bank accounts with cumulative balances of Kshs.1,665,128 are not supported by way of bank reconciliation statements, certificate of bank balances and bank statements. Further, the comparative column for the year 2018/2019 reflects nine (9) projects with a total of Kshs.1,967,899.24 which have not been reported in the year under review. The project expenditure returns, bank statements and handover reports after completion of the nine projects were not provided for verification and the Management failed to provide evidence that the projects had been closed and handed over. This is contrary to Section 15(1) of National Government Constituencies Development Fund Regulations, 2016.



In the circumstances, the accuracy and completeness of the reported PMC bank account balance of Kshs.23,900,952 as at 30 June, 2020 could not be confirmed.

## **2. Payment for Works not Done**

As disclosed under Note 6 to the financial statements, the statement of receipts and payments reflects transfers to other government units of Kshs.78,066,000 which includes transfers to secondary schools of Kshs.41,066,000. However, physical verification during the month of February, 2021 reflects that payments totaling to Kshs.5,245,595 had been transferred to Kihara Secondary School for three(3) projects which were indicated as complete and in use yet the works had either not been done or were partly done.

In the circumstances, the accuracy and completeness of expenditure of Kshs.5,245,595 incurred on transfer to other government entities 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 - Ndaragwa 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 receipts on comparable basis of Kshs.200,224,270 and Kshs.115,540,876 respectively resulting to an under-funding of Kshs.84,683,394 or 43% of the budget. The underfunding affected the planned activities and projects which may have impacted negatively on service delivery for the constituents of Ndaragwa.

##### **1.2 Under Expenditure**

The summary statement of appropriation further reflects final expenditure budget and actual expenditure on comparable basis of Kshs.200,224,271 and Kshs.125,750,821 respectively resulting to an under-expenditure of Kshs.74,473,450 or 37% of the budget. The under expenditure resulted to delayed benefits to be derived from the projects by the constituents of Ndaragwa.

No satisfactory explanation has been given 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.

## **2. Incomplete Projects**

During the audit, twenty-six (26) projects with a total disbursement of Kshs.60,887,524.20 were inspected in the month of February, 2021. The following issues were noted;

- i. Incomplete projects but already put in to use,
- ii. branding or project labelling not done.

Consequently, the Fund may have failed to obtain value for money spent on the projects valued at Kshs.60,887,524.20 for the year ended 30 June, 2020. Further service delivery of goods and services to the residents of Ndaragwa Constituency may not have been achieved.

## **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**

#### **1. Unsupported Projects**

As disclosed under Note 9 to the financial statements, the statement of receipts and payments reflects other payments of Kshs.3,357,884;(2019-Kshs.1,869,257) on consultancy for development of a strategic plan. Review of delivery documents reflects that one hundred (100) copies of the final document were delivered to the constituency but the payment is not supported by way of contract agreement detailing the terms of engagement, scope of the assignment, terms of reference or expected deliverables.

In the circumstances, value for money of Kshs.3,357,884 incurred on development of strategic plan for the year ended 30 June, 2020 could not be confirmed.

#### **2. Emergency Projects**

As disclosed under Note 7 to the financial statements, the statement of receipts and payments reflects other grants and transfers of Kshs.33,209,403;(2019-Kshs.56,548,725). This amount includes Kshs.12,364,730 incurred on emergency projects. However, transfer of Kshs.6,900,000 to four (4) institutions were used in construction of toilets, removal of asbestos from dining hall and installation of water system and the reason given was that the toilets and the roof were dilapidated and the water system works were necessary.

This was contrary to Section 8(3) of the NGCDF Act, 2015 which states that an Emergency shall be construed to mean an urgent, unforeseen need for expenditure for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of the constituents.

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, RISK MANAGAEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

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

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

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

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

**Nairobi**

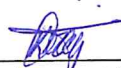
**27 January, 2022**

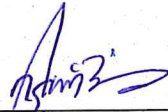
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)  
 NDARAGWA CONSTITUENCY  
 Reports and Financial Statements  
 For the year ended June 30, 2020**

**VII. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from CDF board	1	115,540,876	106,345,690
Proceeds from sale of assets	2	-	-
Other Receipts	3	-	99,000
<b>TOTAL RECEIPTS</b>		<b>115,540,876</b>	<b>106,444,690</b>
<b>PAYMENTS</b>			
Compensation of employees	4	2,143,787	1,527,754
Use of goods and services	5	8,673,747	7,502,000
Transfers to Other Government Units	6	78,066,000	30,572,122
Other grants and transfers	7	33,209,403	56,548,725
Acquisition of Assets	8	300,000	-
Other Payments	9	3,357,884	1,869,257
<b>TOTAL PAYMENTS</b>		<b>125,750,821</b>	<b>98,019,857</b>
<b>SURPLUS/DEFICIT</b>		<b>(10,209,945)</b>	<b>8,424,833</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Ndaragwa Constituency financial statements were approved on Feb 22nd 2021 and signed by:

  
 Fund Account Manager  
 Name: A.KIRAGU MWANGI

  
 Sub-County Accountant  
 Name: Antony Ngunjiri  
 ICPAK Member Number: 15171

FUND ACCOUNT MANAGER  
 NDARAGWA NG-CDF  
 P. O. Box 10 - 20300, NDARAGWA

NATIONAL SUB-COUNTY, ACCOUNTANT  
 NYANDARUA NORTH  
 22 FEB 2021  
 P. O. Box 221-20300, NYAHURURU

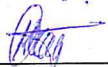


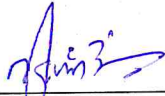
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)**  
**NDARAGWA CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

