

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 FEB 2022	DAY: Wed
REPORT BY:	The Majority Whip Hon. E. Wanjugu, MP.
CLERK-AT THE TABLE:	Benson Inzofu.

OF

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – JOMVU
CONSTITUENCY

FOR THE YEAR
ENDED 30 JUNE, 2020



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

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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Core Values

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Eunice Anubi
2.	Sub-County Accountant	Nancy Mwarabu
3.	Chairman NGCDFC	Alex Namasambu
4.	Member NGCDFC	-

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF Jomvu Constituency Headquarters

P.O. Box 90646-80100
Behind Islamic Teachers Training College - Mikindani
Mombasa, KENYA

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(f) NGCDF Jomvu Constituency Contacts

Telephone: (254) 769536138
E-mail: cdjgomvu@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF Jomvu Constituency Bankers

1. Equity Bank
Changamwe Branch
A/C No.1200261736417
P.O. Box 90016 - 80100
Mombasa, 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

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II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

I hereby present the financial statements for NGCDF Jomvu for the financial year ended 30th June 2020. I would like to take this opportunity to thank persons involved in the running of NGCDF Jomvu including Project Management Committees, my fellow NG-CDFC members, NGCDF staff, the Fund Account Manager, Departmental Heads and the Honourable Member of Parliament for his leadership and oversight of NGCDF Jomvu activities.

During the financial year 2019/2020, the constituency was allocated Kshs. 137,367,724 as normal allocation out of which it received a total of Kshs. 50,000,000.00 representing 36% of the normal allocation and an additional Kshs. 16,856,896.7 being undisbursed balances as at 30th June 2019. Hence the total allocation available for use by the constituency within the financial year was Kshs. 114,139,719. NGCDF Jomvu has maintained the utilisation of available resources at 42%. Of this 69% has been utilised in Education infrastructure and bursary programs, with the rest spread to social programmes, security and environment among other projects. At the close of the financial year the Constituency had not yet received Ksh. 83,997,772 from the Board thus could not accomplish all projects as planned within the financial year.

Achievements

The trend of allocation by Jomvu has continued to be focused on education which has seen the new primary school under construction being completed. A second new primary school has been started and the renovations in older schools have been continued. This infrastructure development has changed the face of all schools in the constituency resulting in an improved learning environment that has not only led to increase in enrolment and retention of students, but also boosted performance.

The projects implemented to completion during the financial year include:

- Completion of renovations of St. Mary's Bangladesh Primary school classrooms & toilets
- Construction of administration block at Aldina Primary School
- Renovation of Miritini Primary School
- Disbursed Bursary of Ksh. 20.8 million to needy students and 10M under the National Hospital Insurance Fund health subsidy program to 1675 persons

Below are photographs of some of the projects:

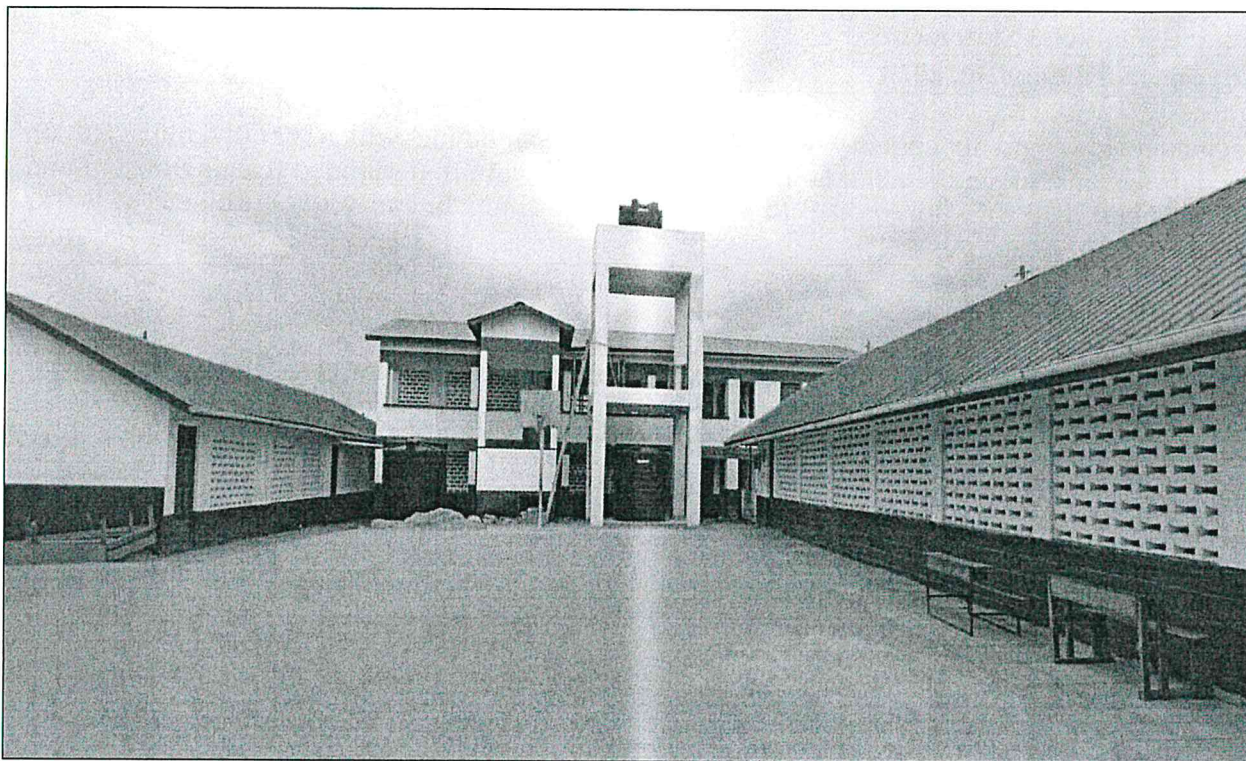


Jomvu Sub-County Office Complex –ongoing

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St. Mary's Primary School renovation of classrooms- complete



Aldina Primary School administration block- Complete

Challenges

The Committee has been faced with various challenges in the course of implementation of programmes. The main challenges encountered during the financial year have been delayed disbursement of funds by the NG-CDF Board which led to low budget utilisation and delays in getting project bills of quantities and related documents due to understaffing of public works offices. Other challenges have been delayed commencement of projects due to land issues and delay in approval of projects reallocated and resubmitted by the Board

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The committee also had to contend with the Covid-19 pandemic which greatly impacted on delivery of programs due to the attendant restrictions. This meant that planned training of staff and ~~NG-CDF members had to be postponed to a more suitable time. Similarly, procurement of works~~ was affected.

