

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 23 FEB 2022

DAY.
Wed.

REPORT

TABLED
BY:

CLERK-AT
THE-TABLE:

The majority Whip
Hon. E. Wangwe, MP.
Benson Inzoga.

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
KIGUMO CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2020





OFFICE OF THE AUDITOR GENERAL
P. O. Box 30034 - 00100, NAIROBI
REGISTRY

30 SEP 2020

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIGUMO CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

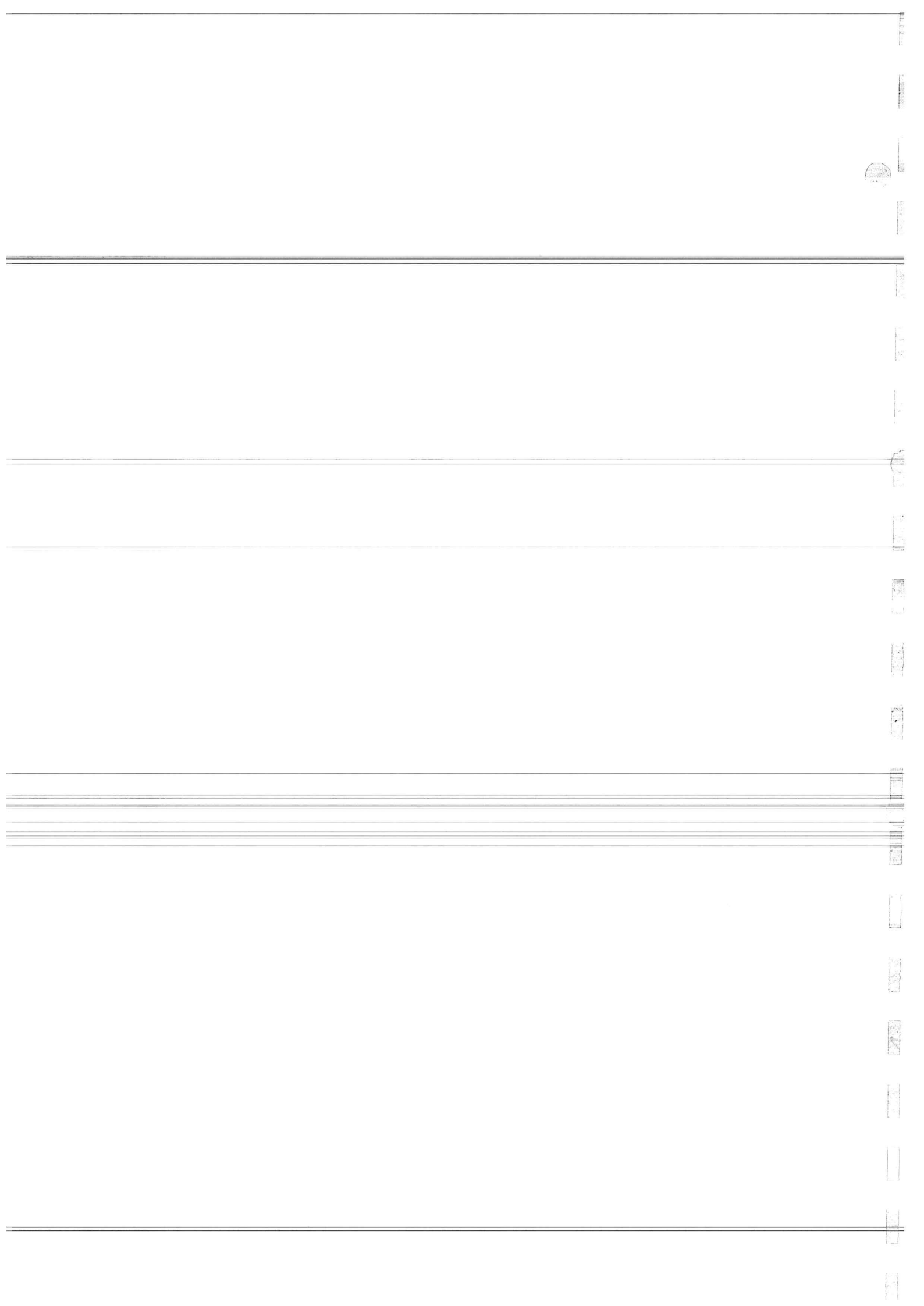
JUNE 30, 2020

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
KIGUMO 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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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:

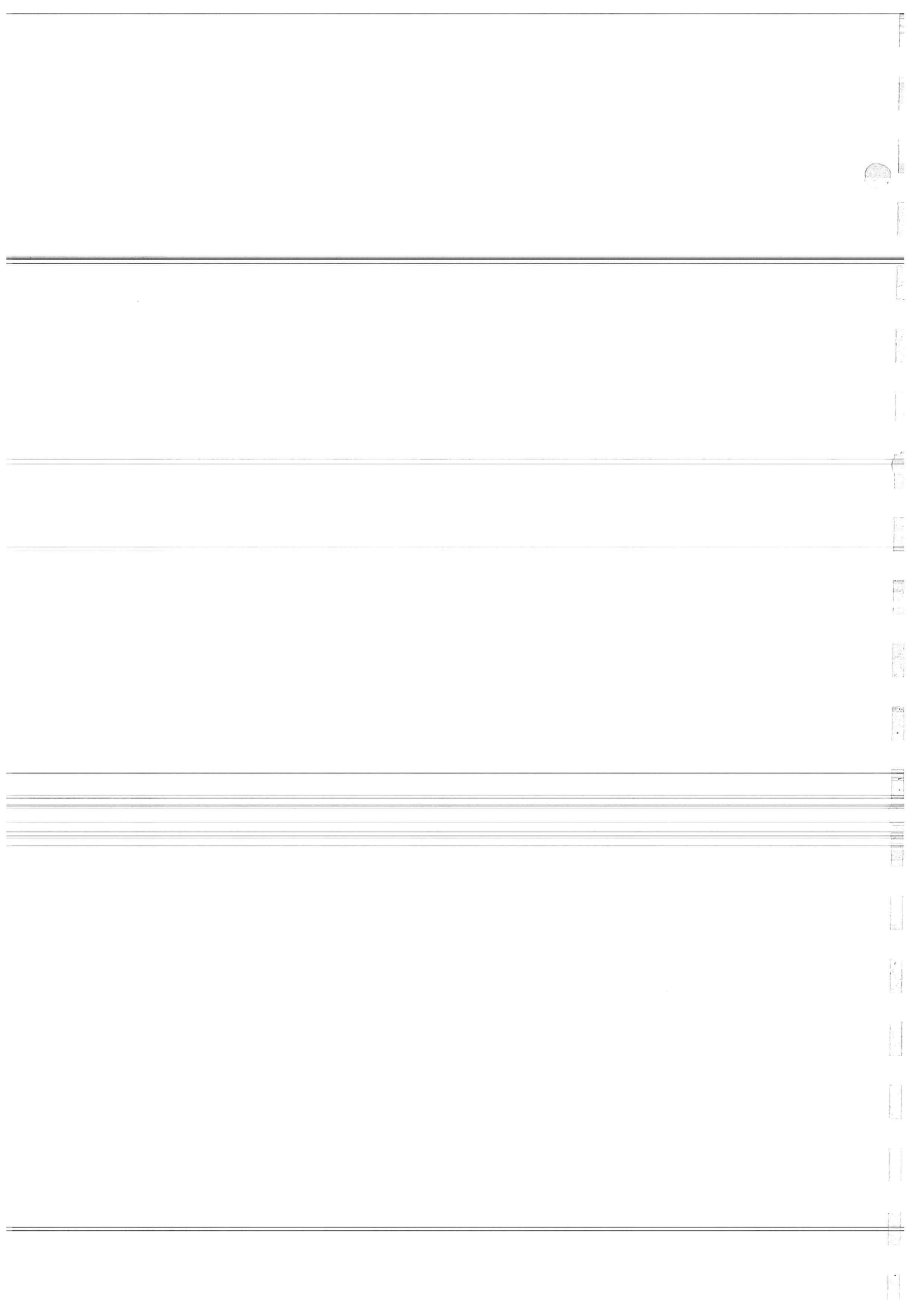
- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide 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



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 KIGUMO Constituency day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

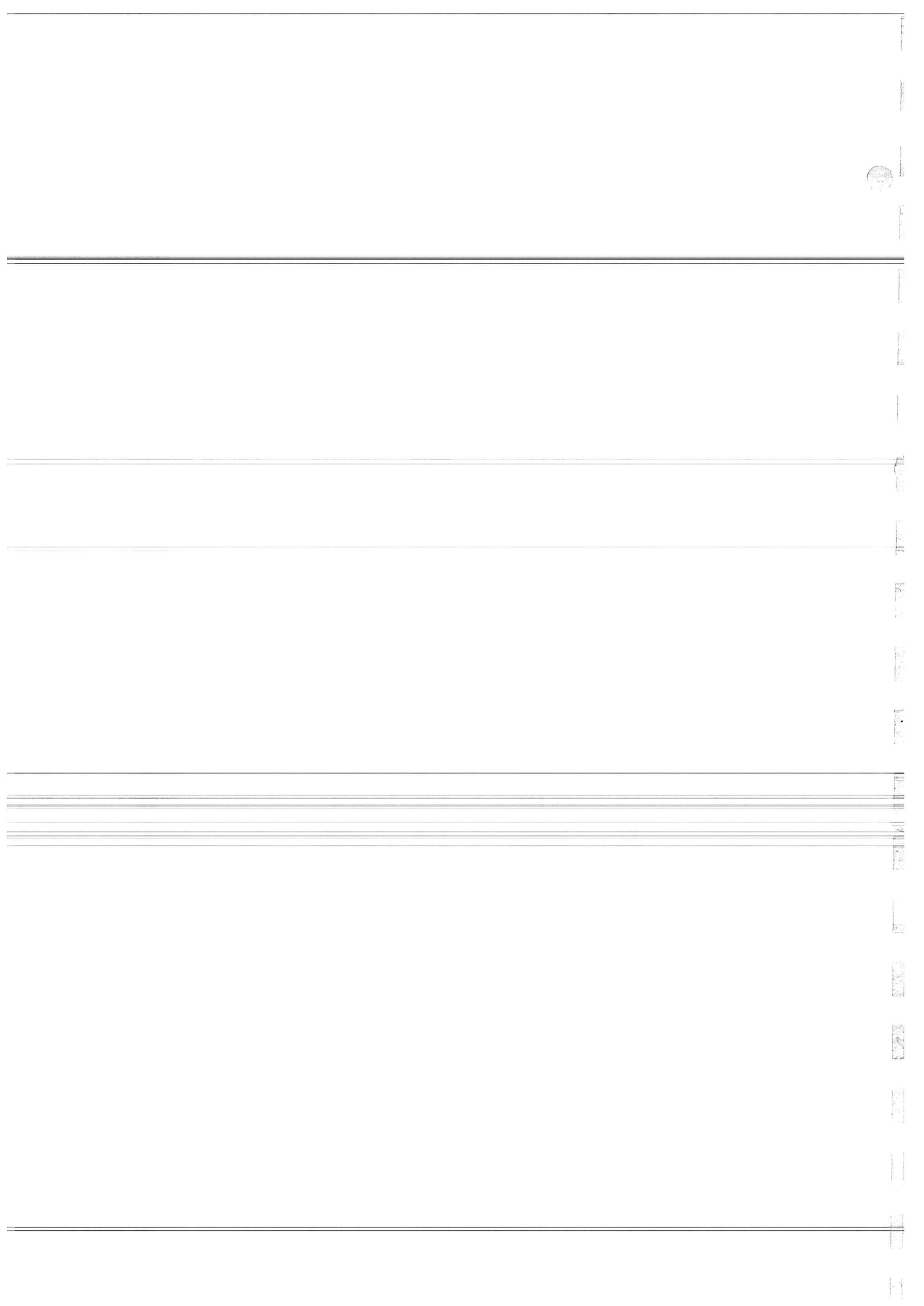
No.	Designation	Name
1.	A.I.E holder	Kennedy Kamau
2.	Sub-County Accountant	Jacob Muthami
3.	Chairman NG-CDFC	Benson Njogu

(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 Kigumo 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 Kigumo Constituency Headquarters

P.O Box 10 – 10203
Kigumo NG-CDF Building
Kigumo, Kenya



KIGUMO CONSTITUENCY

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(f) NG-CDF Kigumo Constituency Contacts

Telephone: (254) 0720 207810
E-mail: cdfkigumo@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NG-CDF Kigumo Constituency Bankers

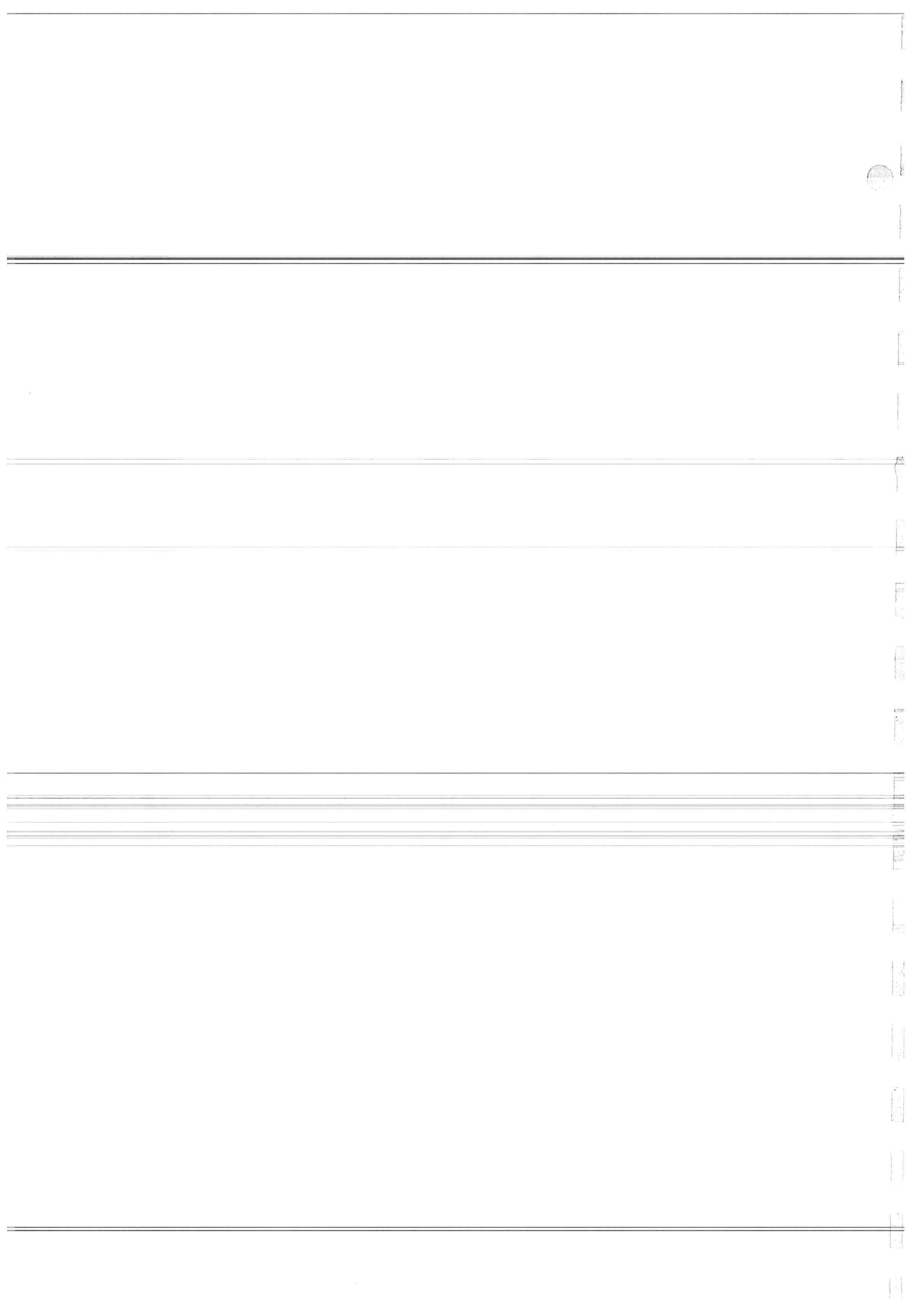
Equity Bank
Kangari Branch
Account No. 0070296246702

(h) Independent Auditors

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

(i) Principal Legal Adviser

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



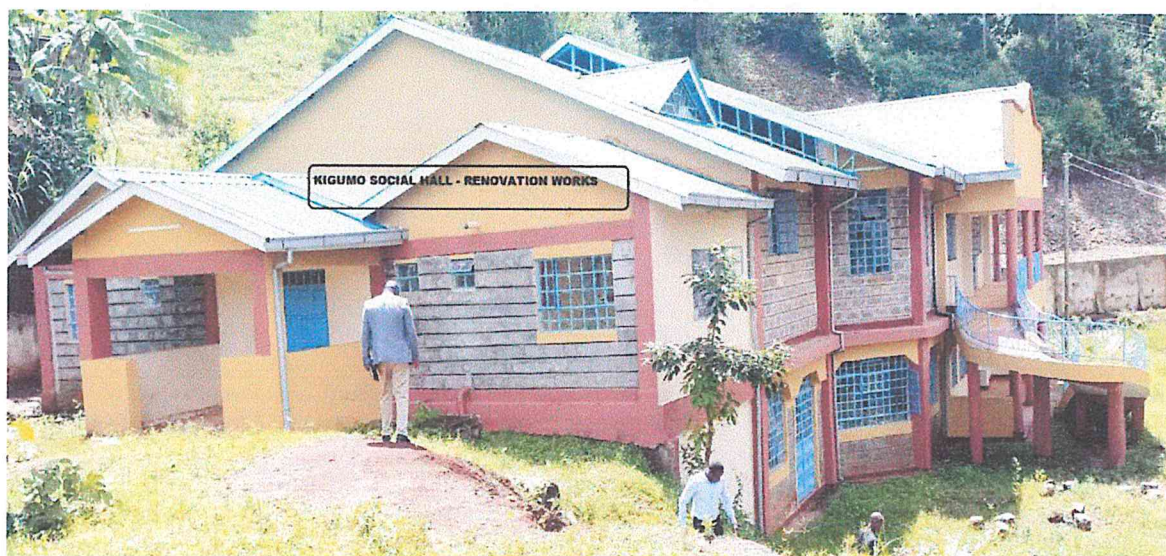
II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

I am pleased to present the unaudited financial statements for NG-CDF Kigumo Constituency for the financial year ended 30 June 2020. The allocation to the constituency for the said year was a total of Kshs. 137,367,724 out of which Kshs. 68,000,000 was disbursed to the constituency in five tranches of Kshs. 4,000,000 received on 6 December 2019, Kshs. 18,000,000 received on 27 March 2020, Kshs. 19,000,000 received on 27 March 2020, Kshs. 12,000,000 received on 27 April 2020 and Kshs. 15,000,000 received on 27 April 2020. The balance of Kshs. 69,367,724 had not been disbursed to the constituency by the NG-CDF Board as at the closure of the financial year.

