

REPUBLIC OF KENYA



*Enhancing Accountability*

REPORT	
NATIONAL ASSEMBLY PAPERS LAID	
DATE: 15 MAR 2023	DAY.
TABLED BY: <b>OF</b>	Hon. Samuel Chepkwago, MP on behalf of Majority Leader
CLERK-AT THE-TABLE:	Christine Ndlovu

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND -  
IGEMBE CENTRAL CONSTITUENCY**

**FOR THE YEAR ENDED  
30 JUNE, 2021**





*Revised Template 30<sup>th</sup> June 2021*



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**IGEMBE CENTRAL CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**JUNE 30, 2021**

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





***Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021***

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**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, 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



**Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

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**Core Values**

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

**Functions of NG-CDF Committee**

The Functions of the NG-CDF Committee is as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

**(b) Key Management**

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

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

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Danson Njogu
2.	Sub-County Accountant	Millicent Njeri
3.	Chairman NGCDFC	Andrew Ebuthania
4.	Member NGCDFC	Joseph Mutharimi

**(d) Fiduciary Oversight Arrangements**

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

**(e) Igembe Central Constituency NGCDF Headquarters**

P.O. Box 300-60600  
NG-CDF Building/House/Plaza  
Meru-Maua Avenue/Road/Highway  
Maua, KENYA

**(f) Igembe Central Constituency NGCDF Contacts**

Telephone: (254) 703-780482  
E-mail: [cdfigembecentral.go.ke](mailto:cdfigembecentral.go.ke)  
Website: [cdfigembecentral.go.ke](http://cdfigembecentral.go.ke)

**(g) Igembe Central Constituency NGCDF Bankers**

Kenya Co-operative Bank –Maua  
Account Number: 0114141491300  
Nchuli Ncheke Avenue  
P.o Box 300-60600  
Maua  
Meru, Kenya

**(h) Independent Auditors**

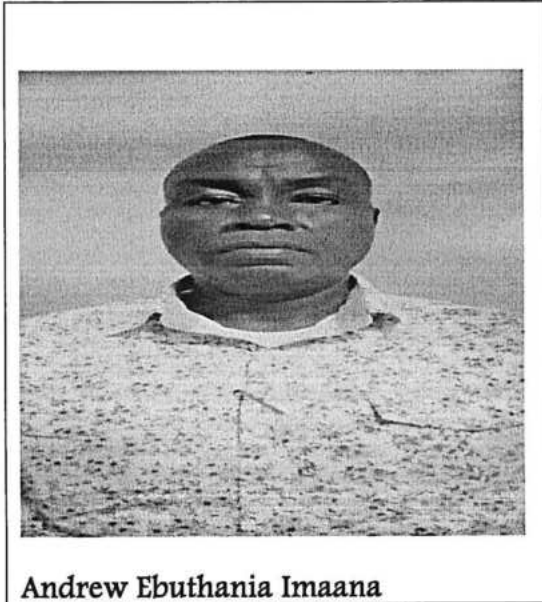
Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**(i) Principal Legal Adviser**

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

**II. NG-CDFC CHAIRMAN'S REPORT**

Include among others the following:

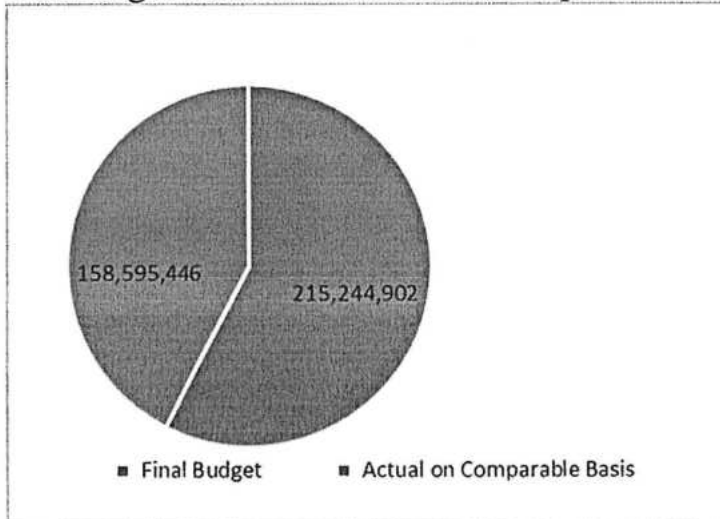


Igembe central constituency is situated along Meru-Maua road and borders Igembe South on the north, Isiolo on the west and Tigania east on the south regions. The main economic stay of the constituency is mainly farming of food crops with a large portion with Miraa cash crop .There is a large area in the west which is dry and the community majors on livestock keeping as their main economic activities. The constituency is vast with five wards and approximately has 350,000 population. The constituency is wholly developed by NGCDF in about 80% together with other partners, mainly national government and nongovernmental organizations.

**IGEMBE CENTRAL NGCDF PERFORMANCE**

During financial year 2020/2021 we had a final budget of kshs. 215,244,902 out of which we managed to absorb kshs 158, 595,446 which translates to 74%.

**Final budget v/s actual utilization in comparable basis.**





**KEY ACHIEVEMENTS OF THE FUND**

NGCDF has transformed many lives of Igembe central residents. The empirical data available coupled with actual observations reveal an enormous impact on the residents in improved standard of living which was never witnessed before the inception of NGCDF especially in the previous years. The current year also has seen the students' benefit 99% from the bursary kitty enabling students from poor families' access education.

**EMERGING ISSUES**

NGCDF being a community fund has so far been identified with the needs of the constituents which changes now and then. With the establishment of the devolved functions, various sectors have been taken by the county governments which have stripped off residents the very pertinent projects central to their economic life. County governments have slowly taken off with residents agitating for various projects formally funded by NGCDF and this has brought great discontent on the side of the residents who think such functions should be handled by NGCDF.

**IMPLEMENTATION CHALLENGES.**

There various challenges meted in the implementation of the kitty namely:

- a) Lack of management skills by the project implementation committees.
- b) Political interferences from the competing political groups.
- c) Funds delay from the NG-CDF board.
- d) Security threats especially in projects falling to cattle rustling areas.
- e) Roads impassability in the heart of the constituency.

**WAY FORWARD**

- 1. Again PMC are being trained frequently on good management practices.
- 2. NG-CDF and the MP have sphere headed a campaign of non-interference with development
- 3. The NG-CDF board has promised to hasten the process of Funds disbursement
- 4. NG-CDF has implemented various security projects i.e. police posts, AP lines and G.S.U camps.
- 5. KERRA which is under national government and also managed by NG-CDF committees has improved so many roads

Signature



**CHAIRMAN NGCDF COMMITTEE**

***Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021***

**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.

The key development objectives of *Igembe Central Constituency 2018-2022* plan are to:

- a) To mobilize more resources for community development.
- b) To improve school performance in national examinations in the constituency.
- c) To increase youth and women participation in development.
- d) To build capacity of the community to implement development projects
- e) To improve security in the constituency.
- f) Reduce environmental degradation.