**VIII. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2019-2020 Kshs	2018-2019 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	5,105,725	15,315,670
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>5,105,725</b>	<b>15,315,670</b>
<b>Current Receivables</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>5,105,725</b>	<b>15,315,670</b>
<b>FINANCIAL LIABILITES</b>			
<b>Accounts Payable</b>			
Retention	12A	-	-
Gratuity	12B	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>
<b>NET FINANCIAL ASSETS</b>		<b>5,105,725</b>	<b>15,315,670</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	15,315,670	6,890,838
Surplus/Defict for the year		(10,209,945)	8,424,833
Prior year adjustments	14	-	-
<b>NET LIABILITIES</b>		<b>5,105,725</b>	<b>15,315,670</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Ndaragwa Constituency financial statements were approved on Feb 22nd 2021 and signed by:

  
Fund Account Manager  
Name: A.KIRAGU MWANGI

  
Sub-County Accountant  
Name: Antony Ngunjiri  
ICPAK Member Number: 15171

ACCOUNTANT  
NDARAGWA CDF  
P.O. Box 221-20300, NYAHURURU

NATIONAL SUB-COUNTY, ACCOUNTANT  
**NYANDARUA NORTH**  
**22 FEB 2021**  
P. O. Box 221-20300, NYAHURURU

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


**Reports and Financial Statements**

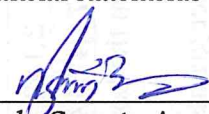
**For the year ended June 30, 2020**

**IX. STATEMENT OF CASHFLOWS**

	Note	2019-2020	2018-2019
		Kshs	Kshs
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Transfers from CDF Board	1	115,540,876	106,345,690
Other Receipts	3	-	99,000
<b>Total Receipts</b>		<b>115,540,876</b>	<b>106,444,690</b>
<b>Payments</b>			
Compensation of Employees	4	2,143,787	1,527,754
Use of goods and services	5	8,673,747	7,502,000
Transfers to Other Government Units	6	78,066,000	30,572,122
Other grants and transfers	7	33,209,403	56,548,725
Other Payments	9	3,357,884	1,869,257
<b>Total Payments</b>		<b>125,450,821</b>	<b>98,019,857</b>
<b>Total Receipts Less Total Payments</b>		<b>(9,909,945)</b>	<b>8,424,833</b>
<b>Adjusted for:</b>			
Outstanding Imprest	11	-	-
Retention	12A	-	-
Gratuity Payable	12B	-	-
Prior Year adjustment	14	-	-
<b>Net Adjustments</b>		<b>-</b>	<b>-</b>
<b>Net cash flow from operating activities</b>		<b>(9,909,945)</b>	<b>8,424,833</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	300,000	-
<b>Net cash flows from Investing Activities</b>		<b>300,000</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(10,209,945)</b>	<b>8,424,833</b>
Cash and cash equivalent at BEGINNING of the year	13	15,315,670	6,890,838
Cash and cash equivalent at END of the year		5,105,725	15,315,670

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Ndaragwa Constituency financial statements were approved on Feb 22nd 2021 and signed by:

  
Fund Account Manager  
Name: A.KIRAGU MWANGI

  
Sub-County Accountant  
Name: Antony Ngunjiri

FUND ACCOUNT MANAGER  
NDARAGWA NG-CDF  
P. O. Box 16 - 20306, NDARAGWA





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

**X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	137,466,724	62,757,546	200,224,270	115,540,876	84,683,394	57.7%
Balance B/D						
Proceeds from Sale of Assets						
Other Receipts						
<b>TOTAL RECEIPTS</b>	<b>137,466,724</b>	<b>62,757,546</b>	<b>200,224,270</b>	<b>115,540,876</b>	<b>84,683,394</b>	<b>57.7%</b>
<b>PAYMENTS</b>						
Compensation of Employees	2,439,968	1,442,407	3,882,375	2,143,787	1,738,588	55.2%
Use of goods and services	8,712,515	5,544,697	14,257,212	8,673,747	5,583,465	60.8%
Transfers to Other Government Units	66,216,000	29,000,000	95,216,000	78,066,000	17,150,000	82.0%
Other grants and transfers	60,098,241	20,970,442	81,068,683	33,209,403	47,859,281	41.0%
Acquisition of Assets		300,000	300,000	300,000	-	100.0%
Other Payments		5,500,000	5,500,000	3,357,884	2,142,116	61.1%
<b>TOTAL</b>	<b>137,466,724</b>	<b>62,757,546</b>	<b>200,224,271</b>	<b>125,750,821</b>	<b>74,473,450</b>	<b>62.8%</b>

- The budget utilization for compensation of employees was 55.2% apparently caused by late disbursement of funds from the board
  - Use of goods and services 60.8% also brought about by late disbursement of funds hence low rate of absorption
  - Transfers to other government units 82.0%, similarly brought about by late disbursement of funds from the board Other grants and transfers 41.0%, which was due to late disbursement of funds from the board specifically bursaries due to covid issues
  - All sectors are below 90%, and this is mainly because of late disbursements from the board thereby affecting budget absorption
- The NG-CDF-Ndaragwa Constituency financial statements were approved on Feb 22nd 2021 and signed by:

Fund Account Manager  
**Name: A.KIRAGU MWANGI**

**FUND ACCOUNT MANAGER**  
**NDARAGWA NG-CDF**  
**P.O. BOX 21369, NDARAGWA**

Sub-County Accountant

**Name: Antony Ngunjiri**  
**ICPAK Member Number: 15171**

**22 FEB 2021**

**NATIONAL SUB-COUNTY ACCOUNTANT**  
**NYANDARUA NORTH**

**P. O. Box 221-20300, NYAHURURU**



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


XI. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparative Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	11,152,483	6,987,104	18,139,587	8,673,747	9,465,840	47.8%
Balance B/D					-	
Proceeds from Sale of Assets					-	
Other Receipts					-	
<b>TOTAL RECEIPTS</b>	<b>11,152,483</b>	<b>6,987,104</b>	<b>18,139,587</b>	<b>8,673,747</b>	<b>9,465,840</b>	<b>47.8%</b>
<b>PAYMENTS</b>						
Compensation of Employees	2,439,968	1,442,407	3,882,375	2,143,787	1,738,588	55.2%
Use of goods and services	8,712,515	5,544,697	14,257,212	8,673,747	5,583,465	60.8%
<b>TOTAL</b>	<b>11,152,483</b>	<b>6,987,104</b>	<b>18,139,587</b>	<b>10,817,534</b>	<b>7,322,053</b>	<b>59.6%</b>

- The budget utilization for compensation of employees was 55.2%, apparently caused by late disbursement of funds from the board
- Use of goods and services 60.8%, also brought about by late disbursement of funds hence low rate of absorption All sectors are below

The NG-CDF Ndaragwa Constituency financial statements were approved on Feb 22nd 2021 and signed by:

  
Fund Account Manager  
Name: A.KIRAGU MWANGI

  
Sub-County Accountant  
Name: Antony Ngunjiri  
ICPAK Member Number: 12044

FUND ACCOUNT MANAGER  
NDARAGWA NG-CDF  
P. O. Box 16 - 20306, NDAKAGWA

ICPAK MEMBER NUMBER 12044  
SUB-COUNTY, ACCOUNTANT  
**NYANDARUA NORTH**  
22 FEB 2021  
P. O. Box 221-20300, NYAHURURU

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


**XII. SUMMARY STATEMENT OF APPROPRIATION-DEVELOPMENT**

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparabl e Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	126,314,241	55,770,442	182,084,683	106,867,129	75,217,554	58.7%
Balance B/D					-	
Proceeds from Sale of Assets				-	-	
Other Receipts				-	-	
<b>TOTAL RECEIPTS</b>	<b>126,314,241</b>	<b>55,770,442</b>	<b>182,084,683</b>	<b>106,867,129</b>	<b>75,217,554</b>	<b>58.7%</b>
<b>PAYMENTS</b>						
Transfers to Other Government Units	66,216,000	29,000,000	95,216,000	78,066,000	17,150,000	82.0%
Other grants and transfers	60,098,241	20,970,442	81,068,683	33,209,403	47,859,281	41.0%
Acquisition of Assets		300,000	300,000	300,000	-	100.0%
Other Payments		5,500,000	5,500,000	3,357,884	2,142,116	61.1%
<b>TOTAL</b>	<b>126,314,241</b>	<b>55,770,442</b>	<b>182,084,683</b>	<b>114,933,287</b>	<b>67,151,397</b>	<b>63.1%</b>

- Transfers to other government units 82.0%, similarly brought about by late disbursement of funds from the board Other grants and transfers 41.0%, which was due to late disbursement of funds from the board specifically bursaries due to covid issues

The NG-CDF Ndaragwa Constituency financial statements were approved on **Feb 22nd 2021** and signed by:

  
Fund Account Manager  
Name: **A.KIRAGU MWANGI**

  
Sub-County Accountant  
Name: **Antony Ngunjiri**  
ICPAK Member Number: **15171**

**NATIONAL SUB-COUNTY ACCOUNTANT**  
**NYANDARUA NORTH**

**22 FEB 2021**

**FUND ACCOUNT MANAGER**  
**NDARAGWA NG-CDF**  
P. O. Box 16 - 20306, NDARAGWA

**P. O. Box 221-20306, NYAHURURU**



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 comparable basis	Budget utilization difference
	2019/2020. Kshs	Kshs	2019/2020. Kshs	2019/2020. Kshs	2019/2020. Kshs
<b>1.0 Administration</b>					
Employees' Salaries	2,439,968.00	1,442,407	3,882,375	2,143,787.00	1,738,588
Goods and Services	2,088,513.04	1,453,934	3,542,447	2,456,247.00	1,086,200
Committee Expenses	2,500,000.00	2,282,600	4,782,600	2,108,500	2,674,100
<b>Sub-Total</b>	<b>7,028,481</b>	<b>5,178,941</b>	<b>12,207,422</b>	<b>6,708,534</b>	<b>5,498,888</b>
<b>2.0 Monitoring and Evaluation</b>					
Goods and Services	924,001.72	627,975	1,551,976	1,088,000	463,976
Committee Expenses	1,200,000	885,810	2,085,810	1,241,000	844,810
Capacity Building of NG-CDFs/PMCs	2,000,000.00	294,379	2,294,379	1,780,000	514,379
<b>Sub-Total</b>	<b>4,124,001.72</b>	<b>1,808,164</b>	<b>5,932,165</b>	<b>4,109,000</b>	<b>1,823,165</b>
<b>3.0 Emergency</b>					
Emergency	7,198,241.38	6,233,924	13,432,166	12,364,730	1,067,437
<b>Sub-Total</b>	<b>7,198,241</b>	<b>6,233,924</b>	<b>13,432,166</b>	<b>12,364,730</b>	<b>1,067,437</b>
<b>4.0 Bursary and Social Security Programme</b>					
Bursary Secondary Schools	18,000,000.00	3,611,344.00	21,611,344	3,061,500	18,549,844
Bursary Special Schools	1,500,000.00	3,803,000.00	5,303,000		5,303,000
Bursary Tertiary Schools	13,000,000.00	3,467,000.00	16,467,000	2,228,000	14,239,000
Social Security Programmes - NHIF	7,500,000.00		7,500,000		7,500,000
<b>Sub-Total</b>	<b>40,000,000</b>	<b>10,881,344</b>	<b>50,881,344</b>	<b>5,289,500</b>	<b>45,591,844</b>
<b>5.0 Sports</b>					
Constituency Sports Activities	2,700,000.00	1,927,587	1,927,587	1,927,587	
	2,700,000.00		2,700,000	2,700,000	
	<b>2,700,000</b>	<b>1,927,587</b>	<b>4,627,587</b>	<b>4,627,587</b>	<b></b>