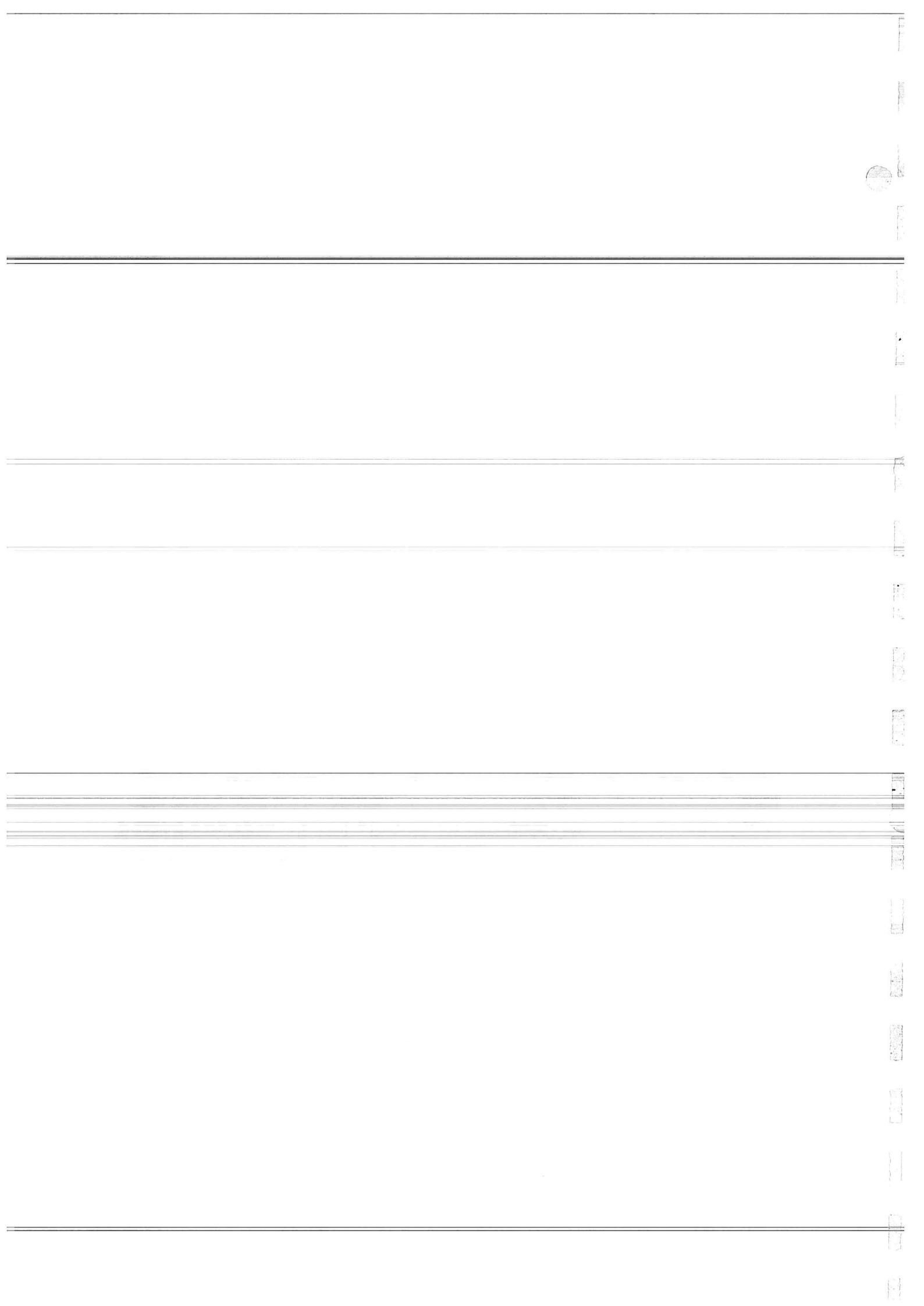
On receipt of the above referred allocations, Kigumo National Government Constituency Development Fund Committee (NG-CDFC) prioritized funding of infrastructure for education projects with major construction and renovation works being implemented in primary and secondary schools.

During the year, Kshs. 11,080,000 was also disbursed to the constituency by the Board being the balance which rolled over from the previous financial year and together with Kshs. 60,493,499 balance brought forward from 2018/2019 financial year, the NG-CDFC was able to fund infrastructure projects in security sector alongside award of bursary before the school program was affected by the global COVID-19 pandemic as well as establishment of a new Technical Training Institute.

Below are some of the projects implemented during the financial year:-



❖ KIGUMO STOREYED SOCIAL HALL RENOVATED BY KIGUMO NG-CDF



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- ❖ **GITHIMA PRIMARY SCHOOL MULTI PURPOSE HALL CONSTRUCTED BY KIGUMO NG-CDF**



- ❖ **NGURWEINI PRIMARY SCHOOL CLASSROOMS RENOVATED BY KIGUMO NG-CDF**



- ❖ **KIAHITI PRIMARY SCHOOL CLASSROOM FULLY FUNDED BY KIGUMO NG-CDF**



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Kigumo National Government Constituency Development Fund Committee however noted various challenges in projects implementation and management during the 2019/2020 financial year. The challenges were: - disruptions of programs by the global COVID-19 pandemic, inadequate record keeping by project management committees, lack of knowledge especially by new project management committees on provisions of Public Procurement and Assets Disposal Act 2015 as well as delayed submission of the required returns for funds disbursed. Another notable challenge is the limited numbers of technical officers needed to provide the requisite technical advice in project implementation and management. To mitigate the above, the committee during the financial year scaled up its capacity building programmes for NG-CDF Committee, Project Management Committees and staff on various aspects of NG-CDF projects management. These programmes contributed to minimizing the challenges and improving overall performance by Project Management Committees. The NG-CDFC plans to continue with the capacity building as well as monitoring and evaluation programmes during the 2020/2021 financial year.

I wish to sincerely thank the NG-CDF Committee, NG-CDFC staff, Project Management Committees and other stakeholders for the co-operation and support that resulted in achievement of the said milestones. Going forward, the Committee envisions performing even better and attaining better assessments in its performance targets for 2020/2021 financial year.

SIGNED:



**BENSON NJOGU, CHAIRMAN
KIGUMO NG-CDF COMMITTEE**



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.

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

In underscoring the planning of the constituency, the National Government Constituency Development Fund Committee (NG-CDFC) in its strategic plan (2018-2023) outlined key strategic objectives that were to be used to spur development in the constituency. The plan sort to contribute towards the identification of how and where development programmes identified will be implemented especially in the economic activities with special focus on marketing and value addition, improved social infrastructure on road development and improved governance. It was anticipated that this will help in achieving food security, improved quality of education, health care for all, expanded access to ICT and environmental conservation among others.

The key development objectives of NG-CDF Kigumo Constituency's 2018-2023 plans are:

In underscoring the above, the key development objectives of NG-CDFC Kigumo Constituency's 2018-2023 strategic plan included but not limited to;

Strategic Area One: Education

Objective: Become a national model for education by improving schools infrastructure, improving performance, reducing dropout rates and increasing primary, secondary and higher education transition rates.

Initiative: Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children.

Initiative: Enhance and develop social programmes that support education within the constituency.

Strategic Area Two: Water and Environment

Objective: Improve access to clean water and a more sustainable and conserved environment in Kigumo through natural resources conservation initiatives

Initiative: Initiate and enhance conservation programs within the constituency

Initiative: Water and Sanitation: To ensure water sustainability in the Constituency

Strategic Area Three: Security

Objective: Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure

Initiative: Improving infrastructure and service delivery



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Strategic Area Four: Sports

Objective: Empower and develop youth and special groups to reduce dependence and spur economic growth through sports

Initiative: Develop and empower youth and special groups through sports.

Strategic Area Five: Information Communication and Technology (ICT)

Objective: Enhance access to information and technology by Kigumo residents and use ICT to enhance service delivery and spurring development.

Initiative: Enhancement of infrastructure and accessibility of ICT resources in the constituency.

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children	168 Classrooms, 4 Administration blocks, 4 Multi-Purpose Halls, 3 Science Laboratories built/ rehabilitated in 67 primary schools, 38 secondary schools and 1 tertiary institution (Kigumo TVTI)	Number of new/ rehabilitated classrooms increased from 213 to 381
				Number of laboratories increased from 7 to 10
				Number of multipurpose halls increased from 9 to 13
				Number of administration blocks increased from 11 to 15
				1 new TVTI established
			986 bursary beneficiaries in Tertiary institutions and 5,491 bursary beneficiaries in Secondary Schools	6,477 bursary beneficiaries in all levels
Water and Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Equip schools and public facilities with sanitation facilities	11 sanitation facilities built in security establishments, primary and secondary schools	Number of sanitation facilities increased from 26 to 38
		Provide tree seedlings to public institutions to improve the forest cover	18,000 trees seedlings planted	Number of trees planted increased from 30,000 to 48,000



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Constituency Program	Objective	Outcome	Indicator	Performance
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	9 physical infrastructure built in divisions, locations, sub locations and police stations	Number of constructed/renovated chiefs' offices increased from 8 to 11
				Number of assistant chiefs' offices increased from 2 to 4
				Number of police lines increased from 5 to 9
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through sports	62 youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports programme increased from 50 to 112
Information Communication and Technology (ICT)	Enhance access to information and technology and use ICT to enhance service delivery	Equip chiefs' offices with computers and internet connectivity to enable them improve service delivery	1 chiefs' offices with computers and internet connectivity	Number of ICT centres at the chiefs' offices increased from 0 to 1



IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

This is aimed at ensuring efficient and effective management of public resources at the grassroots level thus transformation of livelihoods. It remains our purpose and the driving force behind everything we do. It's what guides us to deliver our strategies, which is founded on social sector, namely; Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. SUSTAINABILITY STRATEGY AND PROFILE

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

Model	Definition	Relevance to sustainable strategy
Vision	To be renowned Constituency in advocating for all round socio-economic development and sustainability.	What the constituency is striving for in the future that influence the strategies, purpose and aspirations put in place
Mission	To involve all the stakeholders in the development process of the Constituency in order to achieve desires development goals.	This communicates what the office does to attain sustainable developments
Core Values	Accountability, Transparency, Integrity, Honesty, Equality, Equity	These are the norms , principles and beliefs that the office upholds in order to follow the right path towards attainment of the set objectives

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



1. ENVIRONMENTAL PERFORMANCE

Environment Policy and Action Plan

Protection of the environment in which we live and operate is part of Kigumo NG-CDF initiatives

Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

Our Environmental Policy

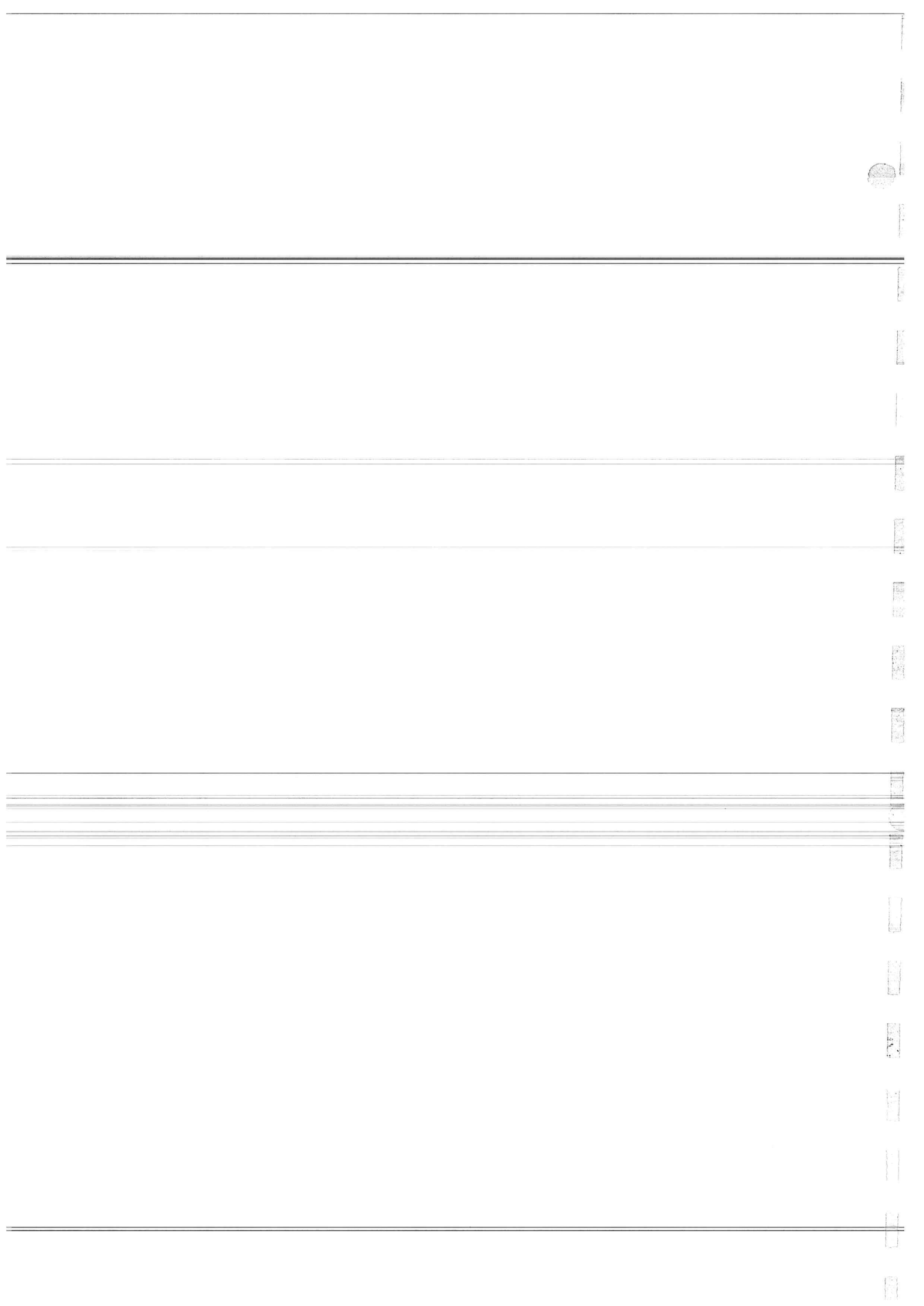
In this policy statement Kigumo NG-CDF commits to:

- i) Comply with all relevant environmental legislation, regulations and approved codes of practice
- ii) Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- iii) Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- iv) Managing and disposing of all wastage in a responsible manner;
- v) Providing training for our NG-CDFC and staff so that we all work in accordance with this and within an environmentally aware culture
- vi) Regularly communicating our environmental performance to our employees and other significant stakeholders
- vii) Developing our management processes to ensure that environmental factors are considered during planning and implementation
- viii) Monitoring and continuously improving our environmental performance.
- ix) Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance

Our Environmental Action Plan

Kigumo NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts.

These four areas together with our approach and targets for each are shown below:



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Impact Area	Approach
Capacity Building	<ul style="list-style-type: none"><input type="checkbox"/> Promote environmental awareness by sensitizing the Kigumo NG-CDFC, NG-CDFC staff and PMCs on good conservation practices<input type="checkbox"/> To encourage, through regular communication to Kigumo NG-CDFC, staff, and other stakeholders changes in individual behaviour to reduce usage
Conservation of Energy and Resources	<ul style="list-style-type: none"><input type="checkbox"/> To maximize use of available technologies to remove the need to use paper<input type="checkbox"/> To encourage our clients to engage with us using electronic means where possible<input type="checkbox"/> To maximize on rain water harvesting<input type="checkbox"/> To make energy efficiency a key factor in the selection of any new energy device being purchased<input type="checkbox"/> To invest in available energy saving technologies and devices within our existing premises
Environmental Protection and Conservation	<ul style="list-style-type: none"><input type="checkbox"/> To promote use of volt guards to control power surges<input type="checkbox"/> We have constructed culverts and gabions to prevent soil erosion<input type="checkbox"/> To encourage tree planting in the constituency to improve the forest cover.<input type="checkbox"/> To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires
Pollution Control and Waste Management	<ul style="list-style-type: none"><input type="checkbox"/> To ensure that all paper waste is recycled<input type="checkbox"/> To ensure segregation of waste<input type="checkbox"/> To ensure proper human waste disposal through construction of pit latrines, septic and soak pit tanks

3. EMPLOYEES WELFARE

TERMS AND CONDITIONS OF SERVICE

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

Categories of Employment

Kigumo NG-CDFC offers only one category of employment, which is contract employees who are employed on 3 years renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements.

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

Recruitment Procedure

The Fund Account Manager declares vacancies in the office after approval is sought from the NG-CDFC for advertisement and recruitment within the constituency.

The Advertisement contains the following:

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



Appointment of a selection and Interview subcommittee

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

Interviews

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

Offer of Appointment

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

Letters of Appointment

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

Orientation and Induction of employees

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

Induction and orientation is done within the first three months of employment.

Promotions

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

HEALTH, SAFETY AND WELL BEING

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

Guidelines to General Safety

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

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

Emergency Preparedness

Every department depending on the nature of work and services plans for foreseeable incidents such as accidents, explosions, fire, floods etc., prepares and outlines procedures to be followed in such events.

Fire precautions

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



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

Provision of protective equipment and clothing

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

Reporting of an Accident

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

Guidance and Counselling

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

Health Care Services

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

HIV/AIDS

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

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

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

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

Drug and Substance Abuse

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



Persons Living with Disability

An employee with impairment in his/her body will be expected to confirm their disability status with a doctor after medical examination. Once it is confirmed that he/she is disabled, the employee will register with the National Council for Person with Disabilities. The employee will then present the registration certificate from the National Council for Persons with Disabilities to the Institute which will then recognize them as employees living with disabilities

The office shall provide facilities and effect such modification, whether physical, administrative or otherwise, in the workplace as may be reasonably required to accommodate persons with disabilities

Sexual harassment and other Forms of Harassment

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

Disciplinary action will be taken against an officer of the Institute for harassing another person.

Harassment may be based on racial, tribal, gender, marital status, religious or ethical belief, disability, age, political opinion, employment status, family status, sexual orientation, or involvement in the activities of an employee's organization.