**Progress on attainment of Strategic development objectives**

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> <li>number of usable physical infrastructure build in primary, secondary, and tertiary institutions</li> <li>- number of bursary beneficiaries at all levels</li> </ul>	<ul style="list-style-type: none"> <li>In FY 20/21 -we increased number of classrooms from 28-29</li> <li>-laboratories from 5 to 7</li> <li>-administration block increased from 5 to 7</li> <li>- Bursary beneficiaries increased from 3800 to 4517</li> <li>-1 medical class built.</li> </ul>
Security	To improve security in the constituency	Decreased cases of insecurity in the constituency	Number of security infrastructure built.	In FY 20/21 we have increased the number of assistant chief's office from 3 to

**Igembe Central Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

				4, chief's office from 3 to 4 enhance security.
Environment	Reduce environmental degradation	Increased ground cover by planting more trees.	Number of trees planted.	In FY 20/21 we have increased the number of schools from 20 to 30 which have benefited from tree planting.
Sports	To enhance sporting activities in the constituency.	Increased number of youth tournaments.	Number of youth clubs participating in the constituency.	Number of youth's clubs benefiting from youth tournaments increased from 15 to 25.



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

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

##### **1. Sustainability strategy and profile -**

To ensure sustainability of Igembe Central NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Igembe Central NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

##### **2. Environmental performance**

- Environmental protection and conservation is the practice of protecting the national environment by individuals, organizations and governments. Its objectives are to conserve national resources and the existing natural environment and where possible to repair damage and reverse trends.  
NG-CDF has supported tree planting activities in schools through student's environmental conservation activities by approving projects related to tree planting in schools
- NG-CDF Igembe central by mobilizing students across the constituency to deliberate on environmental conservations has created an opportunity to sensitize the youths on the

- negative impact on drugs abuse. This has made youths to be in charge and responsible for their destinies.
- Sporting activities sponsored by NG-CDF have brought youths together and in these forum they are sensitized on environmental conservation matters. This has ensured that youth energy is utilized positively in environmental conservation making the natural environment better for humanity.
- The constituency environmental conservation policy is that at least one day is set aside in every financial year for the NG-CDF staff to sensitize the community on proper farming methods that lead to soil conservation as well as effective crop and animal husbandry. This has improved soil conservation measures and eventually food security.

### **3. Employee welfare**

We invest in providing the best working environment for our employees. Igembe Central Constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Igembe Central constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues. Igembe Central constituency also has bursary programs aligned to the NG-CDF Act for employees seeking to further their education or advance themselves through formal programs relating to their current or prospective jobs.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

### **4. Market place practices-**

Igembe Central NGCDF Constituency is committed to fair and ethical market practises. The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers which is enhanced through organized sensitization forums that relate to the procurement legal framework and ethical subject matters. We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption
- b) Good business practice including cordial Supply chain and supplier relations by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interests

## **5. Community Engagements-**

Igembe Central NGCDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

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

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

**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.

The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

### **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.

Igembe Central NG-CDF have continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.

**V. STATEMENT OF MANAGEMENT RESPONSIBILITIES**

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

The Accounting Officer in charge of the NGCDF-Igembe Central 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, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Igembe Central 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 *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-Igembe Central Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Igembe Central Constituency confirms that the *constituency* 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 *constituency's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The NGCDF-Igembe Central Constituency financial statements were approved and signed by the Accounting Officer on 26<sup>th</sup> August, 2021.



Chairman NGCDF Committee  
Name: Andrew Ebuthania.



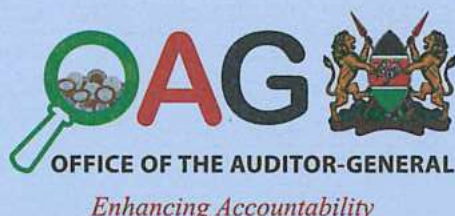
Fund Account Manager  
Name: Danson Njogu  
FUND ACCOUNT MANAGER  
IGEMBE CENTRAL NG - CDF  
P. O. Box 300 - 60600, MAUA  
Date:.....





# REPUBLIC OF KENYA

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## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - ISEMBE CENTRAL CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021**

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### **PREAMBLE**

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Isembe Central Constituency set out on pages 14 to 45, which comprise of the statement of assets and liabilities as at 30 June, 2021 and

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*Report of the Auditor-General on National Government Constituencies Development Fund - Isembe Central Constituency for the year ended 30 June, 2021*



the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations, which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Igembe Central Constituency as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

### **Basis for Qualified Opinion**

#### **1. Unsupported Cash and Cash Equivalents**

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.11,560,577 as disclosed in Note 10A to the financial statements. However, the certificate of bank balance was not provided for audit.

In the circumstances, the accuracy of the balance of Kshs.11,560,577 for cash and cash equivalents could not be confirmed.

#### **2. Unsupported Office and General Supplies and Services**

The statement of receipts and payments as disclosed in Note 5 to the financial statements reflects an amount of Kshs.9,190,043 relating to use of goods and services, which includes an amount of Kshs.438,582 relating to office and general supplies and services. However, procurement documents indicating how the supplier was identified were not provided for audit.

In the circumstances, the accuracy of the office and general supplies and services of amount of Kshs.438,582 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 - Igembe Central Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

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



## **Other Matter**

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

The comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.215,244,902 and Kshs.170,156,023 respectively resulting to an underfunding of Kshs.Kshs.45,088,879 or 21% of the budget. Similarly, the Fund expended Kshs.158,595,445 against an approved budget of Kshs.215,244,902, resulting into an under expenditure of Kshs.56,649,456 or 26% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

### **2. Unresolved Prior Year Matters**

In the audit report of the previous year, a number of paragraphs were raised under the Report on Financial Statements. However, Management has not resolved the issues nor disclosed all the prior year matters as provided for by the Public Sector Accounting Standards Board templates

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Non Compliance with Public Sector Accounting Standards Template**

The financial statements contained the following errors:

- i. Pages 15, 16, 17, 20, 21, 22 and 23 appears twice in the financial statements which is misleading.
- ii. Pages number 16 and 24 are blank.

In the circumstances, the Fund's financial statements are not prepared in accordance with the financial reporting guidelines issued by the Public Sector Accounting Standards Board templates.

#### **2. Payment of Avoidable Penalties**

The statement of receipts and payments reflects compensation of employees amount of Kshs.3,228,903 as disclosed in Note 4 to the financial statements. This amount includes an expenditure of Kshs.134,150 which is inclusive of an amount of Kshs.75,000 in relation

to penalties charged for late remittance of deductions. No explanation was provided for the late payment of the statutory deductions.

In the circumstances, the penalty charged could be avoidable and is not a proper charge of public funds and Management is in breach of law.