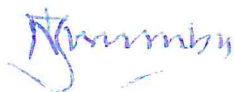
Recommendations

Having developed a strategic plan the committee has been able to clearly understand the challenges and has liaised with the engineers to improve on delivery of documentation for timely implementation of projects. Through the DCC's office the issues surrounding land in the constituency are being addressed.

For the continuous success of the Fund in Jomvu the Board should disburse the funds timely and consider employment of engineers in every constituency.

The committee looks forward to a better performance in the next financial year.

Sign



CHAIRMAN NGCDF COMMITTEE

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

Introduction

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

Jomvu National Government Constituency Development Fund Committee (NG-CDFC) in its strategic plan (2018-2023) outlined key strategic objectives that were to be used to spur development in the constituency. The plan was aimed at the identification of development programmes to be implemented to help drive economic activities within the constituency through improved overall infrastructure with a focus on security and learning institutions. It was anticipated that this will help in achieving improved quality of education, universal health care for all, environmental conservation, and wider access to ICT among other benefits.

The key development objectives of NGCDF-Jomvu Constituency's 2018-2022 plan are to:

- i. Improve infrastructure and learning environment in primary, secondary and tertiary institutions within Jomvu constituency
- ii. Enhance infrastructure and housing for security personnel and administration staff
- iii. Enhance sports and sporting activities within the constituency
- iv. Prioritize environment conservation interventions in all development initiatives through community driven environment programmes
- v. Enhance availability and access to affordable quality, universal healthcare for the well-being of constituents
- vi. Build resilient, all round infrastructure for accelerated rural development

Progress on attainment of Strategic development objectives

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

Below we provide the progress on attaining the stated objectives:

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve infrastructure and learning environment in primary, secondary and tertiary institutions within Jomvu Constituency	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Number of usable physical infrastructure built in primary, secondary and tertiary institutions Number of	In FY 19/20 we increased number of classrooms from 207 to 213, Number of administration blocks from 7 to 8 in Aldina Primary School and Maganda

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			bursary beneficiaries at all levels	Primary School Out of the existing classrooms, 25 were renovated
				Bursary was awarded to 2,337 students in Secondary schools and 257 students in tertiary institutions
Security	Enhance infrastructure and housing for security personnel and administration staff	Construct, improve or furnish administrative offices (DCC's office, ACC's offices, National Government departments, Chief and Assistant Chief's offices)	Number of physical infrastructure built for security personnel	Number of offices increased from 0 to 1
Sports	Enhance sports and sporting activities within the constituency	Facilitate sporting activities through improvement of institutional/public sports facilities	Number of improved physical infrastructure built for sports	1 playground improved at Kwa Jomvu Primary school
Environment	Prioritize environment conservation interventions in all development initiatives through community driven environment programmes	Facilitate environment conservation initiatives such as construction of gabions, terraces and flood control	Number of physical infrastructure built under environment	Gabions built at Jomvu Girls Secondary School
Healthcare	Enhance availability and access to affordable quality, universal healthcare for the well-being of constituents	Quality universal healthcare provision	Number of bursary beneficiaries of health subsidy program	1,675 beneficiaries funded through the NHIF health subsidy program

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IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – Jomvu Constituency exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sectors, 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 -

NG-CDF Jomvu Committee endeavoured to work within the existing policy guidelines while focusing on service delivery and the drive to better performance. This was done through engaging both internal and external stakeholders on development matters as guided by our vision, mission and core values as outlined in our strategic plan.

To ensure sustainability, the constituency relied on the set targets to guide our performance. The goals as provided in our strategic plan remained the focal point for the management as well as a yardstick by which external stakeholders can judge our progress and achievements against their expectations. The frameworks under which we operated included projects identification, allocation of funds, approval, implementation and monitoring.

2. Environmental performance

Protection of the environment in which we live and operate is part of Jomvu NG-CDF core objectives. Prioritizing environment conservation interventions in all development initiatives is an important aspect in the way in which carry out our operations.

Jomvu NG-CDF commits to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice
- Keep wastage to a minimum and maximize the efficient use of materials and resources
- Manage and dispose of all wastage in a responsible manner
- Monitoring and continuously improving our environmental performance

Jomvu NG-CDF has identified the main areas in which we have environmental impact, and where we can implement initiatives to manage and reduce the impact as follows:

- Capacity Building of members, staff and PMCs on good conservation practices,
- Environmental Protection and Conservation through construction of gabions, terraces and support for renewable energy (solar) and
- Pollution Control and Waste Management through ensuring proper human waste disposal through construction of toilets, septic tanks and soak pits in identified projects.

3. Employee welfare

Jomvu NG-CDFC offers two categories of employment: Contractual and Internship/Attachment. Contract employees who are engaged for 3 years on a renewable contract are eligible for employee benefits in line with the statutory requirements.

Casual employees are hired to perform specific duties for 3 months at a piece rate payment system and are not eligible for employee benefits in line with statutory requirements.

Recruitment is done through declaration of vacancies in the office by advertisement within the constituency. A selection and interview subcommittee is appointed to oversee the selection process ensuring that that qualified candidates are not discriminated on based on ethnicity, religion, gender, age, disability, status. The gender ratio is always considered during recruitment.

Orientation and induction of employees is carried out to familiarize employees with the mandate, vision, mission and operations of the office and how their jobs contribute to this.

This is done within the first three months of employment.

In selecting candidates for promotion, the committee considers ability and merit as reflected in work performance after the annual performance appraisal. Recommendations for promotion are

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made through NG-CDFC resolution. Where improvement of skills are required for staff, the committee organizes for their training on the job and through enrolment in relevant courses.