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

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

Reporting Harassment Cases

Any member of staff who experiences some form of harassment should report the harassment case as outlined in the office complaints procedures manual

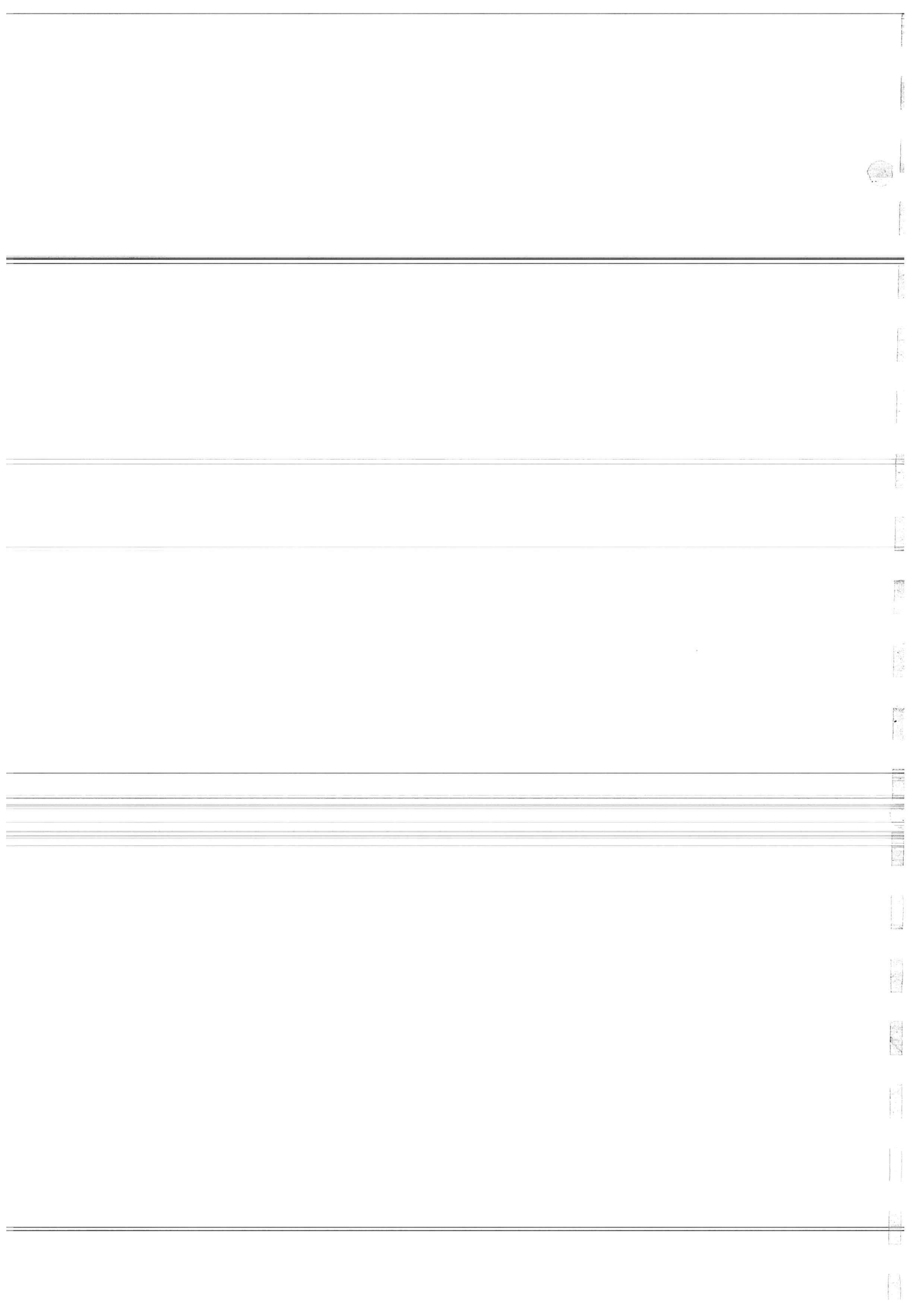
4. MARKET PLACE PRACTICES

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 Grass root level 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.

a) *Responsible competition practice.*

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



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

i. Responsible Supply chain and supplier relations

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

ii. 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

iii. Product stewardship

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

5. COMMUNITY ENGAGEMENTS

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

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

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
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In summary stakeholders participation is important since:

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

Public Awareness

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

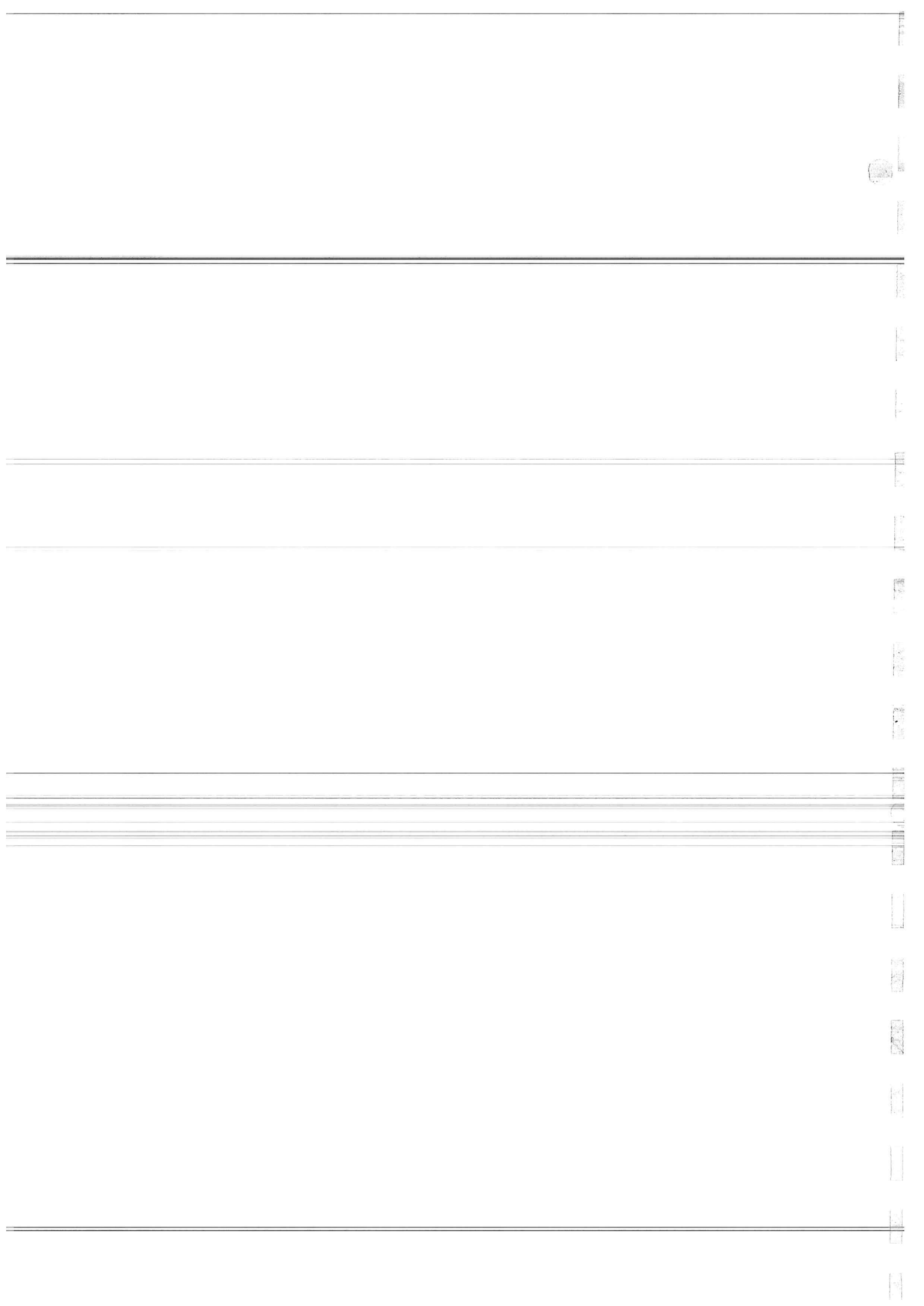
Public Awareness and Sensitisation Exercise Provide

- a) A menu of options for including individuals and organizational actors in identifying development priorities and selecting NG-CDF projects.
- b) Ensuring implementation of NG-CDF funded projects is transparent and known to everybody within the community.
- c) Increase accountability hence ensure local citizens gain skills and confidence to carry out 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.
- d) Increase public participation at all stages of project cycle funded under NG-CDF
- e) Identify control and report any irregularities witnessed during NG-CDF project implementation cycle
- f) Measure the impact of the projects funded by NG-CDF
- g) Enable people to exercise their rights by instilling democratic culture through enhanced social accountability and transparency among state and non-state actors.
- h) Promote awareness creation on constitution and devolved governance system in Kenya

Covid-19 Mitigation Measures

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

- The office assisted in distribution of over 5,000 bottles of 500ml sanitizers given out by the Government clearly labelled 'Not for Sale'.
- The office assisted in distribution of over 500 water dispensers to Government offices within the constituency in liaison with the County Government
- The office assisted in distribution of over 5,000 face masks given out for free by the GoK
- The office assisted in distribution of brochures by GoK with information regarding Corona Virus protection measures and where to seek assistance in case someone contracts the disease



V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

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

The Accounting Officer in charge of the NG-CDF Kigumo 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 Kigumo 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 Kigumo Constituency further confirms the completeness of the accounting records maintained for the NG-CDF Kigumo, 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.

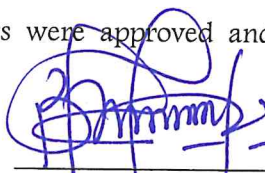
The Accounting Officer in charge of the NG-CDF Kigumo Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible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

Approval of the financial statements

The NG-CDF Kigumo Constituency financial statements were approved and signed by the Accounting Officer on 18/9/2020.



Fund Account Manager
Name: Kennedy Kamau



Sub-County Accountant
Name: Jacob Muthami
ICPAK Member Number: 15333



REPUBLIC OF KENYA

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Enhancing Accountability

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NAIROBI

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund-Kigumo Constituency set out on pages 21 to 57, which comprise the statement of assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund- Kigumo Constituency as at 30 June, 2020 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Project Management Committees (PMC) Bank Accounts

Disclosed under Annex 5 to the financial statements are unutilized balances totalling Kshs.10,645,133 and Kshs.16,823,787 in respect of seventeen(17) and forty three (43) Project Management Committee (PMC) bank accounts as at 30 June, 2020 and as at 30 June, 2019 respectively. However, bank confirmation certificates and expenditure return for funds amounting to Kshs.16,823,787 in respect of PMC bank accounts as at 30 June, 2019 were not provided for audit review.

Further, no explanation was given for failure to close the accounts and transfer the balances to the Constituency bank account. This is contrary to Section 12(8) of the NGCDF Act, 2015, which requires that all unutilized funds of the project management committee shall be returned to the Constituency account.

2. Other Grants and Transfers

3.1 Unconfirmed Bursary Payments

Note 7 to the financial statements reflects other grants and transfers amounting to Kshs.14,034,500 and Kshs.16,487,000 for bursary-secondary schools and bursary-tertiary institutions respectively. However, acknowledgement letters or receipts from secondary schools and tertiary institutions which were paid bursaries totalling Kshs.14,034,500 and Kshs.6,889,000 respectively were not provided for audit review. Further, a review of list of beneficiaries showed some students were awarded bursaries more than once without explanation or any justification hence denying bursary to other needy students.

Consequently, it was not possible to ascertain whether the bursaries were paid to the intended beneficiaries and were properly accounted for.

3.2 Training of Youth on Driving Skills (Boda Boda riders)

Note 7 to the financial statements reflects an expenditure of Kshs.16,487,000 on bursary-tertiary institutions. This expenditure further includes an amount of Kshs.6,000,000 which was paid to a driving school in respect of training of "boda boda" riders in the Constituency. However, acknowledgement receipt or confirmation letter and copies of driving license for the riders were not provided for audit verification.

Consequently, the validity of the expenditure of Kshs.6,000,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kigumo Constituency 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. Follow up on Prior Year Unresolved Audit Issues

In the report of the previous year, several issues were raised under Report on the Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, although the Management has indicated that all the issues have been resolved, the matters remained unresolved as the National Assembly has yet to deliberate on the audit report for 2018/2019.

2. Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined for the year under review reflects total budgeted receipts of Kshs.208,824,223 and actual receipts of Kshs.139,456,499 resulting to underfunding of Kshs.69,367,724 or 33% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totaling to Kshs.208,824,223 and Kshs.113,112,009 respectively, resulting to an under expenditure amounting to Kshs.95,829,214 or 46% of the budget.

The underfunding and under expenditure may have affected delivery of services to the residents of the constituency.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Project Verification

During the financial year under review, Kigumo NGCDF disbursed funds totalling Kshs.65,806,576 and Kshs.38,030,241 under transfers to other government units and other grants and transfers respectively for implementation of various projects during the year ended 30 June, 2020.

However, physical verification of twelve (12) projects implemented at a cost of Kshs.30,818,993 revealed unsatisfactory matters as indicated **Appendix 1**.

As a result, the value for money of the expenditure of Kshs.30,818,993 incurred on the projects during the year ended 30 June, 2020 could not be confirmed.

2. Security Projects

2.1 Purchase of Land for Gatia-ini Police Station

Disclosed in Note 7 to the financial statements under other grants and other payments is an expenditure of Kshs.3,200,00 on security projects, out of which an amount of Kshs.1,800,000 was in respect of purchase of parcel of land for the proposed Gatia-ini Police station. The project was approved in 2018/2019 and entailed purchase of land measuring approximately 50 by 100 feet. The parcel of land was purchased and

demarcated for public use. However, the CDF management had not obtained title deed as proof of ownership.

As a result, the regularity and validity of the expenditure of Kshs.1,800,000 incurred on the purchase of land could not be ascertained.

2.2 Construction of Ablution Block at Muthithi Police Station

The expenditure of Kshs.3,200,000 on security projects under other grants and transfers as disclosed in Note 7 to the financial statements also includes Kshs.600,000 for construction of 1 ablution block at Muthithi Police Station. However, physical verification of the project revealed large cracks on the walls and the floor an indication of poor workmanship. No satisfactory explanation was provided by Kigumo CDF management for the failure to ensure completion of the project to the required specifications and quality.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and 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 processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the ability of National Government Constituencies Development Fund - Kigumo Constituency to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to abolish the Fund or to cease operations.

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

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

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the 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 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 going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of National Government Constituencies Development Fund - Kigumo Constituency 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 sustaining 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 National Government Constituencies Development Fund - Kigumo Constituency 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

03 February, 2022



Appendix 1

Project Verification Status

	Project category/ Name	Activity	Amount Disbursed (Kshs.)	Observations
	Secondary Schools			
1	St. Francis Muyu-ini Secondary School	Construction of 1 classroom	1,000,000	Physical verification revealed visible cracks on the floor and on the walls
2	Karinga Secondary School	Construction of 2 classrooms to completion	2,000,000	Physical verification revealed visible cracks on the floor and on the walls
3	Wamahiga Secondary School	Purchase of School Bus	7,080,000	Funds allocated in 2016/2017 but utilized in 2019/2020 without justification. Also, logbook for the bus was not presented for audit.
4	Githembe Secondary School	Finishing works for dining hall	3,200,000	The project was initiated in 2015/2016 financial year with allocation of Kshs.1,000,000, and subsequently allocated Kshs.1,500,000 and Kshs.3,200,000 in 2017/2018 and 2018/2019 respectively. However, there was no justification on the delayed completion.
	Primary Schools			
5	Gatitu DEB	Construction of classroom	1,000,000	Visible cracks on the walls, verandah and poorly done paint works
5	Kigumo Primary School	Renovation of 6 classrooms(roof painting, flooring, doors and windows)	1,000,000	Visible cracks on the floor
6	Muthithi Primary School	construction of 1 block-6 door toilet	600,000	Poor finishings and low/poor quality doors
7	Mairi Primary School	Renovation of 6 classrooms(roof painting, flooring, doors and windows)	1,000,000	Visible cracks on the walls, verandah and poorly done paint works
8	Gikarati Primary School	Construction of 1 classroom	1,000,000	Visible cracks on the walls and the floor
9	Mumbu Primary School	Renovation of 6 classrooms (roof painting, flooring, doors and windows)	1,000,000	Poor workmanship on the floor finishing


	Project category/ Name	Activity	Amount Disbursed (Kshs.)	Observations
	Mbogoini Primary School	Renovation of 6 classrooms (roof	1,000,000	
10		painting, flooring, painting doors and windows)		Visible cracks on the floor and verandah
	Tertiary Institution			
11	Kigumo Technical Training Institute	Co-funded Project with Ministry of Education- Construction of Administration Block, 2 lecture halls and workshop	10,000,000	Poor finishes on the floor and walls
	Emergency Project			
12	Githima Police Post	Construction of a block 4-unit police offices to completion	938,993	Inspection carried out in February 2021, revealed that the project had not been implemented despite disbursement of funds in March, 2020, hence delayed for about 1 year
		Total	30,818,993	

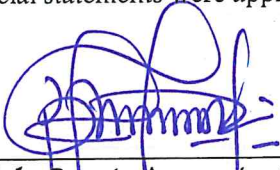
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
KIGUMO CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

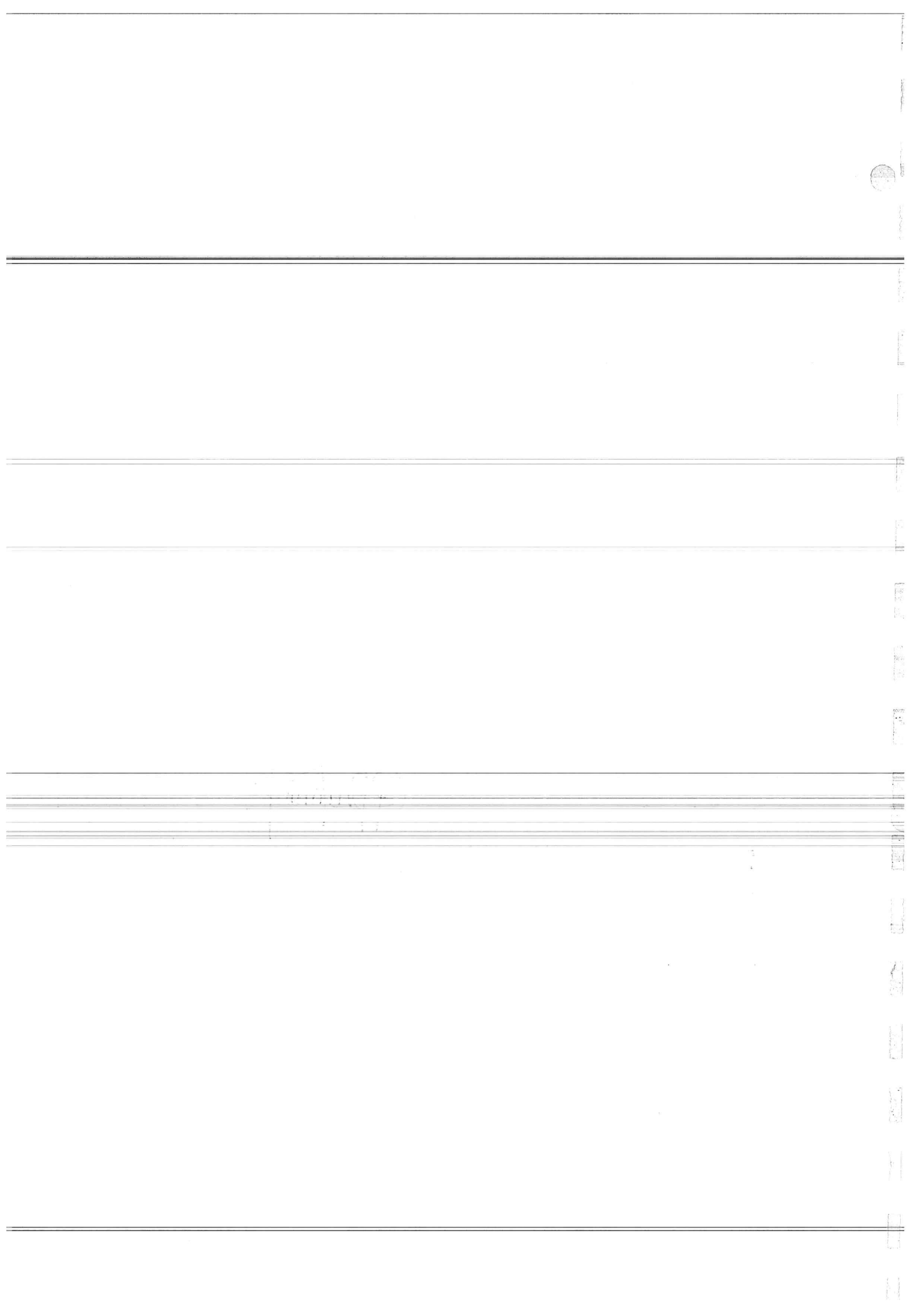
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	79,080,000	163,825,359
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	117,000	-
TOTAL RECEIPTS		79,197,000	163,825,359
PAYMENTS			
Compensation of employees	4	1,768,617	1,368,717
Use of goods and services	5	7,506,575	15,039,593
Transfers to Other Government Units	6	65,806,576	61,417,027
Other grants and transfers	7	38,030,241	37,750,611
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		113,112,009	123,175,948
SURPLUS /DEFICIT		(33,915,009)	40,649,411

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Kigumo Constituency financial statements were approved on 18/9/ 2020 and signed by:


Fund Account Manager
Name: Kennedy Kamau


Sub-County Accountant
Name: Jacob Muthami
ICPAK Member Number: 15333




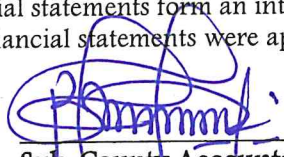
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
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Reports and Financial Statements
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VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	26,461,490	60,376,499
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		26,461,490	60,376,499
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		26,461,490	60,376,499
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Deposits (Gratuity)	12B	-	-
TOTAL FINANCIAL LIABILITIES		-	-
NET FINANCIAL ASSETS		26,461,490	60,376,499
REPRESENTED BY			
Fund balance b/fwd	13	60,376,499	19,727,088
Prior year adjustments	14	-	-
Surplus for the year		(33,915,009)	40,649,411
NET FINANCIAL POSITION		26,461,490	60,376,499