### **3. Budget Under Allocation of Bursary**

The statement of receipts and payments reflects other grants and transfers amount of Kshs.52,743,712 under other grants and transfers as disclosed in Note 7 to the financial statements. The transfers includes amounts of Kshs.15,027,723 and Kshs.18,232,433 relating to bursaries disbursed to secondary schools and tertiary institutions respectively . However, the Constituency had received an amount of Kshs.169,048,541 from the National Government Constituencies Development Fund but allocated Kshs.33,260,156 for the bursary which translates to 20% of the funds allocated to the Constituency. This is contrary to Regulation 21(5) of the National Government Constituencies Development Fund Regulations, 2016 which provides that a Constituency Committee shall allocate not less than twenty-five percent (25%) of the funds allocated to a Constituency for bursaries.

In the circumstances, Management was in breach of the law.

### **4. Irregularities in Procurement Process**

The statement of receipts and payments reflects transfers to other government entities amount of Kshs.86,506,825 as disclosed in Note 6 to the financial statements. The transfers include an amount of Kshs.37,328,548 relating to transfers to secondary schools, which in turn includes an amount of Kshs.6,650,000 transferred to six (6) secondary schools. However, a review of the procurement documents provided for audit review revealed the following anomalies:

- i. The tenders for the six projects were opened two (2) days after the closing date contrary to the provision of Section 78(3) of the Public Procurement and Asset Disposal Act, 2015, which provides that immediately after the deadline for submitting tenders, the tender opening committee shall open all tenders received before that deadline.
- ii. The tenders for the six projects were evaluated by the same team involved in the tender opening contrary to the Section 78(1)(b) of the Public Procurement and Asset Disposal Act 2015 which provides that at least one of the members of the Tender Opening Committee shall not be directly involved in the processing or evaluation of the tenders.

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that

govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit so as to obtain assurance about whether effective processes and systems of internal controls, 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 controls 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 controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or cease operations.

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to 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 controls 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 controls would not necessarily disclose all matters in the internal controls 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 controls 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 controls 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 Fund's 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 controls.

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

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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**

**06 September, 2022**




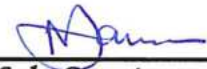
**Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**


**VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	169,048,541	115,860,059
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	=	=
<b>TOTAL RECEIPTS</b>		<b>169,048,541</b>	<b>115,860,059</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,228,903	1,936,800
Use of goods and services	5	9,190,043	6,575,671
Transfers to Other Government Units	6	86,506,825	63,926,568
Other grants and transfers	7	52,743,712	49,808,418
Acquisition of Assets	8	6,925,963	110,000
Other Payments	9	=	=
<b>TOTAL PAYMENTS</b>		<b>158,595,446</b>	<b>122,357,457</b>
<b>SURPLUS/(DEFICIT)</b>		<b><u>10,453,095</u></b>	<b><u>(6,497,398)</u></b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Igembe Central Constituency financial statements were approved on 26<sup>th</sup> August 2021 and signed by:

  
**Fund Account Manager**  
 Name: Danson Njogu  
 FUND ACCOUNT MANAGER  
 IGEMBE CENTRAL NG - CDF  
 P. O. Box 300 - 60600, MAUA  
 Date:.....

  
**National Sub-County  
Accountant**  
 Name: Millicent Njeri  
 ICPAK M/No: 26606  
**IGEMBE CENTRAL  
SUB - COUNTY ACCOUNTANT**  
 P.O. Box 300, Maua  
 Date:.....

  
**Chairman NG-CDF Committee**  
 Name: Andrew Ebuthania.



**Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

**VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30<sup>TH</sup> JUNE, 2021.**


	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	11,560,577	1,107,482
Cash Balances (cash at hand)	10B	-	
<b>Total Cash and Cash Equivalents</b>		<b>11,560,577</b>	<b>1,107,482</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	
<b>TOTAL FINANCIAL ASSETS</b>		<b>11,560,577</b>	<b>1,107,482</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	-	
Gratuity	12B	-	
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>NET FINANCIAL ASSETS</b>		<b>11,560,577</b>	<b>1,107,482</b>
<b>REPRESENTED BY</b>			
<b>Fund balance b/fwd</b>	13	1,107,482	7,604,880
Prior year adjustments	14	-	
Surplus/Deficit for the year		10,453,095	(6,497,398)
<b>NET FINANCIAL POSITION</b>		<b>11,560,577</b>	<b>1,107,482</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Igembe Central Constituency financial statements were approved on 26<sup>th</sup> August, 2021 and signed by:

  
Fund Account Manager

Name: Danson Njogu

FUND ACCOUNT MANAGER  
IGEMBE CENTRAL NG - CDF  
P. O. Box 300 - 60600, MAUA  
Date.....

  
National Sub-County  
Accountant

Name: Millicent Njeri

ICPAK M/No: 26606

IGEMBE CENTRAL  
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P.O. Box 300, Maua  
Date.....

  
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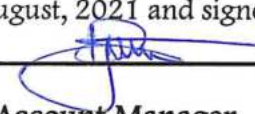


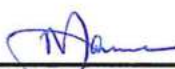
**Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.


		2020 - 2021	2019 - 2020
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	169,048,541	115,860,059
Other Receipts	3	=	=
<b>Total receipts</b>		<b>169,048,541</b>	<b>115,860,059</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	3,228,903	1,936,800
Use of goods and services	5	9,190,043	6,575,671
Transfers to Other Government Units	6	86,506,825	63,926,568
Other grants and transfers	7	52,743,712	49,808,418
Other Payments	9	-	-
<b>Total payments</b>		<b>151,669,483</b>	<b>122,247,457</b>
<b>Total Receipts Less Total Payments</b>		<b>-</b>	<b>-</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
<b>Net cash flow from operating activities</b>		<b>17,379,058</b>	<b>(6,387,398)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(6,925,963)	(110,000)
<b>Net cash flows from Investing Activities</b>		<b>(6,925,963)</b>	<b>(110,000)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>10,453,095</b>	<b>(6,497,398)</b>
Cash and cash equivalent at BEGINNING of the year	10	1,107,482	7,604,880
Cash and cash equivalent at END of the year		<u>11,560,577</u>	<u>1,107,482</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Igembe Central Constituency financial statements were approved on 26<sup>th</sup> August, 2021 and signed by:

  
Fund Account Manager  
Name: Danson Njogu  
FUND ACCOUNT MANAGER  
IGEMBE CENTRAL NG - CDF  
P. O. Box 300 - 60600, MAUA  
Date: .....

  
National Sub-County  
Accountant  
Name: Millicent Njeri  
ICPAK M/No: 26606

**IGEMBE CENTRAL  
SUB - COUNTY ACCOUNTANT  
P.O.Box 300, Maua  
Date: .....**

  
Chairman NG-CDF Committee  
Name: Andrew Ebuthania.

**Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

**IX. SUMMARY STATEMENT OF APPROPRIATION FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

Receipts/Payments	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 %				
<b>RECEIPTS</b>	2020/2021		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	30/06/2021						
	Kshs		Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	1,107,482	1,107,482	77,048,541	215,244,902	170,156,023	45,088,879				78.5%	
Proceeds from Sale of Assets	-	-	-	-	-	-	-					
Other Receipts	-	-	-	-	-	-	-					
<b>TOTALS</b>	<b>137,088,879</b>	<b>-</b>	<b>-</b>	<b>77,048,541</b>	<b>215,244,902</b>	<b>170,156,023</b>	<b>45,088,879</b>				<b>78.5%</b>	
<b>PAYMENTS</b>												
Compensation of Employees	3,911,200	161,400	161,400	1,997,200	6,069,800	3,228,903	2,840,897				51.8%	
Use of goods and services	6,926,799	523,173	523,173	2,397,222	9,847,194	9,190,043	657,151				88.6%	
Transfers to Other Government Units	82,075,117	-	-	54,011,679	136,086,796	86,506,825	49,579,971				59.9%	
Other grants and transfers	44,175,763	422,909	422,909	10,961,623	55,560,295	52,743,712	2,816,583				101.8%	
Acquisition of Assets	-	-	-	-	-	-	-				100%	
Other Payments	-	-	-	-	-	-	-				-	
Funds pending approval-ng-cdf office.	-	-	-	6,925,963	6,925,963	6,925,963	-				-	
Funds pending approval-security project	-	-	-	754,854	754,854	-	754,854				-	
<b>TOTALS</b>	<b>137,088,879</b>	<b>1,107,541</b>	<b>1,107,541</b>	<b>77,048,541</b>	<b>215,244,902</b>	<b>158,595,446</b>	<b>56,649,456</b>				<b>73.3%</b>	

*\*\*Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.*



**Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]


(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]


- i. Ksh.3, 002,297 includes an amount of ksh.2,320,000 of gratuity set aside in the f/y 2019/2020 and 2020/2021 f/y respectively and ksh.682,297 set aside for salaries for 2020/2021 before the proposal is for 2021/2022 is forwarded and approved.
- ii. Ksh.1, 180,324 includes an amount of ksh.523, 173 brought forward from previous f/y 2019/2020 and the balance for the 2020/2021 not received by 30<sup>th</sup> June, 2021.
- iii. Ksh.49, 579,971 is total amount of funds for education projects not yet received by 30<sup>th</sup> June, 2021.
- iv. Ksh.3, 994,346 includes ksh.2, 000,000 for security projects allocated in 2020/21 not yet received by 30<sup>th</sup> June, 20201 and the balance is for secondary school bursaries not yet received by the end of the f/y.
- v. Ksh.57, 756,938 includes ksh.46, 196,361 owed to the constituency from the NG-CDF board and ksh.11, 560,577 as the cashbook balance as at 30<sup>th</sup> June, 2021.


(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	57,756,938
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2021	(46,196,361)
	11,560,577
Less Accounts Receivable	(0)
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	11,560,577

The NGCDF-Igembe Central Constituency financial statements were approved on 26<sup>th</sup> August, 2021 and signed:

  
Fund Account Manager  
Name: Danson Njogu  
FUND ACCOUNT MANAGER  
IGEMBE CENTRAL NG - CDF  
P. O. Box 300 - 60600, MAUA  
Date:.....

  
National Sub-County  
Accountant  
Name: Millicent Njeri  
ICPAK M/No: 26606  
IGEMBE CENTRAL  
SUB - COUNTY ACCOUNTANT  
P.O.Box 300, Maua  
Date:.....

  
Chairman NG-CDF Committee  
Name: Andrew Ebuthania



*Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

**X. BUDGET EXECUTION BY SECTORS AND PROJECTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2021.**

Programme/Sub-programme	Original Budget 2020/2021 Kshs	Adjustments		Final Budget 2020/2021 Kshs	Actual on comparable basis 30/06/2021 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements Kshs			
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	3,911,200	161,400	2,158,600	6,231,200	3,228,903	3,002,297
1.2 Committee allowances	1,866,133	350,000	1,324,350	3,540,483	2,757,334	783,149
1.3 Use of goods and services	2,448,000	173,173	796,045	3,417,218	3,120,043	297,175
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,500,000	-	-	1,500,000	1,500,000	-
2.2 Committee allowances	1,812,666	-	-	1,812,666	1,812,666	-
2.3 Use of goods and services	800,000	-	800,000	1,600,000	-	1,600,000
<b>3.0 Emergency</b>						
3.1 Primary Schools	4,392,207		948,241	5,340,448	5,000,000	340,448
3.2 Secondary schools	-	-	-	-	-	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	2,800,000				2,800,000	-
<b>4.0 Bursary and Social Security</b>						
4.1 Primary Schools	-					
4.2 Secondary Schools	13,000,000	422,909	2,647,710	16,070,619	15,027,723	1,042,896
4.3 Tertiary Institutions	5,000,000	-	-	5,000,000	5,000,000	-
4.4 Universities	12,000,000	-	2,588,580	14,588,580	13,232,433	1,356,147
4.5 Social Security	-	-	-	-	-	-
<b>5.0 Sports</b>						
5.1	2,741,778	-	-	2,741,778	2,741,778	-

**National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
5.2						
5.3						
6.0 Environment	2,741,778	-	-	2,741,778	2,741,778	-
6.1						
6.2						
6.3						
7.0 Primary Schools Projects (List all the Projects)						
7.1.Ntuti primary school	1,100,000	-	-	1,100,000	1,100,000	-
7.2.Gituene primary school	1,100,000	-	-	1,100,000	1,100,000	-
7.3.Rikiau primary school	1,100,000	-	-	1,100,000	-	1,100,000
7.4.Limoro primary school	1,100,000	-	-	1,100,000	-	1,100,000
7.5.Kiolo kia muuti primary school	1,100,000	-	-	1,100,000	-	1,100,000
7.6.Thuuru primary school	1,500,000	-	-	1,500,000	-	1,500,000
7.7.Kiunjuline primary school	2,200,000	-	-	2,200,000	1,100,000	1,100,000
7.8.Kaongo ka mauu primary school	1,000,000	-	-	1,000,000	1,000,000	-
8.0.Thamare primary school	1,000,000	-	-	1,000,000	-	1,000,000
8.1.Kithare primary school	1,100,000	-	-	1,100,000	-	1,100,000
8.2.Karama Antuamuo primary school	1,100,000	-	-	1,100,000	-	1,100,000
8.3.Mwerongai primary school	1,100,000	-	-	1,100,000	1,100,000	-
8.4.Kiani Kia Nanga Primary school	570,000	-	-	570,000	570,000	-
8.5.Kathelwa primary school	2,200,000	-	-	2,200,000	2,200,000	-
8.6.Mporoko Primary school	1,000,000	-	-	1,000,000	-	1,000,000
8.7.Machungulu primary school	680,000	-	-	680,000	-	680,000



**Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
8.8.Kathithine primary school	1,100,000	-	-	1,100,000	-	1,100,000
8.9.Kabukuro primary school	1,000,000	-	-	1,000,000	-	1,000,000
9.0.Akuune primary school	1,000,000	-	-	1,000,000	-	1,000,000
9.1..Kawiru primary school	1,100,000	-	-	1,100,000	1,100,000	-
9.2.Kiani Kia Aaru primary school	1,100,000	-	-	1,100,000	-	1,100,000
9.3.Kalui primary school	1,600,000	-	-	1,600,000	-	1,600,000
9.4.St.Mark Primary school	1,100,000	-	-	1,100,000	1,100,000	-
9.5.Nguyuyu primary school	1,100,000	-	-	1,100,000	-	1,100,000
9.6.Kaurine primary school	1,000,000	-	-	1,000,000	1,000,000	-
9.7.Nhuene primary school	1,100,000	-	-	1,100,000	-	1,100,000
9.8.Matiandui primary school	1,100,000	-	-	1,100,000	-	1,100,000
<b>8.0 Secondary Schools Projects (List all the Projects)</b>						
8.1.Kangeta day secondary school	7,000,000	-	-	7,000,000	6,000,000	1,000,000
8.2.Nkinyang'a day secondary school	3,000,000	-	-	3,000,000	3,000,000	-
8.3.Kandubai day secondary school	3,200,000	-	-	3,200,000	3,200,000	-
8.4.Mukululu day secondary school	2,000,000	-	-	2,000,000	-	2,000,000
8.5.Kithare day secondary school	1,500,000	-	-	1,500,000	400,000	1,100,000
8.6.Burieruri boys secondary school	2,200,000	-	-	2,200,000	-	2,200,000
8.7.Kanathu secondary school	1,100,000	-	-	1,100,000	-	1,100,000
8.8.Matirine secondary school	5,200,000	-	-	5,200,000	-	5,200,000
8.9.Kamiruru secondary school	375,117.41	-	-	375,117.41	375,117.41	-
9.0.Nthare secondary school	2,000,000	-	-	2,000,000	-	2,000,000
9.1.Kaurine secondary school	4,900,000	-	-	4,900,000	4,000,000	900,000

**UNIONAI Government Constituencies Development Fund (NGCDF)  
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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
9.2.Ntuene secondary school	2,000,000	-	-	2,000,000	-	2,000,000
9.3.St.James Limbuku sec.school	1,400,000	-	-	1,400,000	1,400,000	-
9.4.Kathelwa secondary school	750,000	-	-	750,000	750,000	-
9.5.Muringene day secondary school	5,200,000	-	-	5,200,000	-	5,200,000
7.1.Rikiau primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.2.Kiani kiraja primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.3.Nkinyang'a primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.4.Njia primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.5.Kieiya primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.6.Limoro primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.7.K.K Muuti primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.8.Kiujuline primary school	-	-	1,500,000	1,500,000	1,500,000	-
7.9.Thumbereria primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.10.Ntuui primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.11.Churui primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.12.Thamare primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.13.Kaumone primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.14.K.K Mauu primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.15.S.t Limbuku primary school	-	-	2,000,000	2,000,000	2,000,000	-
7.16.Nguthuki primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.17.K.K Nanga primary school	-	-	3,300,000	3,300,000	3,300,000	-
7.18.Nkanga primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.19.Kabukuro primary school	-	-	1,000,000	1,000,000	1,000,000	-
7.20.Akuune primary school	-	-	1,000,000	1,000,000	1,000,000	-



**Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget 2020/2021		Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.21.Athiru Ruujine primary school	-	-	-	1,008,247	1,008,247	1,008,247	-
7.22.Kanathu primary school	-	-	-	1,000,000	1,000,000	1,000,000	-
7.23.Mwomwere primary school	-	-	-	1,000,000	1,000,000	1,000,000	-
7.24.Kalimikuu primary school	-	-	-	1,000,000	1,000,000	1,000,000	-
7.25.Kabuitu primary school	-	-	-	1,000,000	1,000,000	1,000,000	-
7.26.Nuene primary school	-	-	-	1,000,000	1,000,000	1,000,000	-
7.27.Nthambiro primary school	-	-	-	1,000,000	1,000,000	1,000,000	-
7.28.Kimutubua primary school	-	-	-	1,000,000	1,000,000	1,000,000	-
7.29.Mutuatine primary school	-	-	-	1,000,000	1,000,000	1,000,000	-
8.2. Kandubai secondary school.	-	-	-	2,000,000	2,000,000	2,000,000	-
8.4.Nkinyang'a day secondary school	-	-	-	1,000,000	1,000,000	1,000,000	-
8.6.St.James Limbuku secondary school	-	-	-	1,800,000	1,800,000	1,800,000	-
8.7.Tuuru day secondary school	-	-	-	1,000,000	1,000,000	1,000,000	-
8.9.Machungulu day secondary school	-	-	-	400,000	400,000	400,000	-
8.10.Kathelwa day secondary school	-	-	-	480,000	480,000	480,000	-
8.11.Thitha secondary school	-	-	-	873,431	873,431	873,431	-
8.13.Matirine secondary school	-	-	-	1,000,000	1,000,000	1,000,000	-
8.14.Kawiru secondary school	-	-	-	1,900,000	1,900,000	1,900,000	-
8.15.Murera day secondary school	-	-	-	650,000	650,000	650,000	-
8.16.Mukululu day secondary school	-	-	-	1,000,000	1,000,000	1,000,000	-
8.17.Miori secondary school	-	-	-	1,000,000	1,000,000	1,000,000	-
8.18.Kaurine day secondary school	-	-	-	2,100,000	2,100,000	2,100,000	-
8.19.Kanjoo secondary school	-	-	-	1,000,000	1,000,000	1,000,000	-



**National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
8.20.Matiandui day school	-	-	1,100,000	1,100,000	1,100,000	-
8.21.Nithare secondary school	-	-	900,000	900,000	900,000	-
9.0.Tertiary Institutions projects (List all projects)						
9.1.Kenya medical training institute	6,000,000	-	3,000,000	9,000,000	5,000,000	4,000,000
<b>10.0 Security Projects</b>						
10.1.Kaurine Assistant Chief's office	1,000,000	-	-	1,000,000	-	1,000,000
10.2.Nturuba Assistant chief's office	1,000,000	-	754,854	1,754,854	1,000,000	754,854
10.3.Muringene chief's office	1,000,000	-	-	1,000,000	-	1,000,000
10.1.Kawiru Chief's office	-	-	1,000,000	1,000,000	1,000,000	-
10.2.Laikumukumu Assistant Chief's office	-	-	1,000,000	1,000,000	1,000,000	-
10.3.Kathelwa Assistant Chief's office	-	-	200,000	200,000	200,000	-
10.4.Machungulu Assistant Chief's office	-	-	1,000,000	1,000,000	1,000,000	-
10.5.Njia cia Mwendwa chief's office	-	-	1,000,000	1,000,000	1,000,000	-
10.6.Kitheo Assistant Chief's office	-	-	1,000,000	1,000,000	1,000,000	-
<b>11.0 Acquisition of assets</b>						
11.1 Motor Vehicles (including motorbikes)	-	-	-	-	-	-
11.2 Construction of CDF office	-	-	6,925,963	6,925,963	6,925,963	-
11.3 Purchase of furniture and equipment	-	-	-	-	-	-
<b>12.0 Others</b>						
12.1 Strategic Plan	-	-	-	-	-	-
12.2 Innovation Hub	-	-	-	-	-	-
12.2	-	-	-	-	-	-

**Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Funds pending approval**	-	-	-	-	-	-
<b>Total</b>	137,088,879.31	1,107,482	78,156,023	216,352,384	158,595,446	57,756,938

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

## **XI. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

### **2. Reporting Entity**

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

### **3. Reporting Currency**

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

### **4. Significant Accounting Policies**

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

#### **a) Recognition of Receipts**

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

#### **Transfers from the National Government Constituency Development Fund (NG-CDF)**

Transfers from the NG-CDF to the constituency are recognized when cash is received in the Constituency account.

#### **Proceeds from Sale of Assets**

Proceeds from disposal of assets are recognized as and when cash is received in the constituency account.

#### **Other receipts**

These include Appropriation-in-Aid and relates to receipts such as proceeds from sale of tender documents, rent receipts, interest earned on bank balances, hire of Plant/Equipment/Facilities, Unutilized funds from PMCs among others.

#### ***Unutilized Funds from PMCs.***

All unutilized funds of the Project Management Committee (PMC) are returned to the constituency account. Unutilized funds from PMCs are recognised as other receipts upon return to the constituency account.



**External Assistance**

External assistance refers to grants and loans received from local, multilateral and bilateral development partners. In the year under review there was no external assistance 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 constituency 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 constituency 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 constituency 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 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**

***Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021***

For the purposes of these financial statements, Deposits (gratuity 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. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. 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 are 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 financial year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is 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 11<sup>th</sup> June 2020 for the period 1<sup>st</sup> July 2020 to 30<sup>th</sup> June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

**12. Comparative Figures**

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

**13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2021.

**14. Errors**

Material prior period errors are 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**

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa.

*Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

**XII. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO.B 041037	1		47,360,059
AIE NO.B 047421	2		4,000,000
AIE NO.B 041276	3		3,000,000
AIE NO.B 041369	4		500,000
AIE NO.B 047695	5		5,000,000
AIE NO.B 047789	6		7,000,000
AIE NO.B 049271	7		14,000,000
AIE NO.B 096587	8		20,000,000
AIE NO.B 096951	1	15,000,000	
AIE NO.B 104601	2	20,000,000	
AIE NO.A 823516	3	34,367,724	
AIE NO.B 104881	4	6,925,963	
AIE NO.B 104907	5	754,854	
AIE NO.B 124520	6	9,000,000	
AIE NO.B 124945	7	10,000,000	
AIE NO.B 119800	8	12,000,000	
AIE NO.B 128090	9	6,900,000	
AIE NO.B 128401	10	6,000,000	
AIE NO.B 132145	11	6,000,000	
AIE NO.B 138813	12	12,000,000	
AIE NO.B 126109	13	7,000,000	
AIE NO.B 126398	14	11,100,000	
AIE NO.B 140544	15	12,000,000	
<b>TOTAL</b>		<b>169,048,541</b>	<b>115,860,059</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**Igembe Central Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**3. OTHER RECEIPTS**

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Receipts from sale of tender documents	-	-
<b>Total</b>	-	-

**4. COMPENSATION OF EMPLOYEES**

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,844,834	1,936,800
<b>Personal allowances paid as part of salary</b>		
Gratuity to contractual employees	1,249,919	-
Employer Contributions Compulsory national social security schemes	134,150	-
<b>Total</b>	<b>3,228,903</b>	<b>1,936,800</b>

**Igembe Central Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

	2020-2021	2019-2020
	Kshs	Kshs
Training expenses	1,500,000	-
Hospitality supplies and services	-	-
Other committee expenses	5,270,000	4,573,000
Committee allowance	-	-
Insurance costs	173,173	169,258
Specialized materials and services	-	-
Office and general supplies and services	438,582	227,090
Other operating expenses	69,555	37,660
Routine maintenance – vehicles and other transport equipment	1,738,733	1,564,663
Routine maintenance – other assets	-	4,000
<b>Total</b>	<b>9,190,043</b>	<b>6,575,671</b>

**Igembe Central Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

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

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	44,178,277	24,000,000
Transfers to secondary schools (see attached list)	37,328,548	39,926,568
Transfers to tertiary institutions (see attached list)	5,000,000	-
<b>TOTAL</b>	<b>86,506,825</b>	<b>63,926,568</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	15,027,723	17,852,290
Bursary – tertiary institutions (see attached list)	18,232,433	14,911,420
Security projects (see attached list)	6,200,000	5,300,000
Sports projects (see attached list)	2,741,778	2,747,354
Environment projects (see attached list)	2,741,778	2,747,354
Emergency projects (see attached list)	7,800,000	6,250,000
<b>Total</b>	<b>52,743,712</b>	<b>49,808,418</b>

**8. ACQUISITION OF ASSETS**

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	6,925,963	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	110,000
<b>Total</b>	<b>6,925,963</b>	<b>110,000</b>

**9. OTHER PAYMENTS**

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-



**Igembe Central Constituency  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**10. CASH BOOK BANK BALANCE**

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

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Name of Bank, Account No. 01141414913000</i>	11,560,577	1,107,482
<b>Total</b>	<b>11,560,577</b>	<b>1,107,482</b>
<b>10B: CASH IN HAND</b>		
<b>Total</b>	-	-
<i>[Provide cash count certificates for each]</i>		

**11. OUTSTANDING IMPRESTS**

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

*[Include an annex if the list is longer than 1 page.]*

**12A. RETENTION**

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1 <sup>st</sup> July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	-	-

*[Provide short appropriate explanations as necessary.]*

**12B. GRATUITY**

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 <sup>st</sup> July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	-	-

*[Provide short appropriate explanations as necessary]*

**Igembe Central Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

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

**13. BALANCES BROUGHT FORWARD**

	2020-2021 (1 <sup>st</sup> July 2020)	2019-2020 (1 <sup>st</sup> July 2019)
	Kshs	Kshs
Bank accounts	1,107,482	7,604,880
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>1,107,482</b>	<b>7,604,880</b>

*[Provide short appropriate explanations as necessary]*

**14. PRIOR YEAR ADJUSTMENTS**

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	(-)	-	(-)
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

**15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST\***

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-

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

	2020 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing 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)**

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

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

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	-	-
Others ( <i>specify</i> )	-	-
	-	-