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

<b>6.0 Environment</b>							
environment		227,586		227,586		227,586	-
Karagoini Primary School	300,000.00		300,000				300,000
Subuku Primary School	300,000.00		300,000				300,000
Olborosat Primary School	300,000.00		300,000				300,000
Kireta Secondary School	300,000.00		300,000				300,000
Irigithathi Secondary School	1,500,000.00		1,500,000			1,500,000.00	-
<b>Sub-Total</b>	<b>2,700,000</b>	<b>227,586</b>	<b>2,927,586</b>		<b>1,727,586</b>	<b>1,200,000</b>	
<b>7.0 Primary School Projects</b>							
Nyonioro Primary School		3,000,000	3,000,000			3,000,000	-
Murichu Primary school		2,600,000	2,600,000			2,600,000	-
Kahutha primary school		2,600,000	2,600,000			2,600,000	-
Simbara primary school		1,000,000	1,000,000			1,000,000	-
Gitare primary school		1,300,000	1,300,000			1,300,000	-
Muruai Boarding primary school		2,000,000	2,000,000			2,000,000	-
Kaheho Primary School		2,500,000	2,500,000			2,500,000	-
Makerereka Primary School		2,200,000	2,200,000			2,200,000	-
Wangu Primary School		1,500,000	1,500,000			1,500,000	-
Ihigaini Primary School		2,600,000	2,600,000			2,600,000	-
Uruku Primary School		600,000	600,000			600,000	-
Mutangwa primary school		2,200,000	2,200,000			2,200,000	-
Kagondo Primary School		800,000	800,000			800,000	-
Mbuyu Primary School		1,200,000	1,200,000			1,200,000	-
Mwai Kibaki Primary School		3,500,000	3,500,000			3,500,000	-
Nyonioro Primary School		600,000	600,000			600,000	-
Nyakinyua Primary School		800,000	800,000			800,000	-
Itonyero Primary School		700,000	700,000			700,000	-
Ndaragwa primary school		3,500,000	3,500,000			3,500,000	-
Michinda primary school		2,000,000	2,000,000			2,000,000	-
Mahiany Primary School		800,000	800,000			800,000	-
Primary schools- school lockers		2,500,000	2,500,000			2,500,000	-
<b>Sub-Total</b>	<b>25,500,000</b>	<b>15,000,000</b>	<b>40,500,000</b>		<b>37,000,000</b>	<b>3,500,000</b>	

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

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

<b>8.0 Secondary School Projects</b>							
Kihara secondary		3,500,000	3,500,000	3,500,000	3,500,000		~
Mung'etho secondary school		2,500,000	2,500,000	2,500,000	2,500,000		~
Aberdare Girls Secondary school		1,200,000	1,200,000	1,200,000	1,200,000		~
Simbara Secondary School		3,000,000	3,000,000	3,000,000	3,000,000		~
Raichiri secondary school		3,800,000	3,800,000	3,800,000	3,800,000		~
Kihuka Secondary School	3,600,000		3,600,000	3,600,000		3,600,000	
Kimaru Secondary School	3,600,000		3,600,000	3,600,000		3,600,000	
Kahuitha Secondary School	1,300,000		1,300,000	1,300,000		1,300,000	
Aberdare mixed Secondary School	3,600,000		3,600,000	3,600,000		3,600,000	
Irigithathi Secondary School	3,500,000		3,500,000	3,500,000		3,500,000	~
Kagondo Secondary School	3,500,000		3,500,000	3,500,000		3,500,000	~
Mbuyu Secondary School	3,500,000		3,500,000	3,500,000		3,500,000	~
Mathingira Secondary School	510,000		510,000	510,000		510,000	~
Kambaa Secondary School	1,800,000		1,800,000	1,800,000		1,800,000	~
Karago-ini secondary school	3,500,000		3,500,000	3,500,000		3,500,000	~
Mung'etho Secondary School	500,000		500,000	500,000		500,000	~
Kihara Secondary School	1,756,000		1,756,000	1,756,000		1,756,000	~
subuku secondary school	3,500,000		3,500,000	3,500,000		3,500,000	~
Ngaindeithia Secondary school	1,500,000		1,500,000	1,500,000		1,500,000	~
simbara secondary school	1,550,000		1,550,000	1,550,000		1,550,000	~
Uruku secondary school	3,500,000		3,500,000	3,500,000		3,500,000	~
<b>Sub-Total</b>	<b>40,716,000</b>	<b>14,000,000</b>	<b>54,716,000</b>	<b>41,066,000</b>	<b>13,650,000</b>		
<b>10.0 Security Projects</b>							
Gathanga Chiefs Office		2,500,000	2,500,000	2,500,000		2,500,000	~
Uruku chiefs office		500,000	500,000	500,000		500,000	~
Ndururi chiefs office		700,000	700,000	700,000		700,000	~
Shamata ACC's office	1,500,000		1,500,000	1,500,000		1,500,000	~
Ndivai Chiefs Office	2,000,000		2,000,000	2,000,000		2,000,000	~
Kirima Asistant Chief	2,000,000		2,000,000	2,000,000		2,000,000	~
	<b>5,500,000</b>	<b>3,700,000</b>	<b>9,200,000</b>	<b>9,200,000</b>		<b>9,200,000</b>	~