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Kigumo Constituency financial statements were approved on 18/9/2020 and signed by:


Fund Account Manager
Name: Kennedy Kamau


Sub-County Accountant
Name: Jacob Muthami
ICPAK Member Number: 15333

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

KIGUMO CONSTITUENCY


Reports and Financial Statements

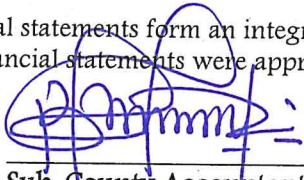
For the year ended June 30, 2020

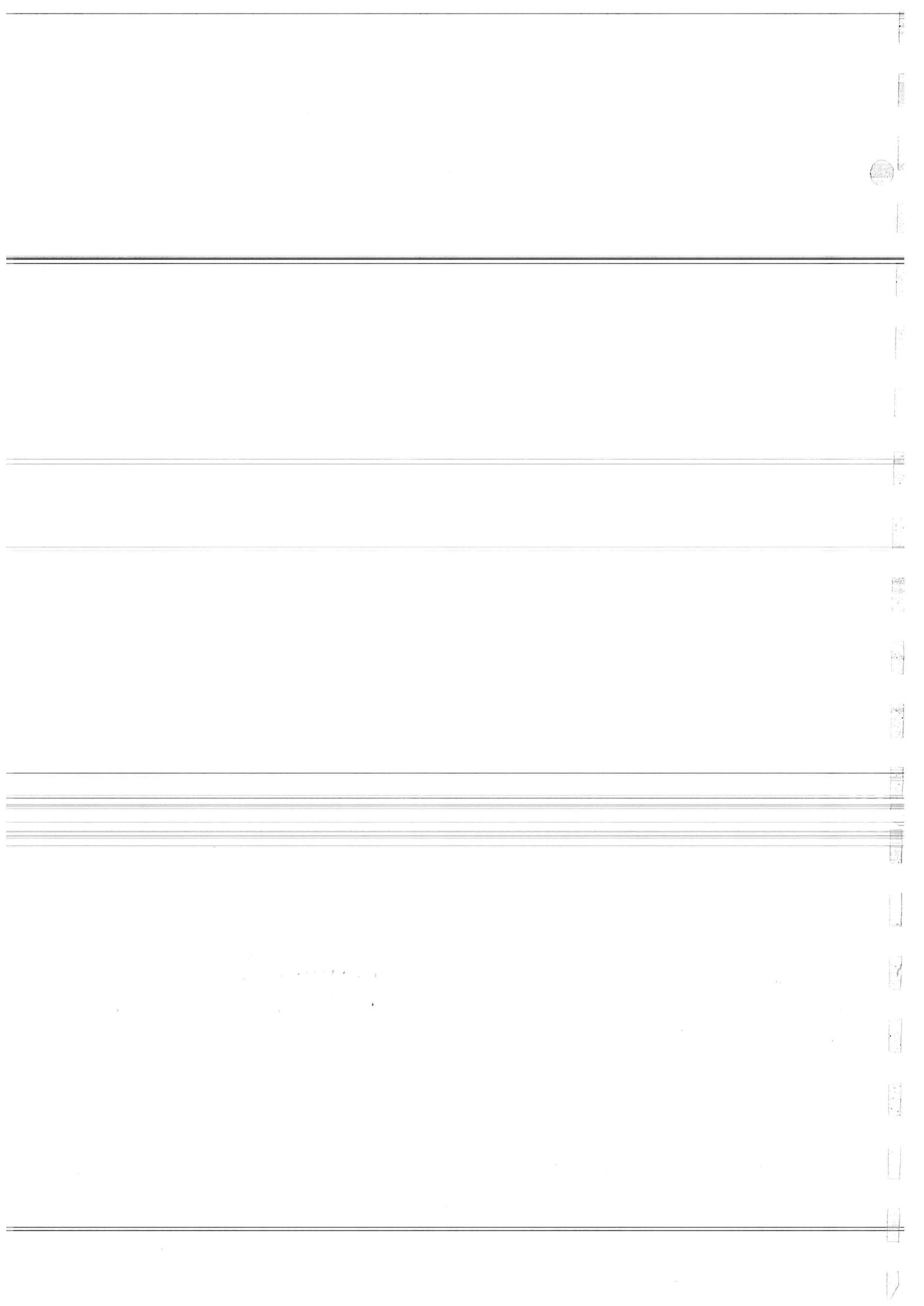
IX. STATEMENT OF CASHFLOW

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	79,080,000	163,825,359
Other Receipts	3	117,000	-
Total receipts		79,197,000	163,825,359
Payments for operating expenses			
Compensation of Employees	4	1,768,617	1,368,717
Use of goods and services	5	7,506,575	15,039,593
Transfers to Other Government Units	6	65,806,576	61,417,027
Other grants and transfers	7	38,030,241	37,750,611
Other Payments	9	-	-
Total payments		113,112,009	115,575,948
Total Receipts Less Total Payments		(33,915,009)	48,249,411
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
Net cash flow from operating activities		(33,915,009)	48,249,411
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	(7,600,000)
Net cash flows from Investing Activities		-	(7,600,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		(33,915,009)	40,649,411
Cash and cash equivalent at BEGINNING of the year	13	60,376,499	19,727,088
Cash and cash equivalent at END of the year		<u>26,461,490</u>	<u>60,376,499</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF Kigumo Constituency financial statements were approved on 13/9/ 2020 and signed by:


Fund Account Manager
Name: Kennedy Kamau


Sub-County Accountant
Name: Jacob Muthami
ICPAK Member Number: 15333



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMO CONSTITUENCY
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X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from NGCDF Board	137,367,724	71,456,499	208,824,223	139,456,499	69,367,724	67%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	117,000	117,000	117,000	-	-
	137,367,724	71,573,499	208,941,223	139,573,499	69,367,724	67%
PAYMENTS						
Compensation of Employees	2,560,000	989,748	3,549,748	1,768,617	1,781,131	50%
Use of goods and services	9,803,095	1,054,182	10,857,277	7,506,575	3,350,702	69%
Transfers to Other Government Units	58,600,000	53,606,576	112,206,576	65,806,576	46,400,000	59%
Other grants and transfers	66,404,629	15,805,993	82,210,622	38,030,241	44,180,381	46%
Acquisition of Assets	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-
Un-allocated Funds (AIA)	-	117,000	117,000	-	117,000	-
TOTALS	137,367,724	71,573,499	208,941,223	113,112,009	95,829,214	54%

- i) The adjustments receipts are represented by the opening cash book balance as at 1 July 2019 of Kshs. 60,376,499 (Note 13), funds for previous financial years 2014/2015 and 2015/2016 of Kshs. 4,000,000 and Kshs. 7,080,000 respectively disbursed by the NG-CDF Board to the constituency during the financial year and AIA of Kshs. 117,000 all totalling to Kshs. 71,573,499.
- ii) The actual on comparable basis receipts are funds available for use during the financial year represented by funds received from the Board totalling to Kshs. 79,080,000 (Note 1), balance b/f in the beginning of the financial year of Kshs. 60,376,499 (Note 13) and AIA of Kshs. 117,000 all totalling to Kshs. 139,573,499.

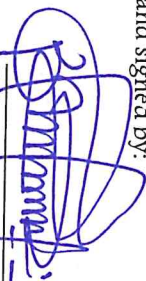


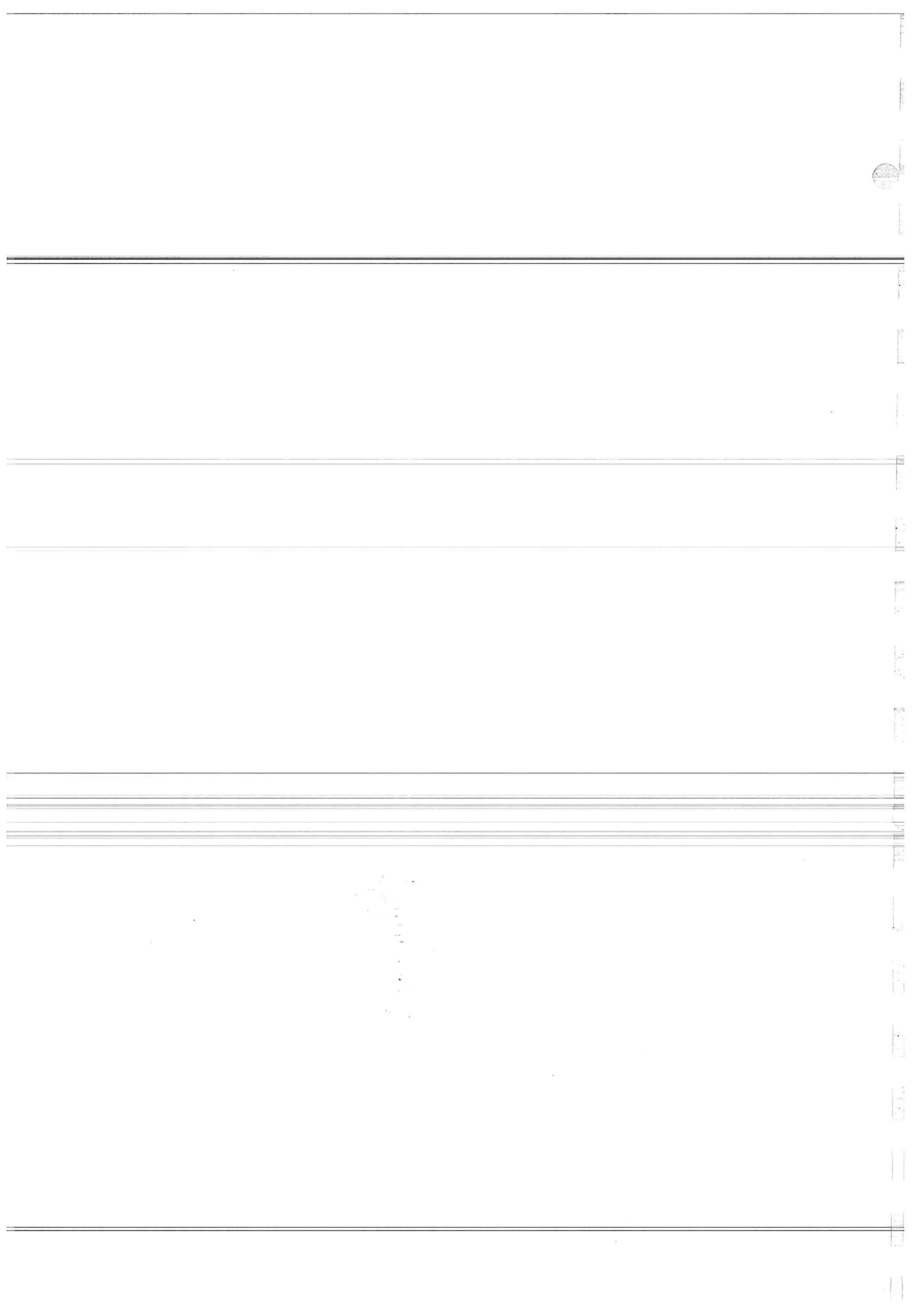
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMO CONSTITUENCY
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- iii) The constituency received 67% of the budget from NG-CDF Board leaving a balance of Kshs. 69,367,724 which largely contributed to the overall budget utilization of 54%.
- iv) Compensation of employees and Use of goods and services were at 50% and 69% respectively with a significant proportion of the funds being under the 43% of the budget not yet released to the constituency by the NG-CDF board.
- v) Transfers to Other Government Units and Other grants and transfers were at 59% and 46% respectively with a significant proportion of the funds being under the 43% of the budget not yet released to the constituency by the NG-CDF board.

The NG-CDF Kigumo Constituency financial statements were approved on 18/9/ 2020 and signed by:


Fund Account Manager
Name: Kennedy Kamau


Sub-County Accountant
Name: Jacob Muthami
ICPAK Member Number: 15333



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMO CONSTITUENCY
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For the year ended June 30, 2020

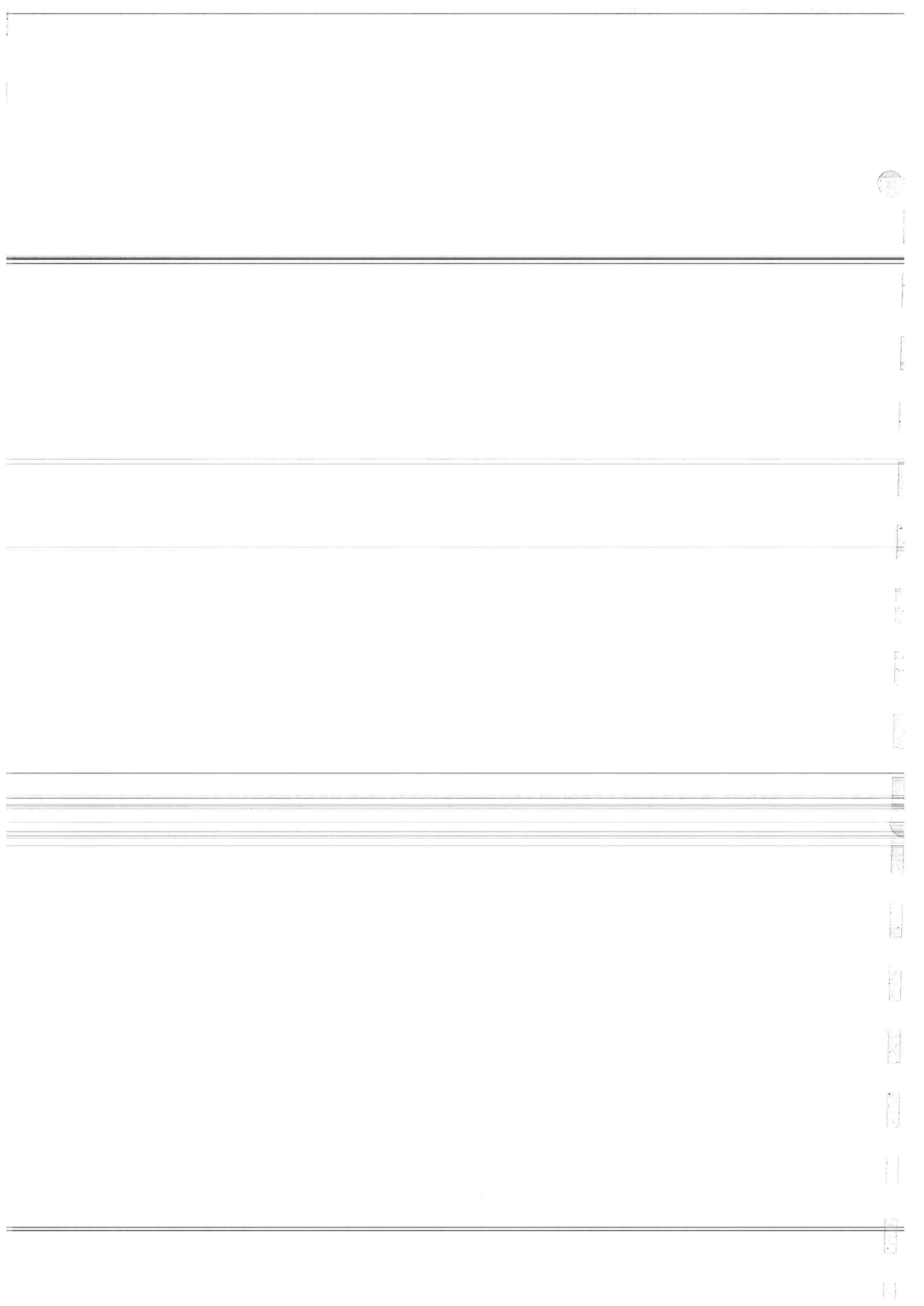
XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020 Kshs	Adjustments Kshs	Final Budget 2019/2020 Kshs	Actual on comparable basis 30/06/2020 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,560,000	989,748	3,549,748	1,768,617	1,781,131
1.2 Committee allowances	3,200,000	182,000	3,382,000	2,952,000	430,000
1.3 Use of goods and services	2,482,063	621,747	3,103,810	2,460,815	642,995
2.0 Monitoring and evaluation					
2.1 Capacity building	1,350,000		1,350,000		1,350,000
2.2 Committee allowances	1,671,032	248,000	1,919,032	1,200,000	719,031
2.3 Use of goods and services	1,100,000	2,435	1,102,435	893,760	208,675
3.0 Emergency	7,198,241		7,198,241		7,198,241
3.1 Primary Schools					
3.1.1 Thamara Pri Sch		600,000	600,000	600,000	
3.1.2 Gakoe-ini Pri Sch		600,000	600,000	600,000	
3.1.3 Ndugamano Pri Sch		600,000	600,000	600,000	
3.1.4 Kigumo Mixed Sec		600,000	600,000	600,000	
3.2 Security projects					
3.2.1 Githima Police post		938,993	938,993	938,993	
4.0 Bursary and Social Security					
4.1 Primary Schools					
4.2 Secondary Schools	14,841,931	592,000	15,433,931	14,034,500	1,399,431
4.3 Tertiary Institutions (Colleges & Uni)	19,000,000	6,000,000	25,000,000	16,487,000	8,513,000
4.4 Universities					



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMO CONSTITUENCY
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For the year ended June 30, 2020

4.5	Social Security	500,000	500,000	1,000,000		1,000,000
5.0	Sports					
5.1	Sports	2,747,355		2,747,355		2,747,355
6.0	Environment					
6.1	Environmental Project	2,747,355	2,175,000	4,922,355		4,922,355
7.0	Primary Schools Projects					
7.1	ACK Kahumbu Primary School	1,000,000		1,000,000		1,000,000
7.2	Turuturu Primary School	5,500,000		5,500,000	5,500,000	
7.3	Gakuyu DEB Primary School	1,000,000		1,000,000	1,000,000	
7.4	Gathimaini Primary School	1,000,000		1,000,000		1,000,000
7.5	Gatitu DEB Primary School	1,000,000		1,000,000	1,000,000	-
7.6	Gikigie Primary School	600,000		600,000		600,000
7.7	Kahariro Primary School	1,000,000		1,000,000		1,000,000
7.8	Kamukabi Primary School	1,000,000		1,000,000		1,000,000
7.9	Kandereedu Primary School	1,200,000		1,200,000		1,200,000
7.10	Karunga Primary School	600,000		600,000	600,000	
7.11	Kialiti Primary School	1,000,000		1,000,000	1,000,000	
7.12	Kiamaingi Primary School	1,000,000		1,000,000		1,000,000
7.13	Kirere Primary School	5,500,000		5,500,000		5,500,000
7.14	Mwarano Primary School	600,000		600,000	600,000	
7.15	Maruni Primary School	1,000,000		1,000,000		1,000,000
7.16	Nguku Primary School	2,500,000		2,500,000	2,500,000	
7.17	Gakarati Pri Sch		1,000,000	1,000,000	1,000,000	
7.18	Gikondi Pri Sch		2,400,000	2,400,000	2,400,000	
7.19	Githima Pri Sch		1,300,000	1,300,000	1,300,000	
7.20	Githima Pri Sch		3,600,000	3,600,000	3,600,000	
7.21	Kahuho Pri Sch		1,000,000	1,000,000	1,000,000	