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

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	3,002,297	2,158,600
Use of goods and services	1,180,324	2,920,395
Amounts due to other Government entities (see attached list)	49,579,971	54,011,679
Amounts due to other grants and other transfers (see attached list)	3,994,356	11,384,532
Acquisition of assets	-	-
Others ( <i>specify</i> )	-	-
Funds pending approval	-	-
	<b>57,756,938</b>	<b>70,475,206</b>

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

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	-	-



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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

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

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

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

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				





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

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	-	-	-	-
Buildings and structures	45,913,823	6,925,963	-	52,839,786
Transport equipment	6,600,500	-	-	6,600,500
Office equipment, furniture and fittings	400,900	-	-	400,900
ICT Equipment, Software and Other ICT Assets	219,500	-	-	219,500
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>53,134,723</b>	<b>6,925,963</b>	<b>-</b>	<b>60,060,686</b>

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**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 202xx**

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
KAWIRU SECONDARY SCHOOL	FAMILY	86000010695	-	501,063
KARAMA ANTI-COMUO SECONDARY SCH.	FAMILY	86000010698	-	185,000
MWIKINE PRIMARY SCHOOL	FAMILY	86000010707	-	24,755
KANDUBAI MID-DAY SECONDARY SCHOOL	FAMILY	86000010710	-	2,400
KARAMA ANTI-COMUO PRIMARY SCHOOL	FAMILY	86000010716	-	3,000
MACLEOD PRIMARY SCHOOL	FAMILY	86000010718	-	38,000
KAMURURU SECONDARY SCHOOL	FAMILY	86000010724	-	2,179,820
MICOM PRIMARY SCHOOL	FAMILY	86000010725	-	100
TULUO PRIMARY SCHOOL	FAMILY	86000010726	-	480
NHA COMUO SECONDARY SCHOOL	FAMILY	86000010730	-	258
KUENA PRIMARY SCHOOL	FAMILY	86000010737	-	3,000
AKUMUO SECONDARY SCHOOL	FAMILY	86000010740	-	2,500
KANGETA SECONDARY SCHOOL	FAMILY	86000010745	-	51.5
TRUDY PRIMARY SCHOOL	FAMILY	86000010754	-	3,000
KANROO PRIMARY SCHOOL	FAMILY	86000010757	-	3,000
KAW-SAMUO PRIMARY SCHOOL	FAMILY	86000010758	-	3,000
KATI-KATI PRIMARY SCHOOL	FAMILY	86000010759	-	3,000
KATIKATI SECONDARY SCHOOL	FAMILY	86000010760	-	500,000
KATI-KATI PRIMARY SCHOOL	FAMILY	86000010769	-	240,020
KATI-KATI PRIMARY SCHOOL	FAMILY	86000010771	-	500,000
KATI-KATI SECONDARY SCHOOL	FAMILY	86000010773	-	2,400
KATI-KATI PRIMARY SCHOOL	FAMILY	86000010774	-	3,000
KATI-KATI PRIMARY SCHOOL	FAMILY	86000010775	-	0
KATI-KATI PRIMARY SCHOOL	FAMILY	86000010785	-	2,160
KATI-KATI SECONDARY SCHOOL	FAMILY	86000010786	-	5,000

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
KITHARE DAY SECONDARY SCHOOL	FAMILY	86000010800	-	3,031,000
NTHARE SECONDARY SCHOOL	FAMILY	86000010807	-	6,000
KANGETA MIXED DAY SECONDARY SCHOOL	FAMILY	86000010811	-	2,068,000
KANGETA PRIMARY SCHOOL	FAMILY	86000010812	-	9,100
KIANI KIA NANGA PRIMARY SCHOOL	FAMILY	86000010825	-	282,700
NTUENE PRIMAR SCHOOL	FAMILY	86000010826	-	3,000
THAMARE PRIMARY SCHOOL	FAMILY	86000010832	-	3,000
MATRINE SECONDARY SCHOOL	FAMILY	86000010845	-	3,300
MALAENE PRIMARY SCHOOL	FAMILY	86000010860	-	3,000
MACHUNGULU DAY SEC. SCHOOL	FAMILY	86000010873	-	300
KABUKURO SEC.SCHOOL	FAMILY	86000010878	-	4,100
ST.JAMES SEC.SCHOOL	FAMILY	86000010884	-	510,200
NTUTI DAY SEC.SCHOOL	FAMILY	86000010885	-	2,100
THITHA SECONDARY SCHOOL	FAMILY	86000010897	-	1,500
KATHATHENE PRIMARY SCHOOL	FAMILY	86000010899	-	2,100
KIANI KIA AARU DAY SEC.SCHOOL	FAMILY	86000010951	-	500,000
MURINGENE DAY SEC.SCHOOL	FAMILY	86000011475	-	0
KALULI PRIMARY SCHOOL	DHABITI	4918-001-05363	-	500
BAIBARIU PRIMARY SCHOOL	DHABITI	4918-001-14665	-	96,000
NKINYANG'A SEC.SCHOOL	DHABITI	4918-001-14371	-	1,428,000
AKONGOLO ADMIN	DHABITI	4918-001-16876	-	1,080
KATHELWA ASS.CHIEF	DHABITI	4918-044-16878	-	500
KAWIRU ASS.CHIEF	DHABITI	4918-044-16877	-	820
MURERA SEC.SCHOOL	DHABITI	4918-044-16169	-	397,000
NTURUBA DAY SEC.SCHOOL	DHABITI	4918-044-13635	-	60,200
KAANI KA RUI PRIMARY SCHOOL	DHABITI	4918-001-14048	-	60,200
MUKULULU CHIEF'S OFFICE	DHABITI	4918-001-14575	-	500



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PMO	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
MAI	DHABITI	4918-044-15164	-	500
MIC	DHABITI	4918-044-15166	-	198,000
MAI	DHABIT	4918-044-15367	-	132,000
KIM	DHABITI	4918-044-16948	-	580
NIP	DHABITI	4918-044-17233	-	500
MIP	DHABITI	4918-044-17284	-	1,110
KIP	DHABITI	4918-044-17285	-	590
KIP	DHABITI	4918-044-17286	-	590
TIP	DHABITI	4918-044-17376	-	540
LIP	DHABITI	4918-044-17375	-	40
KIP	DHABITI	4918-044-17374	-	197,000
TIP	DHABITI	4918-044-17377	-	640
KIP	DHABITI	4918-044-16146	-	377,000
TIP	DHABITI	4918-044-17469	-	1,120
NIP	FAMILY	86000010695	149,453	-
NIP	FAMILY	86000010698	1,200	-
NIP	FAMILY	86000010707	22,955	-
NIP	FAMILY	86000010710	1,687,440	-
NIP	FAMILY	86000010716	1,200	-
NIP	FAMILY	86000010718	36,200	-
NIP	FAMILY	86000010724	1,520	-
NIP	FAMILY	86000010737	4,200	-
NIP	FAMILY	86000010740	700	-
NIP	FAMILY	86000010754	1,200	-
NIP	FAMILY	86000010757	1,200	-
NIP	FAMILY	86000010758	3,530	-
NIP	FAMILY	86000010759	1,200	-