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

**Reports and Financial Statements**

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

11.0 Acquisitions of Assets						
office computers and photocopier		300,000	300,000	300,000	-	-
12. other payments						
Strategic Plan		3,500,000	3,500,000	3,357,884	142,116	
office road grading						
grading and murraining of office road		2,000,000	2,000,000	-	-	2,000,000
Sub-Total		2,000,000	3,500,000	5,500,000	3,357,884	2,142,116
<b>GRAND TOTAL</b>		<b>137,466,724</b>	<b>62,757,546</b>	<b>200,224,270</b>	<b>125,750,821</b>	<b>74,331,450</b>



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

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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 NG-CDF-Ndaragwa 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.

**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.

**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.

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

**Reports and Financial Statements**

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

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**SIGNIFICANT ACCOUNTING POLICIES**

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.

**5. In-kind contributions**

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

**6. Cash and Cash Equivalents**

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

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

**Reports and Financial Statements**

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

**SIGNIFICANT ACCOUNTING POLICIES**

**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 NG-CDF Act, 2015.

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament 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.

**SIGNIFICANT ACCOUNTING POLICIES**

**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.



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

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

**XV. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2019-2020	2018-2019
		Kshs	Kshs
NG-CDF Board			
Normal Allocation	B005125		52,345,690
.	B047506		30,000,000
.	B047530		24,000,000
.	B047300	47,540,876	~
.	B041170	4,000,000	~
.	B041330	18,000,000	~
.	B047747	5,000,000	~
	B104061	15,000,000	~
	B104440	15,000,000	~
	B096631	11,000,000	~
			~
Conditional grants		~	
.			
Receipt from other Constituency		-	~
<b>TOTAL</b>		<b>115,540,876</b>	<b>106,345,690</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	2019-2020	2018-2019
	Kshs	Kshs
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

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

**Reports and Financial Statements**

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

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

**3. OTHER RECEIPTS**

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from Sale of tender documents	0	99,000.00
Other Receipts Not Classified Elsewhere	0	0
	0	0
<b>Total</b>	<b>0</b>	<b>99,000.00</b>

**4. COMPENSATION OF EMPLOYEES**

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	1,654,156	1,527,754
Personal allowances paid as part of salary	-	-
Pension and other social security contributions (Gratuity)	489,631	-
Employer Contributions Compulsory national social security schemes	-	-
<b>Total</b>	<b>2,143,787</b>	<b>1,527,754</b>



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

**Reports and Financial Statements**

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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

	2019-2020	2018-2019
	Kshs	Kshs
Utilities, supplies and services	568,341	-
Electricity	-	35,000
Office rent	-	-
Communication, supplies and services	90,000	-
Domestic travel and subsistence	83,900	117,200
Printing, advertising and information supplies & services	109,156	432,840
Rentals of produced assets	-	-
Training expenses	1,780,000	2,247,000
Hospitality supplies and services	160,700	-
Other committee expenses	582,500	-
Committee allowance	2,881,000	3,081,590
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	515,680	403,310
Fuel , oil & lubricants	970,000	600,000
Other operating expenses	77,420	18,000
Bank service commission and charges	36,980	64,110
Security operations	-	130,000
Routine maintenance - vehicles and other transport equipment	712,470	372,950
Routine maintenance- other assets	105,600	-
<b>TOTAL</b>	<b>8,673,747</b>	<b>7,502,000</b>

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (Projects)	34,500,000	22,164,352
Transfers to primary schools(school desks)	2,500,000	-
Transfers to secondary schools	41,066,000	8,407,770
Transfers to health institutions	-	-
<b>TOTAL</b>	<b>78,066,000</b>	<b>30,572,122</b>

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

**Reports and Financial Statements**

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

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

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2019-2020	2018-2019
	Kshs	Kshs
Bursary –Secondary	3,061,500	23,072,756
Bursary –Tertiary	2,228,000	11,348,900
Bursary-Special schools	-	797,000
Bursary- social security	-	4,362,069
Security	9,200,000	7,588,794
Sports	4,627,586	1,736,207
Environment	1,727,586	1,000,000
Emergency Projects	12,364,730	4,643,000
Roads and bridges projects	-	2,000,000
<b>TOTAL</b>	<b>33,209,403</b>	<b>56,548,725</b>

**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	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	300,000	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
<b>Total</b>	<b>300,000</b>	<b>0</b>

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

**Reports and Financial Statements**

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

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

**9. OTHER PAYMENTS**

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	3,357,884	
ICT Hub	~	1,169,257
Office repairs	~	700,000
<b>TOTAL</b>	<b>3,357,884</b>	<b>1,869,257</b>