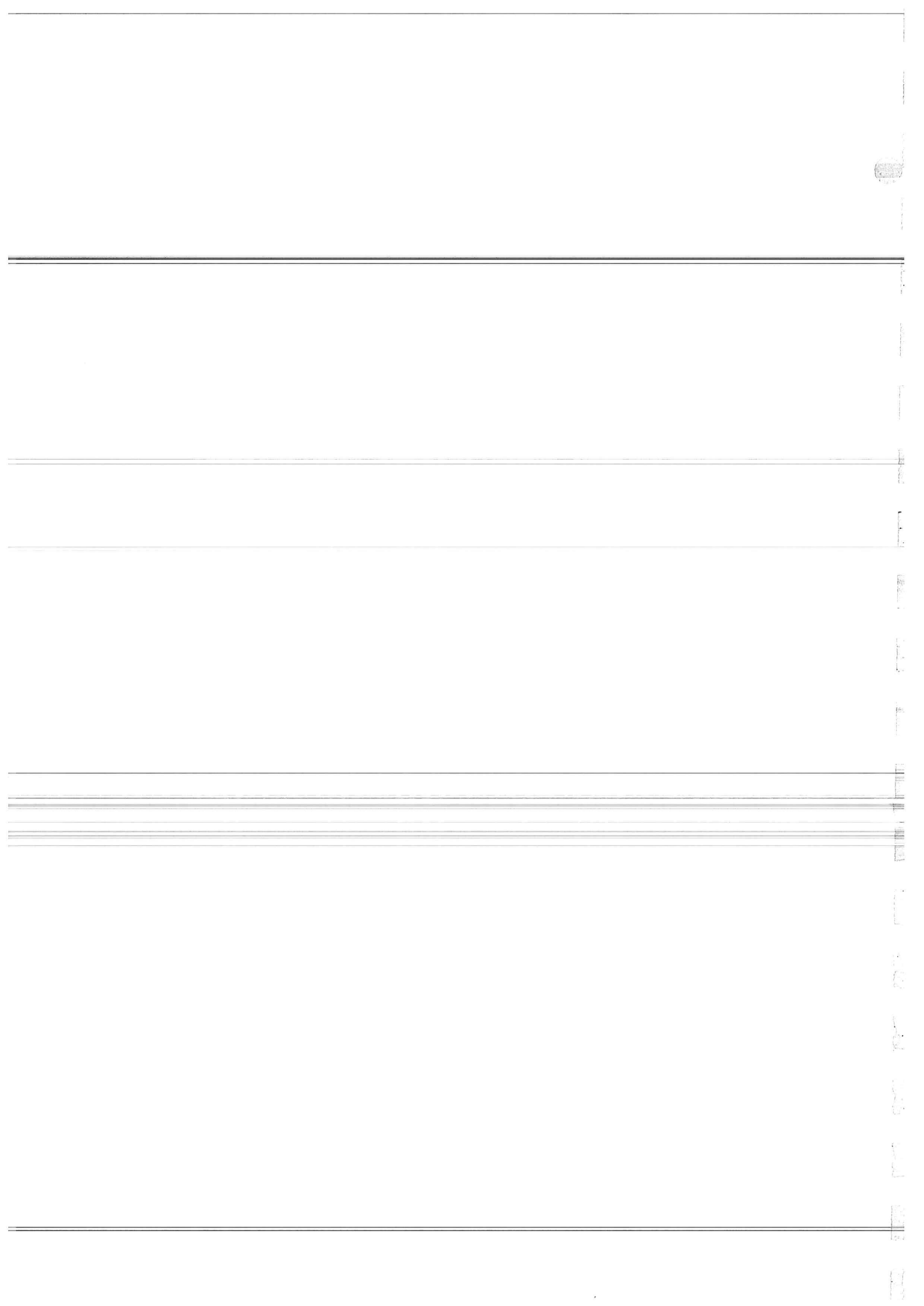
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMO CONSTITUENCY
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7.22	Kigumo Pri Sch		1,000,000	1,000,000	1,000,000	
7.23	Kinotho Pri sch		1,000,000	1,000,000	1,000,000	
7.24	Kiriani Pri Sch		1,000,000	1,000,000	1,000,000	
7.25	Mairi Pri Sch		1,000,000	1,000,000	1,000,000	
7.26	Makomboki Pri Sch		1,000,000	1,000,000	1,000,000	
7.27	Makomboki Pri Sch		600,000	600,000	600,000	
7.28	Mariira Pri Sch		1,000,000	1,000,000	1,000,000	
7.29	Mathareini Pri Sch		1,026,576	1,026,576	1,026,576	
7.30	Mbogoini Pri sch		1,000,000	1,000,000	1,000,000	
7.31	Mumbu Pri sch		1,000,000	1,000,000	1,000,000	
7.32	Ngurweini Pri Sch		1,000,000	1,000,000	1,000,000	
7.33	Njora Pri Sch		1,000,000	1,000,000	1,000,000	
7.34	Thamara Pri sch		1,000,000	1,000,000	1,000,000	
7.35	Muthithi Pri Sch		600,000	600,000	600,000	
7.36	Gachathiini Pri School		1,000,000	1,000,000		1,000,000
7.37	Gakeu Pri School		1,000,000	1,000,000		1,000,000
8.0	Secondary Schools Projects					
8.1	Makomboki secondary school	600,000		600,000		600,000
8.2	Mumbu Secondary School	7,000,000		7,000,000		7,000,000
8.3	Muthithi Secondary School	2,000,000		2,000,000		2,000,000
8.4	Njora Secondary School	1,500,000		1,500,000		1,500,000
8.5	Bishop Gatimu Girls Sec School	2,000,000		2,000,000		
8.6	Githembe Sec Sch	3,200,000		3,200,000		2,000,000
8.7	Kahumbu Sec Sch	600,000		600,000		3,200,000
8.8	Karinga Sec Sch	2,000,000		2,000,000		600,000
8.9	Kinyona Sec Sch	800,000		800,000		2,000,000
8.10	Mununga High Sch	2,000,000		2,000,000		800,000
8.11	St.Francis Mukuyu-ini sec	1,000,000		1,000,000		2,000,000
8.12	Thamara Sec	400,000		400,000		1,000,000



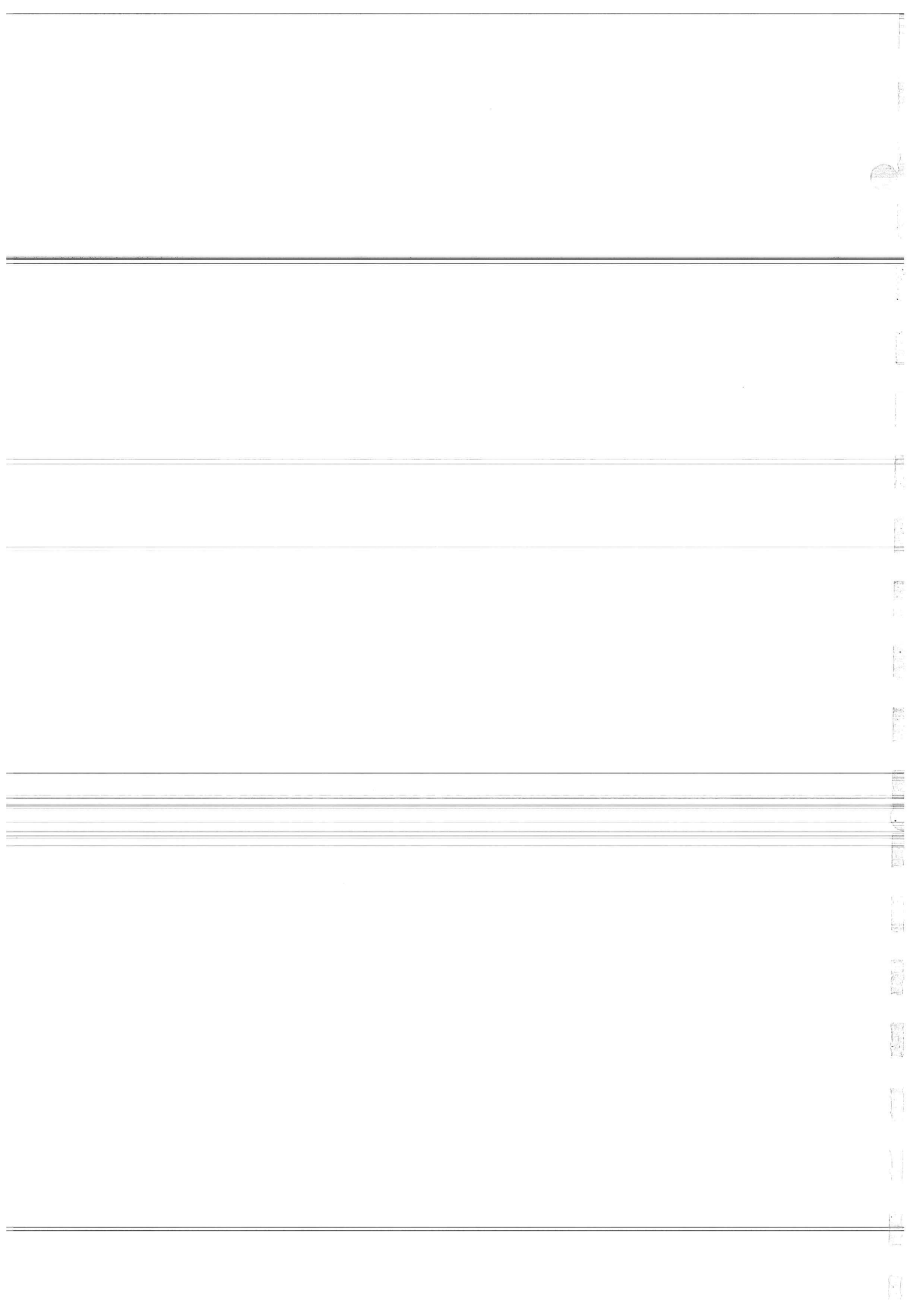
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMO CONSTITUENCY
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8.13	Wamahiga Sec		2,000,000	2,000,000	2,000,000	
8.14	Wamahiga Sec		7,080,000	7,080,000	7,080,000	
9.0	Tertiary Institutions Projects					
9.1	Kigumo Kenya Medical Training College	20,000,000		20,000,000		20,000,000
9.2	Kigumo TTI		10,000,000	10,000,000	10,000,000	
10.0	Security Projects					
10.1	Gacharage Chiefs Hall	1,120,000		1,120,000		1,120,000
10.2	Gatia-ini Chiefs Office	1,000,000		1,000,000		1,000,000
10.3	Githima Chiefs Hall	1,120,000		1,120,000		1,120,000
10.4	Githima Police Post	2,000,000		2,000,000		2,000,000
10.5	Kandereundu Chiefs Office	500,000		500,000		500,000
10.6	Kangari Chiefs Hall	1,120,000		1,120,000		1,120,000
10.7	Mugumo-ini Chiefs Hall	1,120,000		1,120,000		1,120,000
10.8	Muthithi Chiefs Hall	1,120,000		1,120,000		1,120,000
10.9	Muthithi Police Post	2,000,000		2,000,000		2,000,000
10.10	Muthithi Police Station		600,000	600,000		
10.11	Gatia-ini Police Station		1,800,000	1,800,000		
10.12	Gakuyu Police post		800,000	800,000		
11.0	Acquisition of assets					
11.1	Motor Vehicles (including motorbikes)					
11.2	Construction of CDF office					
11.3	Purchase of furniture and equipment					
11.4	Purchase of computers					
11.5	Purchase of land					



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMO CONSTITUENCY
Reports and Financial Statements
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12.0	Others					
12.1	Constituency Revision Books	7,300,000		7,300,000		7,300,000
12.2	Kigumo Sub-County treasury	969,748		969,748	969,748	-
12.3	Un-allocated Funds (ALA)		117,000	117,000	~	117,000
	Total	137,367,724	71,573,499	208,941,223	113,112,009	95,829,214



XII. 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 Kigumo Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

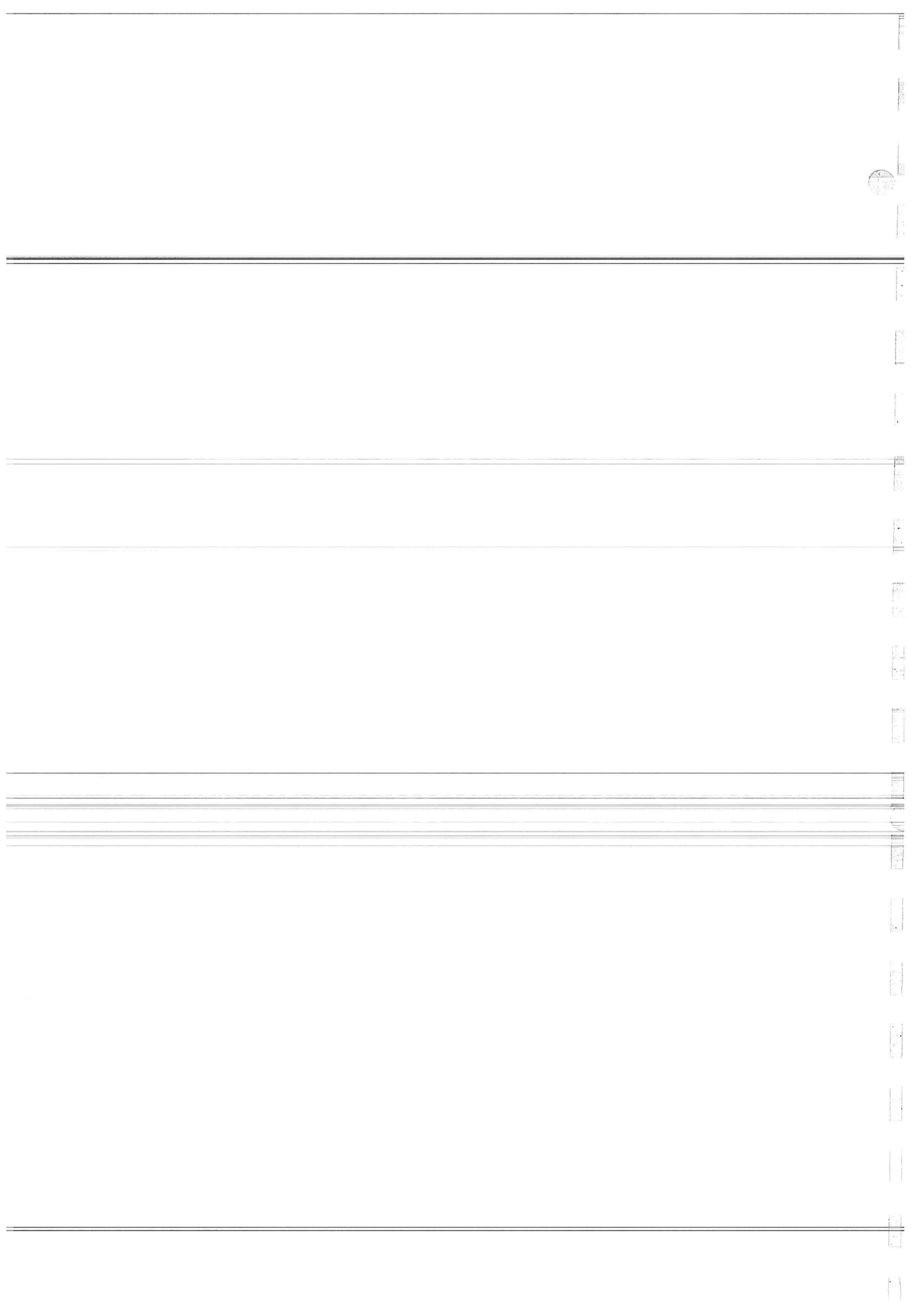
The Entity recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Entity.

Tax Receipts

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

Transfers from the Exchequer

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



SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 30th June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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



5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

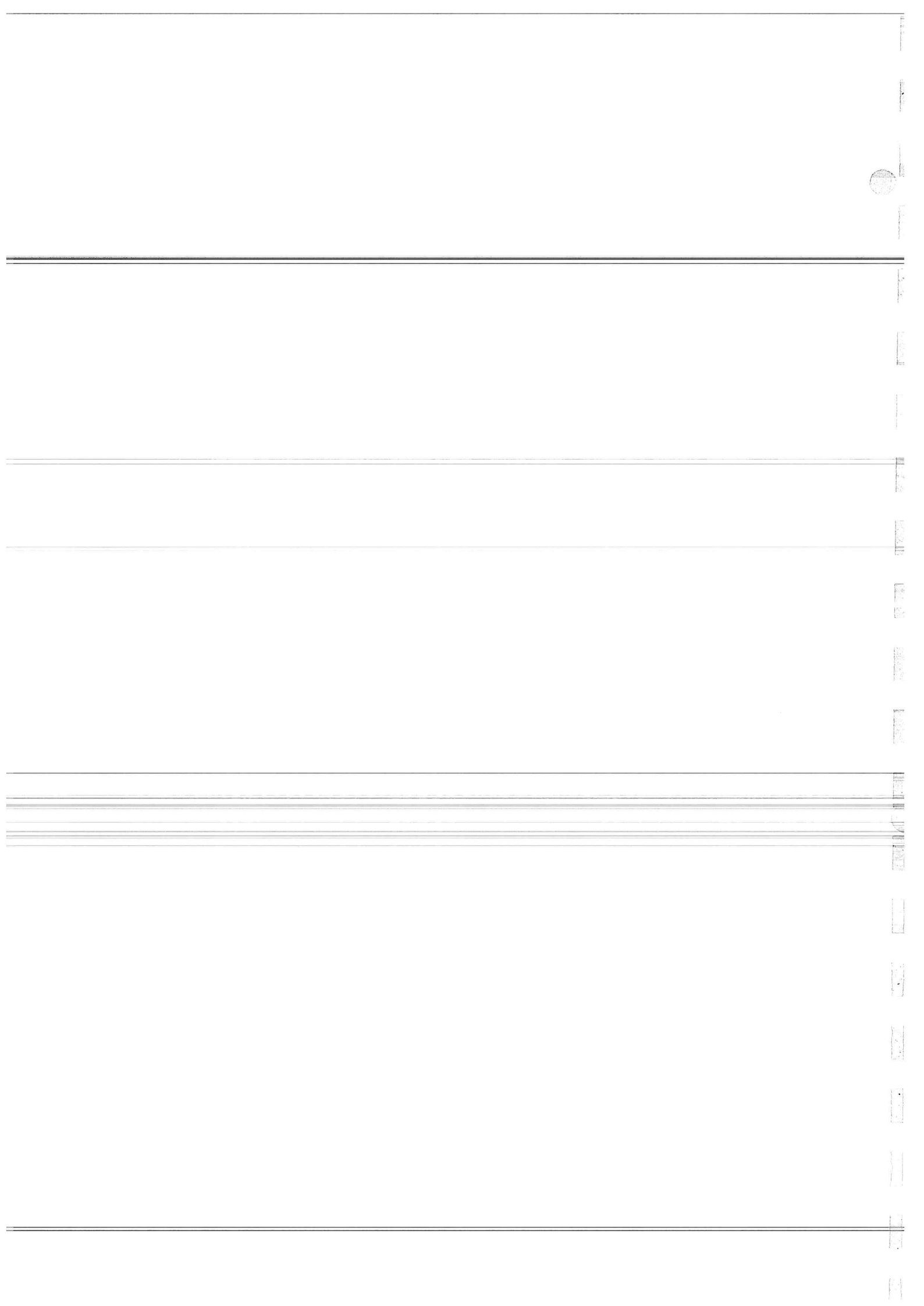
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations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

9. Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of 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 1st July 2019 to 30th June 2020 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)**KIGUMO CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2020****XIII. NOTES TO THE FINANCIAL STATEMENTS****1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board AIE NO.			
B005343	1		46,784,483
B030187	2		10,000,000
B030438	3		12,000,000
B006380	4		7,000,000
B042662	5		8,000,000
B042768	6		12,000,000
B047009	7		13,000,000
B047555	8		55,040,876
B041380	1	7,080,000	
B041364	2	4,000,000	
B047807	3	18,000,000	
B049309	4	19,000,000	
B096584	5	12,000,000	
B104334	6	15,000,000	
B047462	7	4,000,000	
TOTAL		79,080,000	163,825,359