~~The office maintains a healthy and safe working environment for its employees to ensure there is~~
no personal injury due to accidents. All staff must always consider safety to themselves and others when performing their duties and should not compromise on quality, cause injury, ill health, loss or environmental damage.

4. Market place practices-

NG-CDF was designed to support constituency-level, grass-root development projects. The objective of the Fund is to provide mechanisms for supplementing implementation of the national government development agenda at the constituency level.

a) Responsible competition practice.

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

b) Responsible Supply chain and supplier relations – NG-CDF Jomvu ensures that payments to suppliers are done promptly upon presentation of requisite supporting documents.

c) Responsible marketing and advertisement - Advertisement for tenders is done publicly and no form of discrimination is applied to unfairly lock out interested bidders

d) Product stewardship- Jomvu NG-CDF came up with a service charter and a complaints handling mechanism to safeguard consumer rights and interests. The service charter outlines our commitment to ensuring that we provide quality services to our customers with high level professionalism, dignity, integrity and courtesy. The complaints handling procedures ensure that we are committed to fair and confidential complaint handling and to resolve complaints quickly

5. Community Engagements-

Like any government entity, NG-CDF Jomvu has the responsibility of ensuring public involvement in project identification, prioritization of projects and adequate allocation of funds to the projects.

During the financial year, public participation in project identification, implementation and monitoring was sought in line with the provisions of the NG-CDF Act 2015. Its objective was to document and bring on board development needs to be considered and identify intervention tools to be employed to meet the needs as well as receiving feedback on past interventions and best practices to be embraced.

Further, the committee in conjunction with other stakeholders took precautionary measures in line with the Government's directive on reducing the spread of COVID-19 through; facilitation of staff from the Ministry of Health in creation of awareness on the pandemic and contact tracing, facilitated distribution of sanitizers and face masks made by youth trained under our "Ujuzi Mtaani" initiative to the community free of charge.

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V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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


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


The Accounting Officer in charge of the NGCDF-Jomvu 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 *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-Jomvu Constituency further confirms the completeness of the accounting records maintained for the *entity*, 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-Jomvu Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

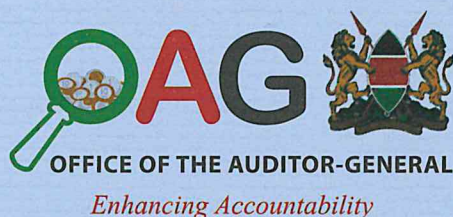
The NGCDF-Jomvu Constituency financial statements were approved and signed by the Accounting Officer on 10.2.2021.


Fund Account Manager
Name: Eunice Anubi


Sub-County Accountant
Name: Nancy Mwarabu
ICPAK Member Number: 15006

REPUBLIC OF KENYA

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NAIROBI

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Jomvu Constituency set out on pages 14 to 44 which comprise the statement of assets and liabilities as at 30 June, 2020, statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Jomvu Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act No.30 of 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unutilized ICT Equipment and Overpayment to Supplier

The statement of receipts and payments for the year ended 30 June, 2020 reflects other payments amounting to Kshs.7,675,627, out of which Kshs.4,677,027 relate to supply, installation, testing and commissioning of ICT equipment. Records provided for audit indicated that 52 laptops, 52 power adapters and 4 filing cabinets remained idle at the Jomvu Constituency Offices, awaiting installation at the sites. Management explained that the delay was due to the proposed sites, mostly schools, having been rendered inaccessible to the youth, who were target beneficiaries, due to the Covid 19 pandemic. However, the contractor was paid in full before installation and commissioning of the equipment.

Under the circumstances, it was not confirmed whether the residents of Jomvu Constituency received value for the money on ICT equipment costing Kshs.4,677,027 for the year ended 30 June, 2020.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Jomvu Constituency in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation – recurrent and development combined reflects final receipts budget and actual on comparable basis of kshs.276,011,120 and kshs.121,502,521 respectively resulting to shortfall of kshs.154,508,599 or 56% of the approved budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totaling to kshs.276,011,120 and kshs.89,529,814 respectively, resulting in underperformance amounting to kshs.116,286,878 or 58% of the budget.

The underfunding and under expenditure affected the planned activities and may have impacted negatively on service delivery to the residents of Jomvu constituency.

2. Projects Implementation Status

The projects implementation status report as at 30 June, 2020 by Management provided for audit review indicated that the National Government Constituencies Development Fund – Jomvu Constituency, had 20 projects with approved budget of Kshs.97,351,89, out of which thirteen (13) projects with a funding allocation of Kshs.57,970,000 had not started while seven (7) projects with an allocation of Kshs.39,361,897 were ongoing.

Delay in implementation of the projects may have denied residents of Jomvu Constituency the intended benefits, and value for money since the allocated funds remain idle.

3. Projects Inspection

An audit inspection of nine (9) projects with a total allocation of Kshs.50,344,313 in the month of January 2021 revealed as follows:-

S/No	Financial Year	Project Name	Approved Activity	Amount Allocated (Kshs)	Remarks
1.	2017/2018	Environment	Construction of Gabions and Terraces at Jomvu Girls High School at Kshs.1,000,000 and Mkupe at Kshs.736,206.90	1,736,206.90	Completed and in use.
2.	2017/2018	Aldina Primary School	Construction of two storey building classrooms Kshs.3,000,000, digging a well at Kshs.500,000 soak pit and septic tank at Kshs.500,000	4,000,000.00	The classrooms are complete but not yet handed over to the PMC, soak pit and septic complete.
3	2017/2018	Constituency Innovation Hubs	Installation of satellite antennae, Router, Digital access kit, digital ruggedized Tablet, Wi-Fi with outdoor wireless device complete with 12U cabinet with installation accessories by Telkom Ltd at 4 sites.	4,677,027.20	All the equipment procured but not installed.
4	2018/2019	Kwa Jomvu primary school	Renovation of Four (4) classrooms by replacing roofs, windows, doors, painting & flooring	3,600,000.00	Completed and in use.
5	2018/2019	Jomvu Sub-County Office Complex	Construction of Sub-County Headquarters with NG-CDF offices in same block - Phase 2	18,831,080.00	Super structure complete, fixing of windows and portioning going on.
6	6.2019/2020	Aldina Primary School	Construction of a perimeter wall approximately 300m, security office and fixing of gate	6,300,000.00	Foundation of the wall done.
7	2019/2020	Kwa Shee Primary School	Renovation of Pupils' toilet block consisting of 24 cubicles and urinal – wall repairs, flooring,	5,750,000.00	One block and soak,pit and septic