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

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
cooperative bank , Nyahururu, Account No. 01120037972400	5,105,725	15,315,670
<b>Total</b>	<b>5,105,725</b>	<b>15,315,670</b>
<b>10B: CASH IN HAND</b>		
	~	~
	~	~
<b>Total</b>	<b>~</b>	<b>~</b>

**11: OUTSTANDING IMPRESTS**

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
		~	~	~
		~	~	~
		~	~	~
		~	~	~
<b>Total</b>				<b>00</b>



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

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12A. RETENTION

	2019 - 2020	2018-2019
	Kshs	Kshs
	0	0
	0	0
	0	0
	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

/

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	Kshs	Kshs
	0	0
	0	0
	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	0	0
Cash in hand	0	0
Imprest	0	0
	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

14. PRIOR YEAR ADJUSTMENTS

Description of the error	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
	Kshs		Kshs
Bank account Balances	0	0	0
Cash in hand	0	0	0
Accounts Payables	0	0	0
Receivables	0	0	0
		0	0

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

**Reports and Financial Statements**

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

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

**a. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST**

	2019-2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July 2019 (A)	0	0
Imprest issued during the year (B)	0	0
Imprest surrendered during the Year (C)	0	0
Net changes in account receivables D= A+B-C	0	0

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

	2019-2020	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July 2019 (A)	0	0
Deposit and Retentions held during the year (B)	0	0
Deposit and Retentions paid during the Year (C)	0	0
Net changes in account receivables D= A+B-C	0	0

**17. OTHER IMPORTANT DISCLOSURES**

**17.1: PENDING ACCOUNTS PAYABLE**

	2019-2020	2018 – 2019
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	0	0

**17.2: PENDING STAFF PAYABLES**

	2019-2020	2018-2019
	Kshs	Kshs
NG-CDFC Staff	0	0
	0	0
	0	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) –

NDARAGWA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
<b>1.0 Administration</b>		
Employees' Salaries	1,738,588	1,442,407
Goods and Services	1,086,200	1,453,934
Committee Expenses	2,674,100	2,282,600
<b>Sub-Total</b>	<b>5,498,888</b>	<b>5,178,941</b>
<b>2.0 Monitoring and Evaluation</b>	-	
Goods and Services	463,976	627,975
Committee Expenses	844,810	885,810
Capacity Building of NG-CDFs/PMCs	514,379	294,379
<b>Sub-Total</b>	<b>1,823,165</b>	<b>1,808,164</b>
<b>3.0 Emergency</b>	-	
Emergency	1,067,437	6,233,924
<b>Sub-Total</b>	<b>1,067,437</b>	<b>6,233,924</b>
<b>4.0 Bursary and Social Security Programme</b>	-	
Bursary Secondary Schools	18,549,844	3,611,344.00
Bursary Special Schools	5,303,000	3,803,000.00
Bursary Tertiary Schools	14,239,000	3,467,000.00
Social Security Programmes -NHIF	7,500,000	
<b>Sub-Total</b>	<b>45,591,844</b>	<b>10,881,344</b>
<b>5.0 Sports</b>	-	
Constituency Sports Activities	-	1,927,587
	-	1,927,587
<b>6.0 Environment</b>	-	
Karagoini Primary School	300,000	
Subuku Primary School	300,000	
Olborosat Primary School	300,000	
Kirera Secondary School	300,000	
<b>Sub-Total</b>	<b>1,200,000</b>	<b>227,586</b>
<b>7.0 Primary School Projects</b>		
Nyonjoro Primary School	-	3,000,000
Murichu Primary school	-	2,600,000
Kahutha primary school	-	2,600,000
Simbara primary school	-	1,000,000
Gitare primary school	-	1,300,000
Muruai Boarding primary school	-	2,000,000
Ndaragwa primary school	3,500,000	
Primary school – school lockers	-	2,500,000
<b>Sub-Total</b>	<b>3,500,000</b>	<b>15,000,000</b>



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

**Reports and Financial Statements**

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

<b>8.0 Secondary School Projects</b>	~	
Kihara secondary	~	3,500,000
Mung'etho secondary school	~	2,500,000
Aberdare Girls Secondary school	~	1,200,000
Simbara Secondary School	~	3,000,000
Raichiri secondary school	~	3,800,000
Kihuha Secondary School	3,600,000	
Kimaru Secondary School	3,600,000	
Kahutha Secondary School	1,300,000	
Aberdare mixed Secondary School	3,600,000	
simbara secondary school	1,550,000	
<b>Sub-Total</b>	<b>13,650,000</b>	<b>14,000,000</b>
<b>10.0 Security Projects</b>	~	
Gathanga Chiefs Office	~	2,500,000
Uruku chiefs office	~	500,000
Ndururi chiefs office	~	700,000
	~	<b>3,700,000</b>
<b>11.0 Acquisitions of Assets</b>	~	
office computers and photocopier		300,000
<b>12.0 Others</b>	~	~
Strategic Plan	142,116	3,500,000
grading and Murraming of office road	2,000,000	~
<b>Sub-Total</b>	<b>2,142,116</b>	<b>3,500,000</b>
<b>GRAND TOTAL</b>	<b>74,473,450</b>	<b>62,757,546</b>

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

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	23,900,951.64	5,923,144.74
	<b>23,900,951.64</b>	<b>5,923,144.74</b>

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

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

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To- Date c	Outstanding Balance 2020 d=a-c	Comments
<b>Construction of buildings</b>					
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>					

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

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

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
		a	b	c	d=a-c	
1.		0		~	0	
2.		0		~	0	
3.		0		~	0	
4.		0		~	0	
<b>Total</b>		<b>0</b>			<b>0</b>	