2. PROCEEDS FROM SALE OF ASSETS

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

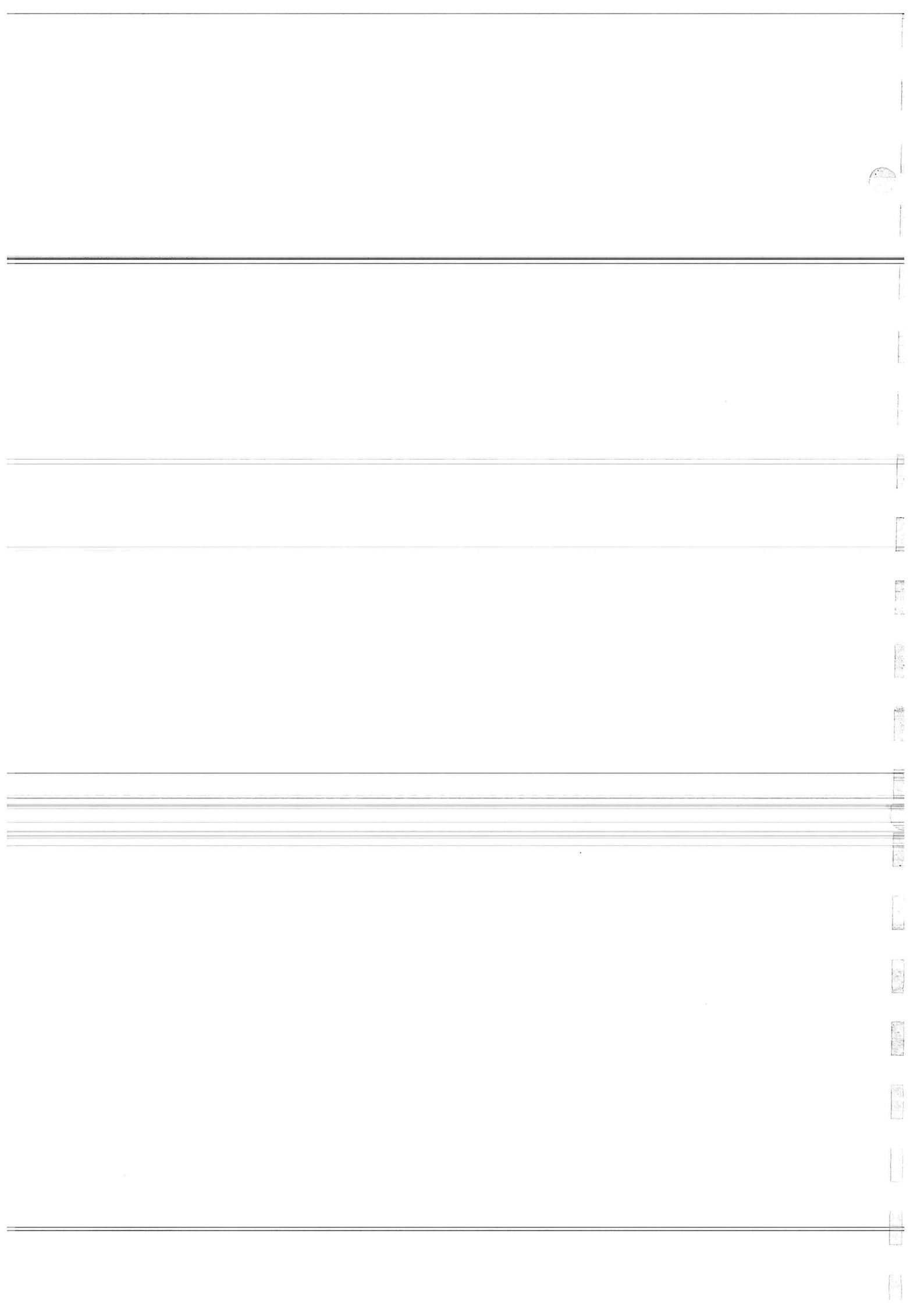


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)**KIGUMO CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2020***NOTES TO THE FINANCIAL STATEMENTS (Continued)***3. OTHER RECEIPTS**

	2019-2020	2018-2019
	Kshs	Kshs
Interest received	~	~
Rents	~	~
Receipts from Sale of tender documents	117,000	~
Other receipts not classified elsewhere	~	~
	~	~
Total	117,000	~

4. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	1,703,007	1,368,717
Personal allowances paid as part of salary	~	~
Pension and other social security contributions (Gratuity)	~	~
Employer Contributions Compulsory national social security schemes	65,610	~
Total	1,768,617	1,368,717

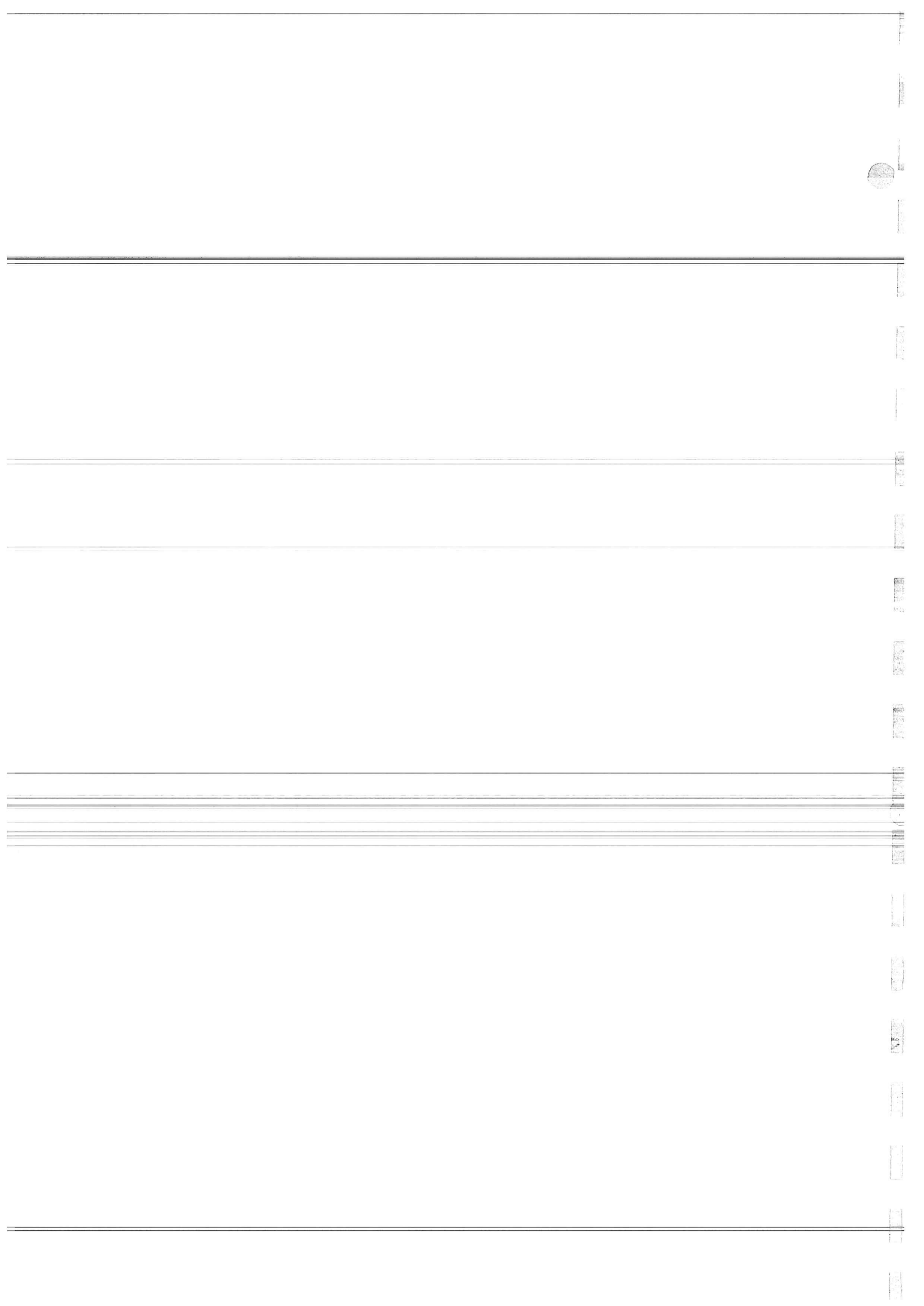


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)**KIGUMO CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2020***NOTES TO THE FINANCIAL STATEMENTS (Continued)***5. USE OF GOODS AND SERVICES**

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	4,152,000	4,935,862
Utilities, supplies and services	3,354,575	1,016,400
Communication, supplies and services		9,450
Domestic travel and subsistence		200,000
Printing, advertising and information supplies & services		
Rentals of produced assets		
Office and general supplies and services		303,891
Other operating expenses		3,794,000
Training expenses		1,400,000
Water & sewerage charges		12,990
Hospitality supplies and services		
Insurance costs		
Specialized materials and services		
Routine maintenance – vehicles and other transport equipment		
Routine maintenance – other assets		
Strategic plan		3,367,000
Total	7,506,575	15,039,593

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to primary schools (see attached list)	34,726,576	32,917,027
Transfers to secondary schools (see attached list)	21,080,000	28,500,000
Transfers to tertiary institutions (see attached list)	10,000,000	-
Total	65,806,576	61,417,027



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)**KIGUMO CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2020****NOTES TO THE FINANCIAL STATEMENTS (Continued)****7. OTHER GRANTS AND TRANSFERS**

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	14,034,500	9,834,500
Bursary – tertiary institutions (see attached list)	16,487,000	18,635,250
Bursary – special schools (see attached list)		
Mock & CAT (see attached list)		
Electricity		
Security projects (see attached list)	3,200,000	500,000
Sports projects (see attached list)		2,180,861
Environment projects (see attached list)		
Emergency projects (see attached list)	3,338,993	6,600,000
Other projects (see attached list)	969,748	
Total	38,030,241	37,750,611

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	7,600,000
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	-	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	7,600,000



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)

KIGUMO CONSTITUENCY

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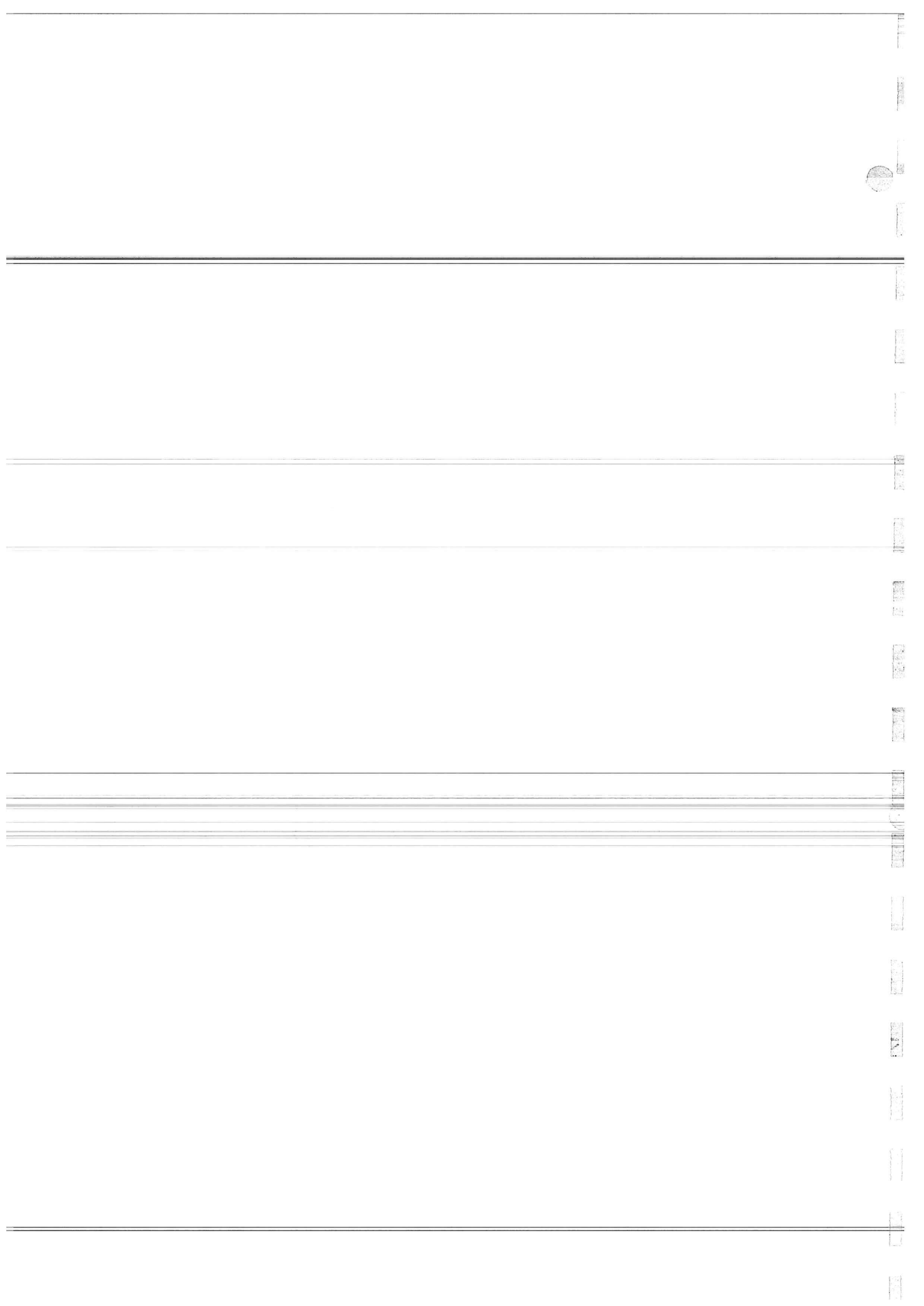
NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	~	~
ICT Hub	~	~
	~	~

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
Equity Bank Kangari, A/c 0070296246702	26,461,490	60,376,499
Total	26,461,490	60,376,499
10B: CASH IN HAND		
Location 1	~	~
Location 2	~	~
Location 3	~	~
Other Locations (<i>specify</i>)	~	~
Total	~	~



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

Total

0

12A. RETENTION

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

12B. GRATUITY DEPOSITS

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

13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Bank accounts	60,376,499	19,727,088
Cash in hand	~	~
Imprest	~	~
Total	60,376,499	19,727,088



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14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	~	~	~
Cash in hand	~	~	~
Accounts Payables	~	~	~
Receivables	~	~	~
Others (<i>specify</i>)	~	~	~
	~	~	~

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

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

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

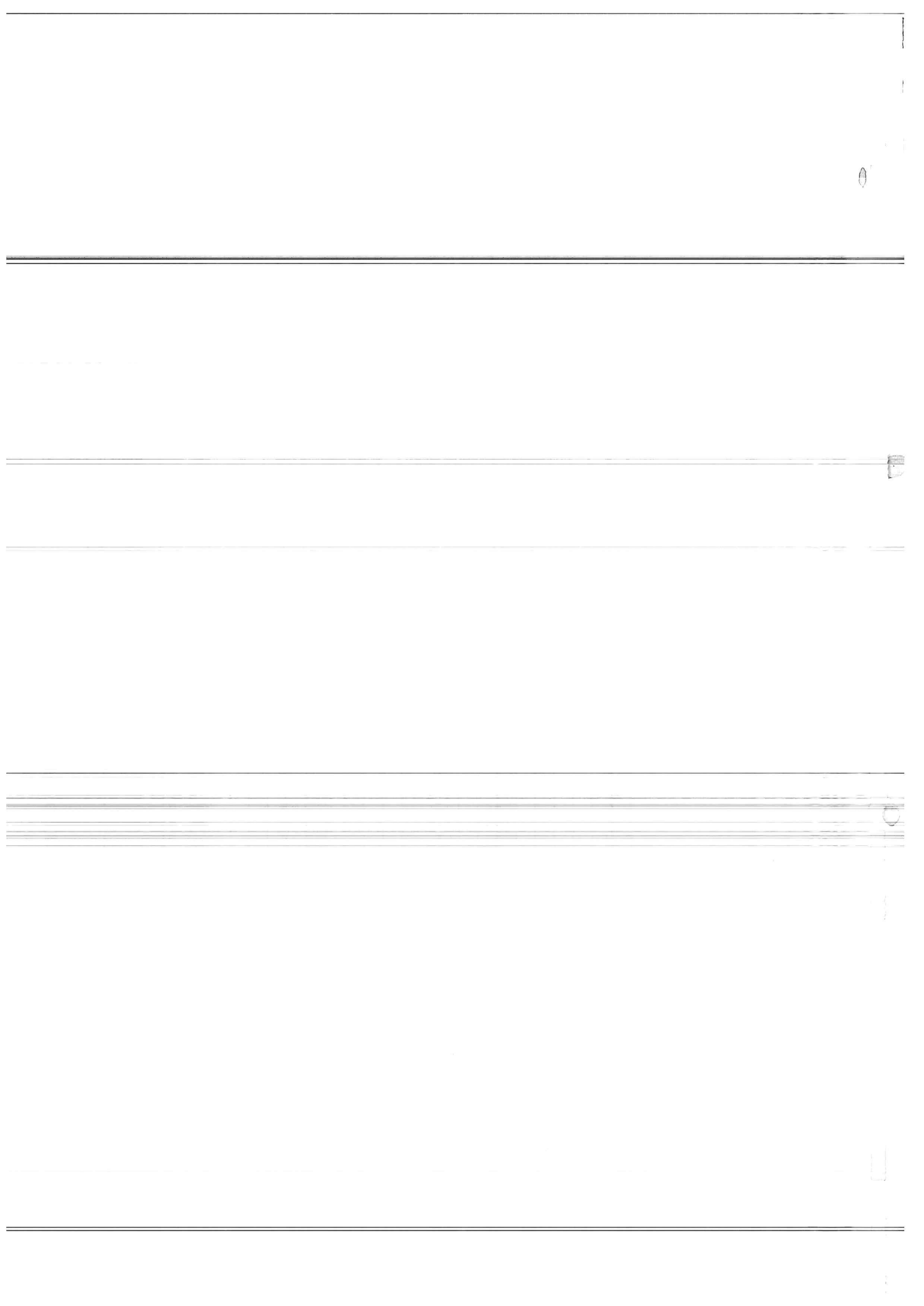
	2019-2020	2018-2019
	Kshs	Kshs
Construction of buildings	~	~
Construction of civil works	~	~
Supply of goods	~	~
Supply of services	~	~
	~	~

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	~	~
Others (<i>specify</i>)	~	~
	~	~

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	1,781,131	1,797,963
Use of goods and services	3,350,702	497,927
Amounts due to other Government entities (see attached list)	46,400,000	16,407,076
Amounts due to other grants and other transfers (see attached list)	44,180,381	48,753,533
Acquisition of assets	~	~
Others (<i>Un-allocated funds AIA</i>)	117,000	~
	95,829,214	67,456,499



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMO CONSTITUENCY
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMU CONSTITUENCY
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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees		1,781,131	1,797,964	
Use of goods & services		3,350,701	3,864,836	
Amounts due to other Government entities		5,131,832	5,662,800	
Primary Schools Projects				
ACK Kahumbu Primary School		1,000,000		
Gathimaini Primary School		1,000,000		
Gikigie Primary School		600,000		
Kaharuro Primary School		1,000,000		
Kamukabi Primary School		1,000,000		
Kanderedu Primary School		1,200,000		
Kiamangi Primary School		1,000,000		
Kirere Primary School		5,500,000		
Maruni Primary School		1,000,000		
Gachathiini Pri School		1,000,000		
Gakeu Pri School		1,000,000		
Githima Primary School			1,300,000	
Kigumo Primary School			1,000,000	
Karaini Primary School			1,000,000	
Gatttu DEB Primary			1,000,000	
Mairi Primary School			1,000,000	
Nguweini primary school			1,000,000	
Kimothe Primary School			1,000,000	
Makomboti Primary School			1,000,000	
St Francis Mukuyuini Primary School			1,000,000	
Wamahiga Primary School			600,000	
Gachathiini Primary School			1,000,000	
Thamara Primary School			1,000,000	
Njora Primary School			1,000,000	
Gakeu Primary School			1,000,000	
Mathareini Primary School			1,026,576	