S/No	Financial Year	Project Name	Approved Activity	Amount Allocated (Kshs)	Remarks
			replacement of asbestos roof, plumbing, fixing doors & windows		tank complete
8	2019/2020	Jomvu Kuu ACC Office	Construction of 2No. AP units each comprising	4,600,000.00	Project at wall level.
		& AP units	sitting room, bedroom, kitchenette and washroom		
9	2019/2020	Aldina Primary School	Water harvesting consisting of guttering and installation of 2No. 10,000-litre tanks, construction of water tower and pump booster	850,000.00	Building of water tower on going.
	Total			50,344,313.00	

The above table indicates that three (3) projects which started in the financial year 2017-2018 were completed in 2020/2021, an indication of slow implementation or ineffective monitoring and evaluation of projects which in turn denies the residents of Jomvu Constituency the desired development and services.

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

1.0 Unrefunded Project Management Committee Bank Balances

Annex 5 to the financial statements reflects project management committee (PMC) bank balances amounting to Kshs.74,622,249 held in 38 bank accounts. The amount includes Kshs.902,329 in respect of eight (8) PMC bank accounts in Equity Bank (K) Ltd which remained idle throughout the year without being refunded to the Constituency Development Fund (CDF) bank account contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which states that "all unutilized funds of the Project Management Committee shall be returned to the constituency account".

Consequently, the Management was in breach of the Law.

2.0 Failure to Establish Constituency Oversight Committee

As previously reported, the National Government Constituencies Development Fund - Jomvu Constituency had not constituted a Constituency Oversight Committee contrary to Section 53(1) of the National Government Constituencies Development Fund Act, 2015 which requires establishment of a Constituency Oversight Committee for projects undertaken under this Act.

In the circumstances, the oversight role of the committee was not undertaken effectively as required by the National Government Constituencies Development Fund Act, 2015.

The Management was therefore 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.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in

amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

08 February, 2022

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) JOMVU CONSTITUENCY

Reports and Financial Statements


For the year ended June 30, 2020


VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	66,856,897	108,784,483
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	7,362,802	10,470,764
TOTAL RECEIPTS		74,219,699	119,255,247
PAYMENTS			
Compensation of employees	4	2,389,135	2,579,311
Use of goods and services	5	4,929,038	6,376,435
Transfers to Other Government Units	6	47,514,471	36,743,764
Other grants and transfers	7	47,634,706	45,405,215
Acquisition of Assets	8	6,143,900	4,274,900
Other Payments	9	7,675,627	-
TOTAL PAYMENTS		116,286,878	95,379,625
SURPLUS/(DEFICIT)		(42,067,179)	23,875,622

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Jomvu Constituency financial statements were approved on

10.2.2021 and signed by:


Fund Account Manager
Name: Eunice Anubi


Sub-County Accountant
Name: Nancy Mwarabu
ICPAK Member Number: 15006

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) JOMVU CONSTITUENCY


Reports and Financial Statements

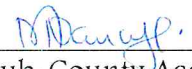
For the year ended June 30, 2020

VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2020

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	5,524,223	47,282,822
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		5,524,223	47,282,822
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		5,524,223	47,282,822
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	308,580	-
Deposits (Gratuity)	12B	-	-
TOTAL FINANCIAL LIABILITIES		308,580	-
NET FINANCIAL ASSETS		5,215,643	47,282,822
REPRESENTED BY			
Fund balance b/fwd	13	47,282,822	23,407,200
Prior year adjustments	14	-	-
Surplus/Deficit for the year		(42,067,179)	23,875,622
NET FINANCIAL POSITION		5,215,643	47,282,822

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Jomvu Constituency financial statements were approved on 10.2.2021 and signed by:


Fund Account Manager
Name: Eunice Anubi


Sub-County Accountant
Name: Nancy Mwarabu
ICPAK Member Number: 15006

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) JOMVU CONSTITUENCY


Reports and Financial Statements


For the year ended June 30, 2020

IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2020

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	66,856,897	108,784,483
Other Receipts	3	7,362,802	10,470,764
Total receipts		74,219,699	119,255,247
Payments for operating expenses			
Compensation of Employees	4	2,389,135	2,579,311
Use of goods and services	5	4,929,038	6,376,435
Transfers to Other Government Units	6	47,514,471	36,743,764
Other grants and transfers	7	47,634,706	45,405,215
Other Payments	9	7,675,627	-
Total payments		110,142,978	91,104,725
Total Receipts Less Total Payments		(35,923,279)	28,150,522
Adjusted for:			
Decrease/ (Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/ (Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	308,580	-
Prior year adjustments	14	-	-
Net Adjustments		308,580	-
Net cash flow from operating activities		(35,614,699)	28,150,522
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(6,143,900)	(4,274,900)
Net cash flows from Investing Activities		(6,143,900)	(4,274,900)
NET INCREASE IN CASH AND CASH EQUIVALENT		(41,758,599)	23,875,622
Cash and cash equivalent at BEGINNING of the year	13	47,282,822	23,407,200
Cash and cash equivalent at END of the year		5,524,223	47,282,822

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Jomvu Constituency financial statements were approved on 10.2.2021 and signed by:


Fund Account Manager
Name: Eunice Anubi


Sub-County Accountant
Name: Nancy Mwarabu
ICPAK Member Number: 15006

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – JOMVU CONSTITUENCY

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

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE YEAR ENDED 30 JUNE 2020

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	137,367,724	131,280,594	268,648,318	114,139,719	154,508,599	42.5%
Proceeds from Sale of Assets				-	-	0.0%
Other Receipts		7,362,802	7,362,802	7,362,802	-	
TOTAL RECEIPTS	137,367,724	138,643,396	276,011,120	121,502,521	154,508,599	44.0%
PAYMENTS						
Compensation of Employees	4,296,422	3,573,432	7,869,854	2,389,135	5,480,719	30.4%
Use of goods and services	7,635,946	6,570,825	14,206,771	4,929,038	9,277,733	34.7%
Transfers to Other Government Units	53,550,000	37,364,471	90,914,471	47,514,471	43,400,000	52.3%
Other grants and transfers	71,885,356	46,908,917	118,794,273	47,634,706	71,159,567	40.1%
Acquisition of Assets	0	35,375,518	35,375,518	6,143,900	29,231,618	17.4%
Other Payments	0	8,571,233	8,571,233	7,675,627	895,606	89.6%
Unallocated project funds (AIA)	0	279,000	279,000	-	279,000	0.0%
TOTALS	137,367,724	138,643,396	276,011,120	116,286,878	159,724,243	42.1%

Note:

- The adjustments under RECEIPTS refers to balances brought forward from previous financial years and balances expected from the NG-CDF Board
 - During the financial year, the major receipts comprised of transfers from the NG-CDF Board vide AIEs, totalling Kshs. 66,856,897.
 - Other receipts of Ksh. 7,362,802 represents Ksh. 7,273,802 which are moneys from various PMC Accounts transferred back to the main account for reallocation to other projects. Kshs. 89,000 is AIA generated through the sale of tender documents.

REPORTS AND FINANCIAL STATEMENTS
For the year ended June 30, 2020

2. Reasons for underutilisation

- a. There is underutilization on the items due to a delay in disbursement of funding relating to the financial year. By close of the financial year, only 37% of the expected funding for the financial year had been received. Most of the funds utilised relate to balances from previous financial years.

The NGCDF-Jomvu Constituency financial statements were approved on 10.2.2021 and signed by:



Fund Account Manager
Name: Eurice Anubi



Sub-County Accountant
Name: Nancy Mwarabu
ICPAK Member Number: 15006



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

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	4,450,182	3,573,432	8,023,614	2,389,135	5,634,479
1.2 Committee allowances	1,128,000	2,063,640	3,191,640	2,240,000	951,640
1.3 Use of goods and services	2,233,186	2,464,412	4,697,598	1,357,518	3,340,080
Sub-Total	7,811,368	8,101,484	15,912,852	5,986,653	9,926,199
2.0 Monitoring and evaluation					
2.1 Capacity building	2,678,748	1,596,950	4,275,698	465,520	3,810,178
2.2 Committee allowances	1,442,252	445,823	1,888,075	866,000	1,022,075
Sub-Total	4,121,000	2,042,773	6,163,773	1,331,520	4,832,253
3.0 Emergency					
3.1 Primary Schools	7,198,241	5,943,370	13,141,611	-	13,141,611
3.2 Secondary schools	-	-	-	-	-
3.3 Tertiary institutions	-	-	-	-	-
3.4 Security projects	-	-	-	-	-
Sub-Total	7,198,241	5,943,370	13,141,611	-	13,141,611
4.0 Bursary and Social Security					
4.1 Primary Schools	-	-	-	-	-
4.2 Secondary Schools	23,000,000	8,819,075	31,819,075	15,147,936	16,671,139
4.3 Tertiary Institutions	15,000,000	19,561,619	34,561,619	5,632,759	28,928,860
4.4 Universities	-	-	-	-	-
4.5 Social Security	10,050,000	-	10,050,000	10,050,000	-
Sub-Total	48,050,000	28,380,694	76,430,694	30,830,695	45,599,999
5.0 Sports					
5.1 Sports	-	1,357,267	1,357,267	1,356,896.64	370
5.2 Constituency Sports Tournament	2,147,115	-	2,147,115	2,147,115.00	-
Sub-Total	2,147,115	1,357,267	3,504,382	3,504,012	370

REPORTS AND FINANCIAL STATEMENTS
For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
6.0 Environment					
6.1 Aldina Primary School	850,000.00		850,000	850,000.00	-
6.2 Kibarani Primary School	850,000.00	-	850,000	-	850,000
6.3 Maganda Primary School	850,000.00	-	850,000	850,000.00	-
6.4 Environment	-	227,586	227,586	-	227,586
6.5 Jomvu Girls High School - gabions	-	1,500,000	1,500,000	1,500,000	-
Sub-Total	2,550,000	1,727,586	4,277,586	3,200,000	1,077,586
7.0 Primary Schools Projects (List all the Projects)					
7.1 Aldina Primary School	6,300,000.00	5,000,000	11,300,000	11,300,000	-
7.2 Amani Primary School	6,500,000.00		6,500,000	-	6,500,000
7.3 Kwa Jomvu Primary School	6,600,000.00		6,600,000	-	6,600,000
7.4 Kwa Shee Primary School	5,750,000.00	2,000,000	7,750,000	7,750,000	-
7.5 Maganda Primary School	600,000.00		600,000	600,000	-
7.6 Miritini World Bank Primary School	2,400,000.00	2,000,000	4,400,000	2,000,000	2,400,000
7.7 Proposed Kibarani Primary School	10,000,000.00		10,000,000	-	10,000,000
7.8 Miritini Primary School	0.00	5,075,489	5,075,489	5,075,489	-
7.9 St. Mary's Primary School Bangladesh	0.00	600,000	600,000	600,000.00	-
7.10 Aldina Primary School	0.00	600,000	600,000	600,000.00	-
7.11 Miritini World Bank Primary School	0.00	600,000	600,000	600,000.00	-
7.12 Kwa Jomvu Primary School	0.00	145,003	145,003	145,003.00	-
7.13 Kwa Jomvu Primary School	0.00	600,000	600,000	600,000.00	-
7.14 St. Mary's Bangladesh Social Hall	0.00	550,000	550,000	550,000.00	-
7.15 Amani Primary School	0.00	600,000	600,000	600,000.00	-
7.16 Kwa Jomvu Primary School	0.00	5,454,997	5,454,997	5,454,997	-
Sub-Total	38,150,000	23,225,489	61,375,489	35,875,489	25,500,000
8.0 Secondary Schools Projects (List all the Projects)					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – JOMVU CONSTITUENCY