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

**XVIII. ANNEX 3 – UNUTILIZED FUND**

Programme/Sub-programme	Outstanding Balance 2019/20	Outstanding Balance 2018/19
	Kshs	Kshs
<b>1.0 Administration</b>		
Employees' Salaries	1,738,588.21	1,442,407.21
Goods and Services	1,086,199.72	1,453,933.68
Committee Expenses	2,674,100.00	2,282,600.00
<b>Sub-Total</b>	<b>5,498,887.93</b>	<b>5,178,940.89</b>
<b>2.0 Monitoring and Evaluation</b>		
Goods and Services	463,976.26	627,974.54
Committee Expenses	844,810.00	885,810.00
Capacity Building of NG-CDFs/PMCs	514,379.00	294,379.00
<b>Sub-Total</b>	<b>1,823,165.26</b>	<b>1,808,163.54</b>
<b>3.0 Emergency</b>		
Emergency	1,067,435.86	6,233,924.48
<b>Sub-Total</b>	<b>1,067,435.86</b>	<b>6,233,924.48</b>
<b>4.0 Bursary and Social Security Programme</b>		
Bursary Secondary Schools	18,549,844.00	3,611,344.00
Bursary Special Schools	5,303,000.00	3,803,000.00
Bursary Tertiary Schools	14,239,000.00	3,467,000.00
Social Security Programmes -NIHF	7,500,000.00	
<b>Sub-Total</b>	<b>45,385,844.00</b>	<b>10,881,344.00</b>
<b>5.0 Sports</b>		
Constituency Sports Activities	-	1,927,586.62
<b>Sub-Total</b>	<b>-</b>	<b>1,927,586.62</b>
<b>6.0 Environment</b>		
environment	-	227,586.40
Karagoini Primary School	300,000.00	
Subuku Primary School	300,000.00	
Olborosat Primary School	300,000.00	
Kirera Secondary School	300,000.00	
<b>Sub-Total</b>	<b>1,200,000.00</b>	<b>227,586.40</b>
<b>7.0 Primary School Projects</b>		
Nyonjoro Primary School	-	3,000,000.00
Murichu Primary school	-	2,600,000.00
Kahutha primary school	-	2,600,000.00
Simbara primary school	-	1,000,000.00
Gitare primary school	-	1,300,000.00
Muruai Boarding primary school	-	2,000,000.00
Primary Schools -school lockers	-	2,500,000.00
<b>Sub-Total</b>	<b>3,500,000.00</b>	<b>15,000,000.00</b>
<b>8.0 Secondary School Projects</b>		
	-	

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

**Reports and Financial Statements**

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

kihara secondary	~	3,500,000.00
Mung'etho secondary school	~	2,500,000.00
Aberdare Girls Secondary school	~	1,200,000.00
Simbara Secondary School	~	3,000,000.00
Raichiri secondary school	~	3,800,000.00
Kihuha Secondary School	3,600,000.00	
Kimaru Secondary School	3,600,000.00	
Kahutha Secondary School	1,300,000.00	
Aberdare mixed Secondary School	3,600,000.00	
Sub-Total	13,650,000.00	14,000,000.00
10.0 Security Projects	~	
Gathanga Chiefs Office	~	2,500,000.00
Uruku chiefs office	~	500,000.00
Ndururi chiefs office	~	700,000.00
Sub-Total	~	3,700,000.00
11.0 Acquisitions of Assets		
office computers and photocopier	~	300,000.00
12. other payments		
Strategic Plan	142,116.00	3,500,000.00
office road grading		
grading and murraming of office road	2,000,000.00	~
	~	
Sub-Total	2,142,166.00	3,500,000.00
GRAND TOTAL	74,473,450.00	62,757,545.93

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

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

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land	0	0	0	0
Buildings and structures	8,364,778.00	0	0	8,364,778.00
Transport equipment	3,400,000.00	0	0	3,400,000.00
Office equipment, furniture and fittings	2,195,880.00	300,000	0	2,495,880.00
ICT Equipment, Software and Other ICT Assets	0	0	0	0
Other Machinery and Equipment	0	0	0	0
Heritage and cultural assets	0	0	0	0
Intangible assets	0	0	0	0
<b>Total</b>	<b>13,960,658.00</b>	<b>300,000</b>	<b>0</b>	<b>14,260,658.00</b>

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

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

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

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Muruai Primary School	COOP	01141169476100		10,983.24
Olborosat Secondary School	COOP	01134689208900		18,725.25
Kamburaini Primary School	COOP	01139501921500		69,073.75
Ngai Ndeithia Secondary	COOP	01139038499104	192,722.00	0.00
Kagondo Primary	COOP	01139501228600	126,801.25	0.00
Simbara Primary School	COOP	01139689122900	1,592.50	0.00
Ngurumo Primary School	COOP	01141689542100	1,964,182.75	0.00
Muruai Primary School	COOP	01141690476100	233,583.24	0.00
Ndaragwa Primary School	EQUITY	0160278522419	1,476,963.00	316,920.00
Ndaragwa Mailo Kumi Road	KCB	125597749	-	800.00
Ritaya Primary School	KCB	1226728774	-	905.00
Matuiku Primary School	KCB	1227115091		24,480.00
Muririchua Primary School	KCB	1232757179		48,866.00
Michinda Primary School	KCB	1236721810	591,444.05	623,232.50
Ngari Primary School	KCB	1229050744	75.00	794,066.00
Kangocho Primary School	KCB	1257741632		1,000,000.00
Ndaragwa Sports Account	KCB	1255023066	5,677,570.00	1,348,048.00
Sumbuku Ap Post	KCB	1234626152	47,040.95	1,667,045.00
Kangocho Primary School	KCB	1257741632	1,735.00	0.00
Mungetho Secondary School	KCB	1263311059	234,659.00	0.00
Nyonjoro Primary School	KCB	1263496482	880.00	0.00
Raichiri Secondary School	KCB	1268813354	52,701.50	0.00
Kahutha Primary School	KCB	1268832626	236,652.00	0.00
Murichu Primary	KCB	1268847267	92,051.00	0.00
Wangui Secondary School	KCB	1269010735	60,382.00	0.00
Kambaa Secondary School	KCB	1269262130	249,805.00	0.00
Wangui Primary School	KCB	1269659782	223,005.00	0.00