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMO CONSTITUENCY
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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Gikondi Primary School			2,400,000	
Kamukabi Primary School			600,000	
Mbogoini Primary School			1,000,000	
Mumbu Primary School			1,000,000	
Gakarati Primary School			1,000,000	
Kahuho Primary School			1,000,000	
Secondary Schools Projects				
Makomboki secondary school		600,000		
Mumbu Secondary School		7,000,000		
Muthithi Secondary School		2,000,000		
Njora Secondary School		1,500,000		
Mununga High School			2,000,000	
Karinga Secondary School			2,000,000	
Kinyona Secondary School			800,000	
Kalumbu Secondary School			600,000	
Githembe Secondary School			3,200,000	
Tertiary Institutions Projects				
Kigumo Kenya Medical Training College		20,000,000		
Kigumo TVET			10,000,000	
Sub-Total		46,400,000	40,526,576	
Amounts due to other grants and other transfers				
Emergency		7,198,241	6,238,993	
Bursary and Social Security				
Secondary Schools		1,399,431	3,165,500	
Tertiary Institutions (Colleges & Uni)		8,513,000	29,630	
Social Security (NHIF)		1,000,000	8,500,000	
Sports				
Sports		2,747,355		
Environment				
Environmental Project		4,922,355		



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMO CONSTITUENCY
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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Security Projects				
Gacharage Chiefs Hall		1,120,000		
Gatia-ini Chiefs Office		1,000,000		
Githima Chiefs Hall		1,120,000		
Githima Police Post		2,000,000		
Kandereundu Chief's Office		500,000		
Kangari Chiefs Hall		1,120,000		
Mugumo-ini Chiefs Hall		1,120,000		
Muthithi Chiefs Hall		1,120,000		
Muthithi Police Post		2,000,000		
Gatia -ini Police Station			1,800,000	
Muthithi Police Station			600,000	
Gakuyu Police Post			800,000	
Others				
Constituency Revision Books		7,300,000		
Strategic Plan			133,000	
Sub-Total		44,180,382	21,267,123	
Sub-Total		95,712,214	67,456,499	
Acquisition of assets				
Others				
Un allocated funds (AIA)		117,000	-	
Sub-Total		117,000	-	
Grand Total		95,829,214	67,456,499	



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) KIGUMO CONSTITUENCY
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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

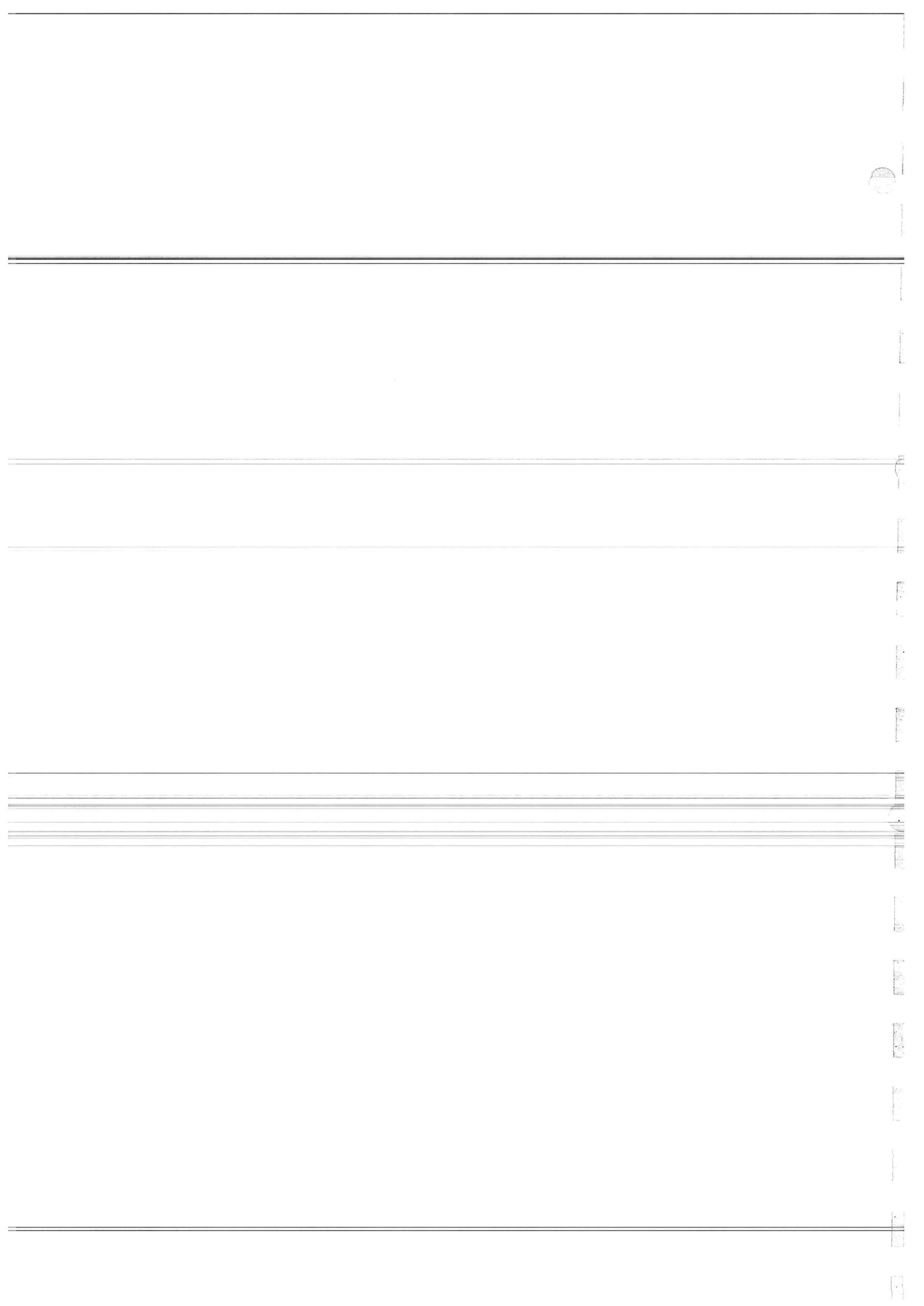
Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land	-	-	-	-
Buildings and structures	2,883,710	7,600,000	-	10,483,710
Transport equipment	-	-	-	-
Office equipment, furniture and fittings	770,850	-	-	770,850
ICT Equipment, Software and Other ICT Assets	860,848	-	-	860,848
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	4,515,408	7,600,000	-	12,115,408



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2020

	PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
	PRIMARY SCHOOLS				
1	Gachathiini primary school	Equity Murang'a	00220193000000		971,410
2	Gacoco primary school	Equity Kangari	0070190251977		47,769
3	Gakarati primary school	Equity Kenol	00890199000000		29,943
4	Gakuyu primary school	Equity Kangari	0070277912589		40,467
5	Gathimaini primary school	Equity Kenol	00890200000000		65,744
6	Gatitu DEB Pri Sch	Equity Kangari	0070170062250	47,665	
7	Githima Pri Sch	Equity Kangari	0070197014855	3,609,767	
8	Ikumbi primary school	Equity Kangari	0070164176055		79,507
9	Irigiro primary school	Equity Kenol	00890293000000		3,278
10	Kahuho primary school	Equity Kenol	00890298000000		623,436
11	Kairitu primary school	Equity Kangari	0070278895129		47,396
12	Kamukabi primary school	Equity Kangari	0070190980084		19,834
13	Kandani primary school	Equity Kenol	00890198000000		45,304
14	Karega primary school	Equity Kangari	0070190183085		54,590
15	Karia-ini primary school	Equity Kangari	0070199815481		1,039,448
16	Kiahiti Pri Sch	Equity Kangari	0070294241629	1,001,804	141,674
17	Kigumo primary school	Equity Kangari	0070191192672		72,580
18	Kimotho Pri sch	Equity Kangari	0070194205290	122,635	106,507
19	Kinyona primary school	Equity Kangari	0070190946348		76,271
20	Kiugu primary school	Equity Kenol	00890264000000		23,303
21	Mairi primary school	Equity Kangari	0070162326530		328,255
22	Makomboki Pri Sch	Equity Kangari	0070162311379	134,892	
23	Mariira Pri Sch	Equity Kangari	0070161576142	1,000,231	
24	Mathareini Pri Sch	Equity Kangari	0070196994204	114,495	1,121,716
25	Matu primary school	Equity Kangari	0070170586264		22,780
26	Mbogoini primary school	Equity Kenol	00890262000000		921
27	Muiria primary school	Equity Kangari	0070272842086		18,667
28	Mumbu primary school	Equity Kangari	0070197014855		1,203,602
29	Mutunguru primary school	Equity Kangari	0070194240202		31,081
30	Mwarano Pri Sch	Equity Kangari	0070194240202	603,321	
31	Ndonga primary school	Equity Kenol	00890298000000		61,077
32	Ndugamano Pri Sch	Equity Kangari	0070190894806	422	
33	Nguku primary	Equity Kangari	0070199844355		13,074
34	Ngurweini Pri Sch	Equity Kangari	0070277361108		364,581
35	Njogu-ini primary school	Equity Kangari	0070171787985		6,069
36	Njora Pri Sch	Equity Kangari	0070163965384	44	49,982
37	Thamara Pri sch	Equity Kangari	0070162866637	606,774	52,716
38	Wamahiga primary school	Equity Kenol	00890297000000		5,738



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
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	PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
	SECONDARY SCHOOLS				
1	Bishop Gatimu Kinyona Girls Sec	Equity Kangari	0070166861851	2,000,483	
2	Gathima sec school	Equity Kangari	0070194364736		1,077,481
3	Githembe secondary school	Equity Kenol	00890298000000		970,945
4	Karega secondary school	Equity Kangari	0070193428286		228,623
5	Karinga Sec Sch	Equity Kangari	0070290307488	53	
6	Kigumo bendera high school	Equity Kangari	0070293407674		3,790,388
7	Kigumo Mixed Sec	Equity Kangari	0070278637442	645,480	5,780
8	Matu secondary school	Equity Kangari	0070278888628		1,979,892
9	Mugumoini secondary school	Equity Kenol	00890297000000		53,986
10	Mununga High Sch	Equity Kangari	0070167920147	98,665	
11	St. Francis Mukuyu-ini Sec	Equity Kangari	0070166575487	4,643	
	SECURITY PROJECTS				
1	Gatia-ini Police Station	Equity Kangari	0070279081396	653,760	1,683,880
2	Muthithi police station	Equity Kangari	0070179183366		28,750
	OTHER PROJECTS				
1	Kigumo social hall	Equity Kangari	0070199846057		138,453
2	Kigumo NG-CDF office	Equity Kangari	0070278710671		96,888
				10,645,133	16,823,787



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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

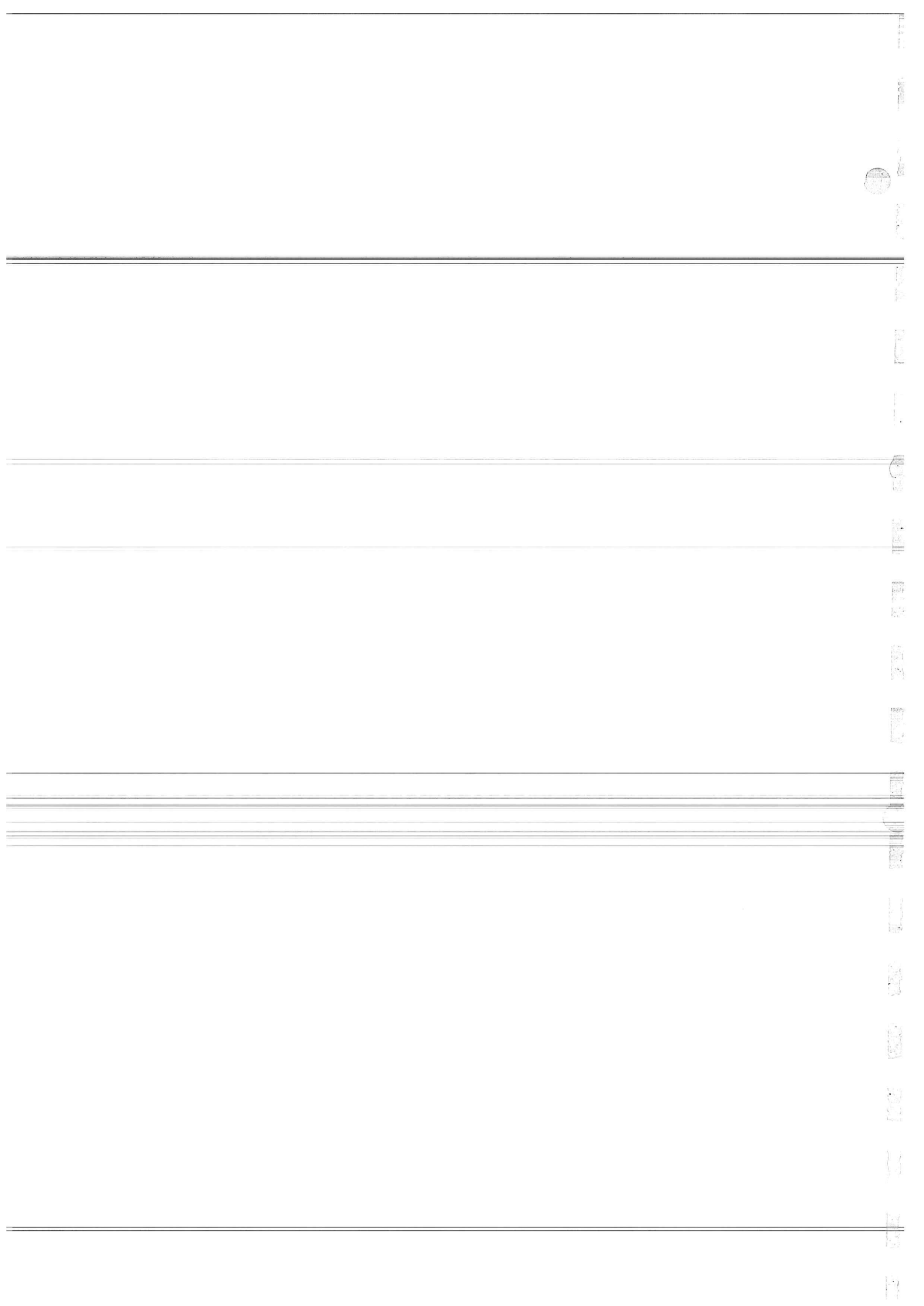
The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Unsupported committee allowances The National Government Constituencies Development Fund-Kigumo Constituency incurred an expenditure of Kshs.1, 778,000 on its NGCDFC allowances which were not supported by appropriate documentation.	The Supporting documents have been provided for perusal by the Auditor	Fund Account Manager	Resolved	
	Wrong Classification of Social Security Programmes Expenditure reported under the note 7 to the financial statements are expenses relating to CATs ad Mocks amounting to Kshs.326,500. A review of the supporting documentation indicates that the expenditure of Kshs.326, 500 was however incurred on sponsoring NHIF cards for the elderly people in the constituency and not CATs and Mocks as reported in the financial statements. The funding therefore relates to Social Security Programmes as per the provisions of section 48 of National Government Constituencies Development Fund Act 2015.	The expenditure has now been properly classified under Social Security Programs in the amended financial statements for the financial year 2017/2018 submitted to the Auditor	Fund Account Manager	Resolved	
	Wrong Classification of Bursary Expenditure Note 7 to the financial statements reflect payments relating to bursary totalling to Kshs.17,586,250. The figure comprises of Bursary to Secondary Schools of Kshs.13, 026,250 and	The expenditure of Kshs.370, 000 has since been properly classified under bursary to tertiary institutions in the amended financial statements for the financial year 2017/2018 availed to the Auditor	Fund Account Manager	Resolved	



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Bursary to Tertiary Institutions Kshs.4, 560,000. Included in the amount of Bursary to secondary schools are Bursary awarded to Universities and Tertiary Institutions amounting to Kshs.370, 000. The bursaries were disbursed vide payment voucher Number 02 dated 2nd March 2018. This amount should have however been reported under bursary to tertiary institutions.				
	Vetting of Applicants and Award of Bursary During the year under review Bursaries amounting to Kshs.17, 586,250 were awarded and disbursed in favour of beneficiaries in both secondary schools and tertiary institutions. These disbursements were supported by Bursary committee minutes dated 10th February and 27th April 2018. A review of a sample of bursary application forms revealed that there was no evidence that the forms were evaluated. In addition, there was no record in the minutes of the criteria used to vet, identify and categorize needy students. The criteria used to allocate bursary to applicants is therefore appears unclear.	Kigumo NG-CDF uses the following criteria while awarding bursary to bright and needy students within the constituency: <ul style="list-style-type: none"> An advertisement is made to local churches and other public places including barazas for the whole of the constituency to collect and dully fill the bursary application form from the NG-CDF office with a two week timeline to return the dully filled and stamped form. The bursary committee then evaluates the dully filled forms examining whether an applicant is a resident, has attached fee structure or balance fee from the institution, recommendation by assistant chief on whether he or she is needy and that he warrants the bursary. 	Fund Account Manager	Resolved	



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<ul style="list-style-type: none"> The bursary committee also device a formula as to how much is to be allocated in to either day secondary schools, boarding secondary schools and for university and colleges this is determined by the number of applicants for each cluster and the amount available at their disposal. The whole process is minuted by the bursary committee. <p>Due to the bulky nature of the exercise some evaluators may fail to indicate there reasons on the forms but instead group the beneficiary in one lot and the rejected forms in another the management takes into consideration of the recommendation to in future record their findings in the official use are marked in the forms.</p>			
	Inadequately Supported Bursary During the financial year, Kigumo NGCDF disbursed a total of Kshs.12,728,000 to various learning institutions. These disbursements were effected vide payment vouchers numbers 51 of 18th May 2018 for Kshs.4,204,000, 52 of the same date for Kshs.7,729,000 and 69 dated 28th May 2018 for Kshs.795,000. These payments were however not supported by a list of beneficiaries.	The supporting schedules not availed during the audit review period have since been availed for perusal by the Auditor.	Fund Account Manager	Resolved	



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Environment Project</p> <p>The environment project was allocated kshs.1, 535,913 during financial year 2017/2018. The project activity involved purchase and planting of 409 seedlings in 9 selected schools at a cost of Kshs.102, 394.20 for each school. The funds were transferred to a project Management Committee vide payment voucher number 89 dated 20th June 2018. The transfer was supported by NG-CDFC minutes dated 23rd May 2018 authorizing the disbursement to the Project Management Committee Account. A visit to 4 sampled schools on 27th February 2019 revealed that, out of approximately 420 seedlings planted in Irigiro Primary School, only 2 were surviving. The rest had dried up. At Gakeu Primary School, although most of the seedling planted was surviving, some were drying up. At Githima Primary school, most of the trees planted had dried up. A big number of the seedlings had also not been planted.</p>	<p>The Kigumo NG-CDFC is in a process of devising measures to ensure that the trees planted is taken care of to ensure sustainability of the project. The tree seedlings in question were planted during the month of December which in most cases we anticipate some short rains during this time however, during the financial year under review the short rains did not appear and most of the school do not have piped water to ensure watering of the trees. Therefore the management has resolved to change the tree planting period to the month of June up to August where it is wet to ensure a big number of tree are sustained. The committee also has resolved to ensure proper capacity building of the beneficiary for them to own the process and eventually take personal responsibility as the management of these schools and ensure sustainability of the project. The committee is also thinking of diversifying to other environmental sustainability projects within the subsequent financial year such as installing gabions to erosive prone areas, water harvesting in some school and unblocking drainage, cleaning of market areas that are health hazard.</p>	NG-CDFC Chairman	Not-resolved	30/12/2020