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
8.1 Kajembe High School	4,200,000.00		4,200,000	-	4,200,000
8.2 Miritini Complex High School	7,200,000.00		7,200,000	7,200,000	-
8.3 Miritini Secondary School	4,000,000.00		4,000,000	-	4,000,000
8.4 Mreroni Secondary School	-	10,100,000	10,100,000	400,000	9,700,000
8.5 Miritini Complex High School	-	1,100,000	1,100,000	1,100,000	-
8.6 Jomvu Girls High School	-	2,200,000	2,200,000	2,200,000	-
8.7 Jomvu Girls High School	-	738,982	738,982	738,982	0
Sub-Total	15,400,000	14,138,982	29,538,982	11,638,982	17,900,000
9.0 Tertiary institutions Projects (List all the Projects)					
9.1	-	-	-	-	-
Sub-Total					
10.0 Security Projects					
10.1 Jomvu Police Station	7,340,000.00	-	7,340,000	-	7,340,000
10.2 Jomvu Kuu ACC Office & AP units	4,600,000.00	-	4,600,000	4,600,000	-
10.3 Miritini ACC Office	-	9,000,000	9,000,000	5,000,000	4,000,000
10.4 ACC Office NG-CDF Project	-	500,000	500,000	500,000	-
10.5 Jomvu Police Station	7,340,000.00	-	7,340,000	-	7,340,000
Sub-Total	11,940,000	9,500,000	21,440,000	10,100,000	11,340,000
11.0 Acquisition of assets					
11.1 Motor Vehicles (including motorbikes)	-	-	-	-	-
11.2 Sub-County Office Complex (NG-CDF Office)	-	35,356,953	35,356,953	6,143,900	29,213,053
11.3 Purchase of furniture and equipment	-	18,565	18,565	-	8,565
11.4 Purchase of computers	-	-	-	-	-
11.5 Purchase of land	-	-	-	-	-
Sub-Total	-	35,375,518	35,375,518	6,143,900	29,231,618

REPORTS AND FINANCIAL STATEMENTS
For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
12.0 Others					
12.1 Strategic Plan	-	3,000,000	3,000,000	2,998,600	1,400
12.2 Innovation Hub	-	4,677,027	4,677,027	4,677,027.00	-
12.3 AIA Revenue	-	279,000	279,000		279,000
12.4 Audit	-	854,997	854,997	-	854,997
12.5 Unutilised Funds	-	39,209	39,209	-	39,209
Sub-Total	-	8,850,233	8,850,233	7,675,627	1,174,606
GRAND TOTALS	137,367,724	138,643,396	276,011,120	116,286,878	159,724,243

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

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

XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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XIII. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board			
AIE NO. B030246	1		10,000,000
AIE NO. B030338	2		54,784,483
AIE NO. B042748	3		14,000,000
AIE NO. B043000	4		30,000,000
AIE NO. B 041360	1	16,856,897	
AIE NO. B 047428	2	4,000,000	
AIE NO. B 047778	3	16,000,000	
AIE NO. B 104200	4	10,000,000	
AIE NO. B 104299	5	10,000,000	
AIE NO. B 096564	6	10,000,000	
TOTAL		66,856,897	108,784,483

2. PROCEEDS FROM SALE OF ASSETS

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

3. OTHER RECEIPTS

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	89,000	52,000
Other Receipts Not Classified Elsewhere	7,273,802	10,418,764
Total	7,362,802	10,470,764

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020 (Continued)

4. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	1,523,179	1,798,151
Personal allowances paid as part of salary	648,000	564,000
Pension and other social security contributions (Gratuity)	136,916	130,400
Employer Contributions - Compulsory national social security schemes	81,040	86,760
Total	2,389,135	2,579,311

5. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	3,106,600	4,607,911
Utilities, supplies and services	0	44,380
Communication, supplies and services	178,500	84,850
Domestic travel and subsistence	57,310	36,000
Printing, advertising and information supplies & services	123,454	288,590
Rentals of produced assets	0	0
Training expenses	465,520	664,080
Hospitality supplies and services	208,911	15,958
Insurance costs	222,788	0
Specialized materials and services	0	0
Office and general supplies and services	308,875	346,726
Fuel, oil & lubricants	132,500	0
Bank service commission and charges	20,680	21,421
Other operating expenses	0	0
Routine maintenance – vehicles and other transport equipment	99,960	157,659
Routine maintenance – other assets	3,940	108,860
	0	0
Total	4,929,038	6,376,435

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020 (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	35,875,489	28,243,764
Transfers to secondary schools (see attached list)	11,638,982	8,500,000
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	0	0
TOTAL	47,514,471	36,743,764

7. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	15,147,936	20,548,745
Bursary – tertiary institutions (see attached list)	5,632,759	16,480,000
Bursary – Social Security Programmes (see attached list)	10,050,000	0
Mock & CAT (see attached list)	0	0
Security projects (see attached list)	10,100,000	0
Sports projects (see attached list)	3,504,012	4,144,610
Environment projects (see attached list)	3,200,000	4,231,860
Emergency projects (see attached list)	0	0
	0	0
Total	47,634,707	45,405,215

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	6,143,900.00	3,929,900.00
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	0	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	345,000
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	6,143,900	4,274,900

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	2,998,600	-
ICT Hub	4,677,027	-
Total	7,675,627	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020 (Continued)

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Equity Bank, Changamwe Branch, Jomvu NG-CDF A/C No. 1200261736417</i>	5,524,223	47,282,822
Total	5,524,223	47,282,822
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		

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For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020 (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
			~	~
		~	~	~
		~	~	~
		~	~	~
		~	~	~
		~	~	~
Total				0

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

12A. RETENTION

	2019 - 2020	2018-2019
	Kshs	Kshs
Fusam Investments Ltd	308,580	~
Supplier 2	0	0
Supplier 3	0	0
	0	0
Total	308,580	0

[Provide short appropriate explanations as necessary]