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

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Kagondo Secondary School	KCB	1272128679	319,061.00	0.00
Irigithathi Secondary School	KCB	1272130371	707,140.40	0.00
Uruku Secondary	KCB	1272598721	1,067,942.00	0.00
Shamata Acc Office	KCB	1272601714	121,912.00	0.00
Mbuyu Secondary School	KCB	1272672123	75,261.00	0.00
Mutumwe Primary School	KCB	1272885550	683,105.00	0.00
Ihigaini Aprimary School	KCB	1272987345	188,165.00	0.00
Ndivai Chiefs Office	KCB	1272988872	220,298.00	0.00
Suguroi Primary	KCB	1272989798	1,100,000.00	0.00
Subuku Secondary School	KCB	1273279247	2,726,624.00	0.00
Karagoini	KCB	1273905628	398,727.00	0.00
Mwai Kibaki Primary School	SIDIAN	01023030001064	363,282.00	0.00
Makereka Primary	SIDIAN	01023030001074	1,145,632.00	0.00
Nyakinyua Primary School	SIDIAN	01023030001084	42,360.00	0.00
Kaheho Primary	SIDIAN	01023030001094	322,585.00	0.00
Kirima Assistant Chiefs Office	SIDIAN	01023030001104	1,332,472.00	0.00
Mutanga Primary	SIDIAN	01023030001144	203,150.00	0.00
Mbuyu Primary	SIDIAN	01023030001154	174,999.00	0.00
Itonyero Primary	SIDIAN	01023030001164	81,386.00	0.00
Mahianyu Primary	SIDIAN	01023030001184	63,005.00	0.00
Ndaragwa Tvet	SIDIAN	01023030001204	1,100,000.00	0.00
			<b>23,900,951.64</b>	<b>5,923,144.74</b>

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

**XXI. PROGRESS ON FOLLOW UP OF PRIOR YEARS AUDITOR'S RECOMMENDATIONS**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status: (Resolved / Not Resolved)	Timeframe:
1. Unsatisfactorily Implemented Projects	<p><b>Michinda Primary</b> The dormitory was not in use and unlabeled; Electrical works undone; Septic tank not factored in the project design</p> <p><b>Muruai Primary School</b> Completed, unlabeled and not handed over; and Contractor was not on-site</p> <p><b>Olbolosat secondary school</b> The hall has developed huge cracks on the floor and walls and was not in use; Repair works ongoing while painting and plumbing have not been done;</p> <p><b>Ritaya Primary School –</b> 2 renovated classrooms and in use but their sizes are not as per requirements of the Ministry of Education.</p> <p><b>Shamata chiefs Office</b></p>	<p>Electrical works, septic tank are now in place, connectivity of electricity to the building factored in in this FY</p> <p>The project was handed over and now in use</p> <p>The cracks were repaired and the building is now in use</p> <p>Painting and plumbing works have been done.</p> <p>This was renovation of existing classes and in didn't involve demollation of walls it involved plastering painting and replacement of doors and windows</p> <p>Has since been put to use</p>	PMC / FAM	ISSUES– AWAITING SFAC HEARING AND APPEARANCE	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status: (Resolved / Not Resolved)	Timeframe:
	<p>Completed, labeled but not in use.</p> <p>Subuku Administration Police Post-, Complete labeled but not in use.</p> <p>D387: Junction D388 Malio 10-Junction-B 5 Ndaragwa Completed and in use but it's a county government road</p> <p>Kangochho Primary School- Leveling and drainage of the School playing field -</p> <p>Wakanene Dam –(emergency) embankment used as access road - Completed and in use but it's a county government project</p>	<p>Currently in use</p> <p>This was approved by the NGCDF Board and hence Ndaragwa NGCDFC implemented it</p> <p>The leveling has been done and the school field is in use.</p> <p>The embankment is used as access road to several schools in the area and the students were at risk of drowning, the county was not committing to do the work hence the NGCDF did the work to help accessibility to the schools.</p>	<p>PMC /FAM</p>	<p>ISSUES- AWAITIN G SFAC HEARING AND APPEARAN CE</p>	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status: (Resolved / Not Resolved)	Timeframe:
2. Irregular Expenditure	Wakanene Dam –(emergency) embankment used as access road - Completed and in use but it's a county government project  D387: Junction D388 Mailo 10- Junction-B 5 Ndaragwa Completed and in use but it's a county government road	This was done using emergency since the County Govt' didn't commit to do the embankment used as access road and the students in various schools were at risk of drowning and not attending school. This road was under the National Government and was approved by the NGCDF Board	PMC /FAM	ISSUES- AWAITING SFAC HEARING AND APPEARANCE	