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PMC	Bank	Account number	Bank Balance 2020/21	Bank B 201
NG-CDF: KATHELWA SECONDARY SCHOOL	FAMILY	86000010766	750,016	
NG-CDF: LIMORO PRIMARY SCHOOL	FAMILY	86000010769	4,200	
NG-CDF: MUKULULU PRIMARY SCHOOL	FAMILY	86000010771	2,780	
NG-CDF: KILIMAMUNGU SECONDARY SCHOOL	FAMILY	86000010773	600	
NG-CDF: MURERA PRIMARY SCHOOL	FAMILY	86000010774	1,200	
NG-CDF: K.K. MUUTI PRIMARY SCHOOL	FAMILY	86000010775	1,320	
NG-CDF: KALIMIKUU PRIMARY SCHOOL	FAMILY	86000010785	3,360	
NG-CDF: MATIANDUI DAY SECONDARY SCHOOL	FAMILY	86000010786	63,080	
NG-CDF: KITHARE DAY SECONDARY SCHOOL	FAMILY	860000108000	728,960	
NG-CDF: NTHARE SECONDARY SCHOOL	FAMILY	86000010807	4,900	
NG-CDF: KANGETA MIXED DAY SECONDARY SCHOOL	FAMILY	86000010811	3,582,840	
NG-CDF: KANGETA PRIMARY SCHOOL	FAMILY	86000010812	7,656	
NG-CDF: KIANI KIA NANGA PRIMARY SCHOOL	FAMILY	86000010825	3,200	
NG-CDF: NTUENE PRIMARY SCHOOL	FAMILY	86000010826	4,078	
NG-CDF: THAMARE PRIMARY SCHOOL	FAMILY	86000010832	1,200	
NG-CDF: MATIRINE SECONDARY SCHOOL	FAMILY	86000010845	1,500	
NG-CDF: MALAENE PRIMARY SCHOOL	FAMILY	86000010860	1,200	
NG-CDF: KABUKURO SECONDARY SCHOOL	FAMILY	86000010878	2,360	
NG-CDF: ST. JAMES SECONDARY SCHOOL	FAMILY	86000010884	862,494	
NG-CDF: NTUTI DAY SECONDARY SCHOOL	FAMILY	86000010885	600	
NG-CDF: THITHA SECONDARY SCHOOL	FAMILY	86000010897	873,799	
NG-CDF: KATHATHENE PRIMARY SCHOOL	FAMILY	86000010899	960	
NG-CDF: KIANI KIA AARU DAY SECONDARY SCHOOL	FAMILY	86000010951	396,280	
NG - CDF: MUKULULU DAY SECONDARY SCHOOL	FAMILY	86000011885	35,544	
NG-CDF:MIORI MIXED DAY SECONDARY SCHOOL.	FAMILY	86000011946	1,252	
NG-CDF:KAURINE DAY SECONDARY SCHOOL.	FAMILY	86000011948	2,898,744	
NG-CDF:CHURUI PRIMARY SCHOOL.	FAMILY	86000011970	1,276	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
NG-CDF:LIMBUKU PRIMARY SCHOOL.	FAMILY	86000011971	4,252	-
NG-CDF:KIANI KIRAJA PRIMARY SCHOOL.	FAMILY	86000011975	1,154	-
NG-CDF:KANAATHU PRIMARY SCHOOL.	FAMILY	86000011985	520	-
NG-CDF:THUMBERERIA PRIMARY SCHOOL.	FAMILY	86000011991	1,360	-
NG-CDF:ATHIRU RUUJINE PRIMARY SCHOOL.	FAMILY	86000011999	9,637	-
NG-CDF:RIKIAU PRIMARY SCHOOL.	FAMILY	86000012006	1,360	-
NG-CDF:KAUMONE PRIMARY SCHOOL.	FAMILY	86000012021	1,360	-
NG-CDF:TUURU DAY SECONDARY SCHOOL	FAMILY	86000012024	1,360	-
NG-CDF: NTHAMBIRO PRIMARY SCHOOL	FAMILY	86000012025	1,312	-
NG-CDF:MURERA DAY SECONDARY SCHOOL	FAMILY	86000012035	860	-
NG-CDF:KABUITU PRIMARY SCHOOL	FAMILY	86000012056	1,240	-
NG -CDF: GUTHUKII PRIMARY SCHOOL	FAMILY	86000012087	198,632	-
NG-CDF: NTUI PRIMARY SCHOOL	FAMILY	86000012107	1,360	-
NG-CDF:KANJOO DAY SECONDARY SCHOOL	FAMILY	86000012116	1,240	-
NG-CDF:KIUJULINE PRIMARY SCHOOL	FAMILY	86000012117	1,601,360	-
NG-CDF:NJIA PRIMARY SCHOOL	FAMILY	86000012118	1,360	-
NG-CDF:KABUKURO PRIMARY SCHOOL	FAMILY	86000012120	520	-
NG-CDF:MUTUATINE PRIMARY SCHOOL	FAMILY	86000012121	1,360	-
NG-CDF: NKANGA PRIMARY SCHOOL	FAMILY	86000012122	1,360	-
NG-CDF: NKINYANGA PRIMARY SCHOOL	FAMILY	86000012127	1,360	-
NG-CDF: AKUUNE PRIMARY SCHOOL	FAMILY	86000012132	1,240	-
NG-CDF: KIMUTUBUA PRIMARY SCHOOL	FAMILY	86000012134	260	-
NG-CDF:GITUENE PRIMARY SCHOOL	FAMILY	86000012527	1,098,360	-
NG-CDF:KAWIRU PRIMARY SCHOOL	FAMILY	86000012609	40,878	-
NG-CDF:KATHELWA PRIMARY SCHOOL	FAMILY	86000012610	2,198,360	-
NG-CDF: NTUTI PRIMARY SCHOOL	FAMILY	86000012617	1,098,360	-
NG - CDF: MIORI PRIMARY SCHOOL	FAMILY	86000010725	100	-



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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
NG - CDF: TUURU PRIMARY SCHOOL	FAMILY	86000010726	480	-
NG - CDF: NJIA BOYS SECONDARY SCHOOL	FAMILY	86000010730	258	-
NG - CDF: KANGETA GIRLS SECONDARY SCHOOL	FAMILY	86000010745	51.5	-
NG-CDF: MACHUNGULU DAY SECONDARY SCHOOL	FAMILY	86000010873	386	-
NG-CDF: MURINGENE DAY SECONDARY SCHOOL	FAMILY	86000011475	0	-
<b>Total</b>			<b>18,419,097.50</b>	

**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 and subsequent progress made on the resolution of the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)