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	Kshs	Kshs
Name 1	0	0
Name 2	0	0
Name 3	0	0
Add as appropriate	0	0
Total	0	0

[Provide short appropriate explanations as necessary]

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020 (Continued)

13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	47,282,822	23,407,200
Cash in hand	-	-
Imprest	-	-
	-	-
Total	47,282,822	23,407,200

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

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

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

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

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2019 - 2020	2018 - 2019
	Kshs	Kshs
Deposit and Retentions as at 1 st July 2019 (A)	-	-
Deposit and Retentions held during the year (B)	308,580	-
Deposit and Retentions paid during the Year (C)	-	-
Net changes in account receivables D= A+B-C	308,580	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020 (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
Construction of buildings	10,288,201	16,432,101
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	702,500	778,300
	10,990,701	17,210,401

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	0	-
Others (NG-CDF Staff <i>gratuity</i>)	0	571,540
	0	571,540

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	5,480,719	3,573,432
Use of goods and services	9,277,733	6,570,825
Amounts due to other Government entities (see attached list)	43,400,000	10,144,257
Amounts due to other grants and other transfers (see attached list)	71,159,567	20,288,514
Acquisition of assets	29,231,618	40,577,028
Others (<i>specify</i>)	1,174,606	8,850,233
	159,724,243	90,004,289

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020 (Continued)

17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC Account Balances (see attached list)	74,622,259	145,002,574
	74,622,259	145,002,574

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

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2020 d=a-c	Outstanding Balance 2019	Comments
Construction of buildings						
1. Fusam Investments Ltd	20,361,910	Feb-18	10,073,709	10,288,201	16,432,101	Ongoing
2.						
3.						
Sub-Total	20,361,910		10,073,709	10,288,201	16,432,101	
Construction of civil works						
4.						
5.						
6.						
Sub-Total	0	0	0	0	0	
Supply of goods						
7.						
8.						
9.						
Sub-Total	0	0	0	0	0	
Supply of services						
10. Fatma Ali	618,500		0	618,500	618,500	
11. Nusra Odongo	84,000		0	84,000	84,000	
12. Shiloh Right Supplies	40,800		40,800	0	40,800	
13. Liya Motors Engineering Contractors	35,000		35,000	0	35,000	
Sub-Total	778,300		75,800	702,500	778,300	
Grand Total	21,140,210		10,149,509	10,990,701	17,210,401	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – JOMVU CONSTITUENCY

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
		a	b	c	d=a-c	
Senior Management						
1.		0	0	0	0	
2.		0	0	0	0	
3.		0	0	0	0	
Sub-Total					0	
Middle Management						
4.		0			0	
5.		0			0	
6.		0			0	
Sub-Total					0	
Unionisable Employees						
7.		0			0	
8.		0			0	
9.		0			0	
Sub-Total					0	
Others (specify)					0	
10. Josphat Maeri						
11. Marbel Nyawa						
12. Ian Saleh						
13. Salma Mirza						
14. Charles Charo						
15. Saumu Hassan						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – JOMVU CONSTITUENCY
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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees		5,480,719	3,573,432	
Use of goods & services		9,277,733	6,570,825	
Amounts due to other Government entities				
1. Primary Schools		25,500,000	23,225,489	
2. Secondary Schools		17,900,000	14,138,982	
Sub-Total		43,400,000	37,364,471	
Amounts due to other grants and other transfers				
3. Emergency		13,141,611	5,943,370	
4. Bursary and Social Security		45,599,999	28,380,694	
5. Sports		370	1,357,267	
6. Environment		1,077,586	1,727,586	
7. Security Projects		11,340,000	9,500,000	
Sub-Total		71,159,566	46,908,917	
Acquisition of assets				
8. Acquisition of Assets		29,231,618	35,375,518	
		29,231,618	35,375,518	
Others (<i>specify</i>)				
9. Other Payments		895,606	8,571,233	
10. Unallocated project funds (AIA)		279,000	279,000	
Sub-Total		1,174,606	8,850,233	
Grand Total		159,724,243	138,643,396	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – JOMVU CONSTITUENCY

**Reports and Financial Statements
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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) 2018/19
Land	0	-	-	0
Buildings and structures	10,073,709	6,143,900	-	3,929,900
Transport equipment	4,532,000			4,532,000
Office equipment, furniture and fittings	2,148,263	-		2,148,263
ICT Equipment, Software and Other ICT Assets	343,585			343,585
Other Machinery and Equipment	0			
Heritage and cultural assets	0			0
Intangible assets	0			0
Total	17,097,557	6,143,900	0	10,953,748