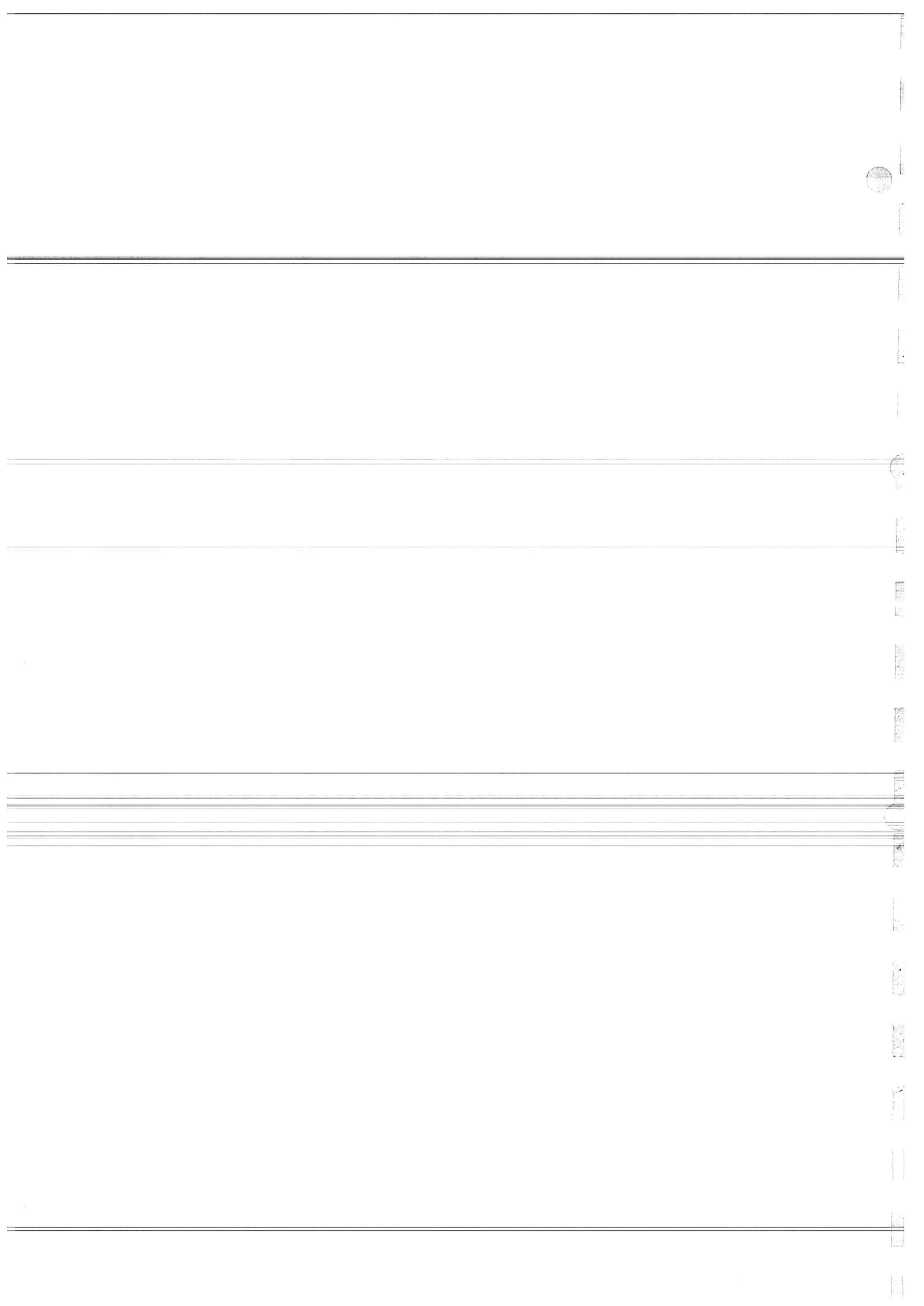
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Reports and Financial Statements
For the year ended June 30, 2020

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Delayed Project – Gacathi-ini Primary School</p> <p>Gacatha-ini Primary School was allocated Kshs.1, 000,000 during financial year 2017/2018 for construction of 2 no. classrooms as per the project code list provided for audit. The kshs.1, 000, 000 allocated was disbursed to the project vide cheque number 6328 dated 20th June 2018. A physical verification exercise conducted on 27th February 2019 revealed the project was just starting over seven months since the funds were disbursed. No proper explanation was provided for the delay in the implementation of the project.</p>	<p>At the time of audit the project had just started due to the fact that in this particular school the space where the two no. classrooms were to be built had an old structure that the school needed to demolish owing to the limited space for the growth of the school. The school management therefore differed on whether to demolish or change the activity to have a story classroom instead of construction of 2 no. classrooms. These disagreements delayed the implementation of the project but after further consultations were made, the resolution was to demolish at their cost to pave way for the construction of classroom as earlier proposed.</p> <p>The project is 60% complete awaiting finishes that is flooring, plastering, glazing and painting.</p>	Fund Account Manager	Resolved	
	<p>Poor Workmanship – Gikondi Primary School Project</p> <p>The project was allocated Kshs.1, 000,000 during financial year 2017/2018 for renovation of 6 no. classrooms. The amount was disbursed to the project vide cheque number 5808 dated 23rd April 2018. The tender for the works was awarded to Tech Sprought Enterprises Ltd at a cost of Kshs.931,250. As at the time of audit in February 2019, the contractor had been paid a total</p>	<p>At the time of audit the project was complete but not yet handed over to the user department by the contractor. However, there was still some outstanding work for the project to be fully complete. The certificate for payment are now been availed for your perusal. We have also written to the contractor to remedy the defects in the classrooms as the retention was yet to be paid.</p>	Fund Account Manager	Resolved	



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
KIGUMO 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 (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	of Kshs.835,930 for the works. However, no certificate from Public Works department was availed to support this payment. A physical verification exercise carried out on 27th February 2019, revealed that although the renovation works had been completed, floors to three classrooms had badly cracked casting doubts on the quality of works carried out by the contractor.				
	Funds Absorption Out of the total funds available to the Constituency during financial year 2017/2018 totaling to Kshs.68, 907,344, the constituency had only expended Kshs.49, 180,256 as at 30th June 2018. This translates to an absorption rate of 71%. The low absorption rates impacts negatively on project implementation and completion. The management however cited delay in disbursement of funds as the contributing factor in the low funds absorption.	The shortfall in disbursement relate to additional code list that was yet to be received amounting to ksh 11,379,310 and ksh 18,000,000 from the NG-CDF Board. The fund management made liaison with the board and the funds were received in the subsequent financial year.	Fund Account Manager	Resolved	



TRIAL BALANCE

	DR	CR
	KSHS	KSHS
Receipts		
Transfers from the NG-CDF Board		79,080,000
Proceeds from sale of assets		~
Others receipts		117,000
Fund Balance b/f 1/7/2019		60,376,499
Payments		
Compensation of Employees	1,768,617	
Use of goods and services	7,506,575	
Transfers to Other Government Units	65,806,576	
Other grants and transfers	38,030,241	
Acquisition of Assets	~	
Other Payments	~	
Fund balance c/f 30/6/2020	26,461,490	
TOTAL	139,573,499	139,573,499



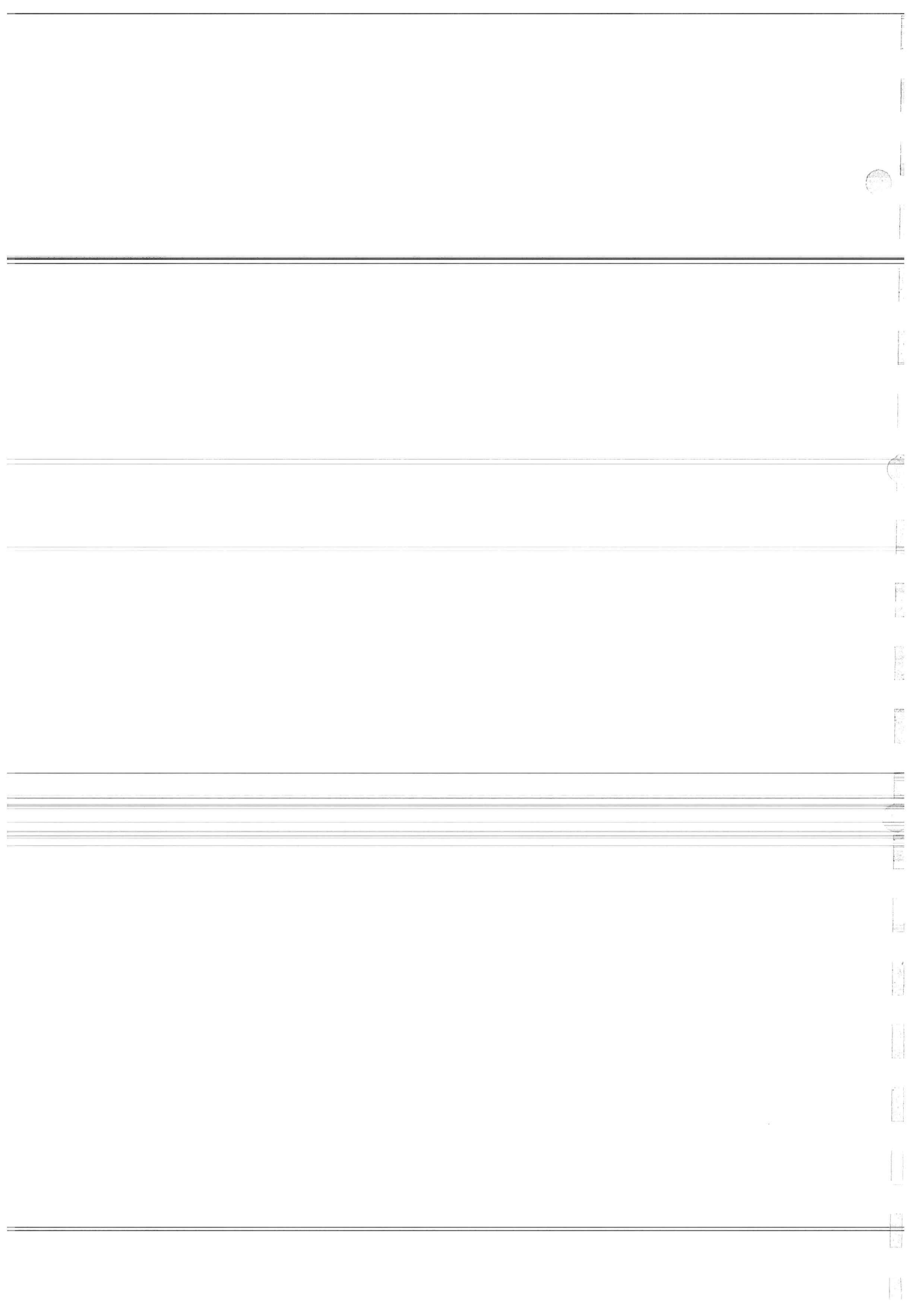
LEDGER: COMPENSATION OF EMPLOYEES

PAYEE	DATE	CHEQUE NO.	AMOUNT (KSHS)	
Amica Sacco	19-Jul-19	7420	88,265	
Amica Sacco	30-Jul-19	7561	15,459	
PAYE	19-Jul-19	7417	7,265	
PAYE	30-Jul-19	7558	861	
Jane Wanjiru	19-Jul-19	7421	12,000	
Amica Sacco	29-Aug-19	7592	103,724	
PAYE	29-Aug-19	7591	8,126	
Jane Wanjiru	29-Aug-19	7593	12,000	
Amica Sacco	25-Sep-19	7612	103,724	
PAYE	25-Sep-19	7611	8,126	
Jane Wanjiru	25-Sep-19	7615	12,000	
Amica Sacco	26-Oct-19	7704	103,724	
PAYE	26-Oct-19	7705	8,126	
Jane Wanjiru	26-Oct-19	7708	12,000	
Amica Sacco	29-Nov-19	7725	103,724	
PAYE	29-Nov-19	7728	8,126	
Jane Wanjiru	29-Nov-19	7729	12,000	
Amica Sacco	6-Dec-19	7622	103,724	
PAYE	6-Dec-19	7624	8,126	
Jane Wanjiru	6-Dec-19	7626	12,000	
Amica Sacco	31-Jan-20	7640	103,724	
PAYE	31-Jan-20	7641	8,126	
Jane Wanjiru	31-Jan-20	7644	12,000	
Amica Sacco	5-Mar-20	7659	103,724	
PAYE	5-Mar-20	7661	8,126	
Jane Wanjiru	5-Mar-20	7662	12,000	
Amica Sacco	27-Mar-20	8102	103,724	
PAYE	27-Mar-20	8344	8,126	
Jane Wanjiru	27-Mar-20	8106	12,000	
PAYE	27-Mar-20	8344	3,227	
Amica Sacco	27-Mar-20	8337	101,773	
Amica Sacco	9-Apr-20	8354	106,572	
PAYE	9-Apr-20	8359	1,907	
Jane Wanjiru	9-Apr-20	8358	12,000	



LEDGER: USE OF GOODS AND SERVICES

PAYEE	DATE	CHEQUE NO.	AMOUNT (KSHS)	
ADMN: GOODS & SERVICES				
Fund Account M.	19-Jul-19	7414	200,000	
Spotech Suppliers	19-Jul-19	7416	60,000	
Muranga Water	19-Jul-19	7422	1,530	
Muranga Water	30-Jul-19	7579	1,730	
Kenya Power	30-Jul-19	7580	30,766	
Fund Account M.	6-Sep-19	7594	180,000	
Lucy Mugure K.	6-Sep-19	7595	19,800	
Patrick Muiruri M.	6-Sep-19	7596	16,145	
Charles Mwangi K.	6-Sep-19	7597	1,800	
Francis Njoroge T.	6-Sep-19	7598	1,300	
Fausto Mubea W.	6-Sep-19	7599	3,600	
James Nduati	6-Sep-19	7600	8,080	
Festus Mburu N.	6-Sep-19	7601	19,370	
Samkag Option S.	6-Sep-19	7602	23,000	
Muranga Water	6-Sep-19	7603	565	
Fund Account M.	26-Sep-19	7618	50,000	
Bank Charges	6-Sep-19		58,999	
Fund Account M.	29-Nov-19	7710	45,000	
Fund Account M.	29-Nov-19	7717	100,000	
Fund Account M.	29-Nov-19	7703	50,000	
Fund Account M.	6-Dec-19	7627	250,700	
Fund Account M.	6-Dec-19	7731	110,000	
Postal Corporation	6-Dec-19	7620	9,450	
Fund Account M.	31-Jan-20	7629	150,000	
Fund Account M.	31-Jan-20	7630	175,000	
Fund Account M.	31-Jan-20	7639	150,000	
Fund Account M.	31-Jan-20	7647	80,000	
Fund Account M.	3-Feb-20	7648	160,000	
Fund Account M.	6-Feb-20	7652	165,000	
Fund Account M.	25-Mar-20	8109	20,000	
Fund Account M.	27-Mar-20	8339	110,000	
Samkag Option S.	28-May-20	8362	85,258	
K.R.A	28-May-20	8363	5,442	
Bank Charges	29-May-20		10,520	
Duo Minds Enterprises	25-Jun-20	8370	39,745	



Fund Account M.	25-Jun-20	8371	50,000	
Kenya Power	25-Jun-20	8372	14,640	
Muranga Water	25-Jun-20	8374	3,375	
				2,460,815
ADMN: COMM. ALLOWANCES				
Fund Account Manager	19-Jul-19	7415	200,000	
Fund Account Manager	29-Aug-19	6341	225,000	
Fund Account Manager	26-Sep-19	7701	200,000	
Fund Account Manager	29-Nov-19	7711	60,000	
Fund Account Manager	29-Nov-19	7718	110,000	
Fund Account Manager	29-Nov-19	7730	345,000	
Fund Account Manager	6-Dec-19	7628	360,000	
Fund Account Manager	31-Jan-20	7638	250,000	
Fund Account Manager	31-Jan-20	7631	275,000	
Fund Account Manager	31-Jan-20	7634	125,000	
Fund Account Manager	3-Feb-20	7646	250,000	
Fund Account Manager	25-Mar-20	8107	220,000	
Fund Account Manager	25-Mar-20	8108	100,000	
Fund Account M.	27-Mar-20	8340	142,000	
Fund Account M.	25-Jun-20	8384	90,000	
				2,952,000
M&E - COMM. ALLOWANCES				
Fund Account Manager	26-Oct-19	7702	230,000	
Fund Account Manager	31-Jan-20	7637	200,000	
Fund Account Manager	29-Nov-19	7724	570,000	
Fund Account Manager	3-Feb-20	7649	200,000	
				1,200,000
M&E - GOODS & SERVICES				
Fund Account Manager	29-Aug-19	7583	225,000	
Fund Account Manager	29-Aug-19	7588	106,760	
Fund Account Manager	28-May-20	8364	162,000	
Fund Account Manager	25-Jun-20	8375	160,000	
Fund Account Manager	25-Jun-20	8376	140,000	
Fund Account Manager	25-Jun-20	8377	100,000	
				893,760
TOTAL			7,506,575	7,506,575



LEDGER: TRANSFER TO OTHER GOVERNMENT UNITS

PAYEE	DATE	CHEQUE NO.	AMOUNT (KSHS)	
PRIMARY SCHOOLS				
Kigumo Pri Sch	30-Jul-19	7562	1,000,000	
Kiriani Pri Sch	30-Jul-19	7563	1,000,000	
Gatitu DEB Pri Sch	30-Jul-19	7564	1,000,000	
Mairi Pri Sch	30-Jul-19	7565	1,000,000	
Ngurweini Pri Sch	30-Jul-19	7566	1,000,000	
Makomboki Pri Sch	30-Jul-19	7567	1,000,000	
Thamara Pri sch	30-Jul-19	7568	1,000,000	
Njora Pri Sch	30-Jul-19	7569	1,000,000	
Mbogoini Pri sch	30-Jul-19	7570	1,000,000	
Mumbu Pri sch	30-Jul-19	7571	1,000,000	
Gakarati Pri Sch	30-Jul-19	7572	1,000,000	
kahuho Pri Sch	30-Jul-19	7573	1,000,000	
Mathareini Pri Sch	30-Jul-19	7577	1,026,576	
Githima Pri Sch	30-Jul-19	7581	1,300,000	
Kimotho Pri sch	25-Sep-19	7608	1,000,000	
Gikondi Pri Sch	25-Sep-19	7610	2,400,000	
Githima Pri Sch	27-Mar-20	8330	3,600,000	
Muthithi Pri Sch	27-Mar-20	8333	600,000	
Mariira Pri Sch	27-Mar-20	8341	1,000,000	
Turuturu Pri Sch	9-Apr-20	8345	5,500,000	
Karinga Pri Sch	9-Apr-20	8346	600,000	
Mwarano Pri Sch	9-Apr-20	8347	600,000	
Makomboki Pri Sch	9-Apr-20	8348	600,000	
Gakuyu DEB Pri Sch	9-Apr-20	8350	1,000,000	
Kiahiti Pri Sch	9-Apr-20	8351	1,000,000	
Nguku Pri Sch	9-Apr-20	8352	2,500,000	
				34,726,576
SECONDARY SCHOOLS				
Kahumbu Sec Sch	30-Jul-19	7574	600,000	
Githembe Sec Sch	30-Jul-19	7576	3,200,000	
Karinga Sec Sch	25-Sep-19	7605	2,000,000	
Mununga High Sch	25-Sep-19	7606	2,000,000	
St.Francis Mukuyu-ini sec	25-Sep-19	7607	1,000,000	