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2020

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
St Mary's Primary School Bangladesh	Equity	1200260380242	4,569,543.68	109,200,000.00
Jomvu Kuu Road CDF Project	Equity	1200264119522	885.00	885.00
Jomvu Model Health Centre	Equity	1200263723355	2,547.00	2,547.00
Mreroni Primary School	Equity	1200299864387	114,006.41	114,006.00
Kwa Jomvu Primary CDF Project	Equity	1200262543884	2,116,193.14	3,931,780.00
Miritini World Bank Primary School CDF	Equity	1200298315560	2,130,790.00	301,630.00
Kasarani CDF Project -Streetlights	Equity	1200262717227	(40.70)	1,374.00
Mtaa Wa Waswahili Borehole Project	Equity	1200199099889	43.35	43.00
Jitengeni CDF Project-Borehole	Equity	1200263941909	0	1,420.00
Ganahola Kwa Kenga Borehole CDF Project	Equity	1200265097908	300.00	300.00
Jitengeni Borehole CDF Project	Equity	1200265138553	1,783.35	1,783.00
Jomvu Kuu Clinic CDF Project	Equity	1200264055056	145,102.00	165,222.00
Kwashee CDF Project-Social Hall	Equity	1200262752016	221,245.00	221,245.00
Jomvu Kuu Social Hall	Equity	1200299979826	0	348.00
Jitengeni Streetlight CDF Project	Equity	1200265864794	100.00	100.00
Jomvu Girls Secondary School	Equity	1200260559991	12,739,461.25	8,427,897.00
Kwashee Primary School	Equity	1200260607219	7,765,984.50	179,293.00
Miritini Secondary School	Equity	1200298330677	45,068.67	5,319,601.00
Jomvu Kuu Road CDF Project	Equity	12002641195522	885.00	885.00
Mikindani Streetlights	Equity	1200262612544	0	245.00
Youth Resource Centre	Equity	1200266901459	30,702.00	30,702.00
Miritini Madukani Public Toilet	Equity	1200266404923	8,012.00	8,012.00
Aldina Primary School	Equity	1200267370522	12,437,819.94	8,845,977
Miritini Primary School	Equity	1200264111866	714,963.00	517,133.00
Jomvu NG-CDF Mikindani Chief's Office Septic	Equity	1200271401008	0	549,515.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Marycliff Primary School	Equity	1200299241708	34,087.50	34,088.00
Owino Uhuru Borehole	Equity	1200266824398	0	649,525.00
Jomvu NG-CDF Environment Project	Equity	1200272420929	0	1,163,041.00
Jomvu NG-Sports Activity	Equity	1200271386028	4,614,610.90	2,467,496.00
Amani Primary School	Equity	1200278539775	265,101.70	457,892.00
Mikindani Primary School	Equity	1200277391194	84,073.00	134,167.00
Maganda Primary school	Equity	1200277747878	3,606,830.00	-
Jomvu ACC's Office And AP Units Project	Equity	1200277306842	7,999,040.50	-
ACC Office NG-CDF Project	Equity	1200279013324	500,000.00	-
Jomvu Kuu NG-CDF Account	Equity	1200263710708	1,000,000.00	-
Runyu CDF Borehole Project	Equity	1200264375165	1,420.00	-
Miritini ACC NG-CDF Project	Equity	1200279702001	5,000,000.00	-
Well At Kwashee	KCB	1110848378	0	1,780.00
Barriers At Mikindani Estate	KCB	1122106483	0	59,075.00
Mreroni Primary School	KCB	1118639294	0	26,343.80
Mikanjuni Maternity	KCB	212682815	0	349,094.00
Miritini Complex High School	KCB	1183805632	8,471,701.00	1,839,549.00
Total			74,622,259	2,275,841.8

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1. Presentation of the Financial Statements	i) Some figures were not rounded off to the nearest shilling	The issue was noted and corrected in the current financial statements	FAM-Gladys Ngala	Resolved	
	ii) Prior year adjustments for 2016/2017 of Ksh. 20,016/= but not reflected in the statement of assets and liabilities	The issue was noted and corrected in the current financial statements	FAM-Gladys Ngala	Resolved	
2. Inaccuracies in the Financial Statements	Statement of receipts and payments reflected a total expenditure of Ksh. 53,209,391/= whereas recasted total was Ksh. 53,263,391/= resulting to a difference of Ksh. 54,000/= not reconciled.	The issue was noted and corrected in the current financial statements as the amount was Ksh. 54,000/= generated as AIA for the financial year 2017/2018	FAM-Gladys Ngala	Resolved	
3. Use of Goods and services	Note 5 reflected other operating expenses of Ksh. 147,034/= out of which an amount of Ksh. 67,449/= where no explanation was not provided	Analysis of the figure provided	FAM-Gladys Ngala	Resolved	
4. Acquisition of Assets	Note 8 reflected purchase of vehicles and other transport equipment of Ksh. 4,532,000/= but the logbook of the motor	The management followed up with NTSA and was referred to the NG-CDF Board	FAM- Eunice Anubi	Not resolved	30.06. 2020

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – JOMVU CONSTITUENCY

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	vehicle was not provided.				
5. Other Grants and Transfers	Note 7 reflected bursary of Ksh. 12,086,293 but Ksh.468,140/= related to award to beneficiaries without admission numbers, others awarded twice and others were of the same school sharing admission numbers	The beneficiaries established from the schools	FAM-Eunice Anubi	Not resolved	30.06. 2020
6. Other matters	i) Under funding of Ksh. 83,741,380/= and under absorption of the funds of Ksh.106,740,580/=	The challenge is yet to be solved as the office records a reduction of backlog	FAM-Eunice Anubi	Not resolved	30.06. 2020
	ii) Contract agreement for eight (8) Projects totalling to Ksh. 20,300,00/= were signed on 5 th November 2018 for a duration of twelve(12) weeks ,the expected completion date was 25 th January 2019 but were not complete at the time of audit i.e. on 30 th January 2019 .	All the cited projects were completed in time according to time as the site handing over to the contractors were done on a later date not the date of contract signing	FAM-Gladys Ngala	Resolved	
	iii) Seventeen (17) approved projects of Ksh. 30,236,206.90 had not started	All the cited projects were started, they are all complete except the NGCDF offices which is ongoing, Maganda Primary school and Jomvu ACC & AP Units where availability of land is still an issue.	FAM-Eunice Anubi	Not resolved	30.06. 2020

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	iv) Seven (7) projects totalling to Ksh.15, 331,095/= had some variations which required approval to be done.	The variations were issued procedurally by the supervisor-Public works Engineer	FAM-Gladys Ngala	Resolved	
	v) Annex 5 reflected Project Management Committee balances amounting to Ksh.41, 679,701.21 out of which funds totalling to Ksh. 2,775.35 were still lying idle in the bank accounts.	The funds were returned back to the main account and reallocated to other projects	FAM-Gladys Ngala	Resolved	
	vi) Failure to Establish a Constituency Oversight Committee	The appointment was done by the Area Member of Parliament and forwarded to the auditors	FAM-Gladys Ngala	Resolved	
	vii) Note 15.1 reflects unpaid office rent of Ksh. 70,000/= besides having unutilised funds for use of goods and services.	There were challenges in approval of the payments	FAM- Eunice Anubi	Not resolved	30.06. 2020
	viii) Note 15.2 reflects staff payables in respect of staff gratuity for employees amounting to Ksh.177,344/= not paid besides having unutilised funds for compensation of employees amounting to Ksh. 1,658,078/=	The amount was kept aside for staff gratuity payable to them after completion of their contracts which were still in progress	FAM-Gladys Ngala	Resolved	

