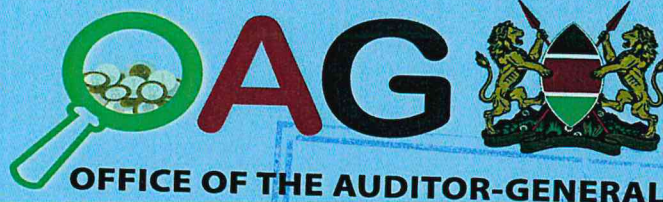


REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY

DATE: 01 MAR 2022

TUE

TABLED BY: LOM

CLERK: G. Chebet

REPORT

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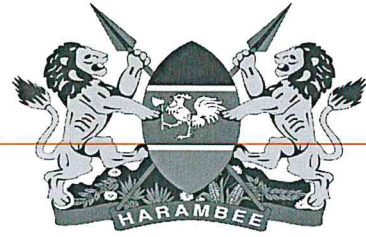
THE AUDITOR-GENERAL

ON

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

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





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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

(b) Key Management

The NGCDF SHINYALU 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	Ignatius Ateya
2.	Sub-County Accountant	Roselyne Kolwa
3.	Chairman NGCDFC	Benard Shitiabayi

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -SHINYALU 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 SHIYALU Constituency Headquarters

NG-CDF Office
Khalisia Plaza
P.O Box 405-50100
KAKAMEGA



(f) NGCDF SHINYALU Constituency Contacts

Telephone: (254) 722988720
E-mail: cdfshinyalu@cdf.go.ke
Website: www.cdf.go.ke

(g) NGCDF SHINYALU Constituency Bankers

Kenya Co-operative Bank
P.O Box 595-50100
KAKAMEGA

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

I am delighted to present our annual financial report for the FY 2019/2020. This year we have witnessed an improved performance in the overall management of the fund, we have equally launched some of the projects that had been earlier initiated. We continue to boost of a committed and qualified team that has adapted to the challenges facing the fund thus demonstrating our ability to deliver substantial, sustained value for money to our constituents.

BUDGET PERFORMANCE

We are proud to share with you that we had a 90% utilization of funds received from the NG-CDF Board. Utilization of funds helps us enhance our core focus and objectives of serving the constituents of Shinyalu.

KEY ACHIEVEMENTS DURING 2019/2020 FY

Strong management and governance have been key components of our operational model. This has resulted into the following key achievements during the year:

1. Completion of key Flagship Projects

During our first year in office, we initiated a number of key flagship projects for implementation. I am proud to report that the following Projects have been successfully finished and handed over to the users; Ivakale secondary School (4 Classrooms, and Administration block), police post at Ilesi (Administration block), Shilongo Primary school (8 Classrooms), Makakha Primary School (5 Classrooms), Likhovero Primary School (3, classroom Renovation, Electricity) Shirulu primary school (3 Classrooms) and Friends school murhanda secondary school (Renovation and completion). The photos below indicate the schools mentioned above.

2. Bursary Disbursement

Our bursary award scheme for 2019/2020 was able to benefit way more than 5000 beneficiaries with a minimum of 10,000/= per beneficiary. Besides, we set aside money that befitted special groups including Persons with Disability (PWD) and Orphans (OVCs).

3. Environment kitty

As a committee, we reckon that trees play an important role in enhancing quality of our environment as envisaged under the sustainable development strategies. We actively participated in our Constituency based tree planting activity where we planted more than 100,000 seedlings in institutions cutting across the constituency.



4. PMC AND CDFC CAPACITY BUILDING WORKSHOP

As a way of ensuring smooth operation of the fund as stipulated in the NG-CDF Act (2015), we prioritized training of the key implementers of the fund. We thus had a successful three day training workshop of all NG-CDF Staff, all PMCs, a select PMC and key departmental heads. The training was focused on empowering the key stakeholders with knowledge on the emerging issues related to NG-CDF Fund.

KEY IMPLIMENTATION CHALLENGES

We experienced operational challenges in the course of the year. These included but were not limited to the following:

1. Most of the PMC members were not well acquainted to the operational nature of the fund. To this regard, the committee embarked on capacity building activities scheduled throughout the FY to empower the PMCs, NG-CDF staff as well as committee members on issues of importance in the operation of the fund.
2. Piece meal funding from the NG-CDF Board curtailed efficient implementation of projects by the committee. The committee therefore agreed to haste the utilization of funds as received from the board as well as prevailing upon the board to fast track release of funds.

In summary, 2019/20 was a year of great performance. We have demonstrated we have the right strategy, the right culture and the right geographical footprint to deliver consistent and sustained value for our constituents. We enter 2020/2021 in excellent shape and a positive note. We have recently signed a performance contract with the NG-CDF Board which I am convicted will improve on our performance.

Sign



CHAIRMAN NG-CDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

Entity's performance against predetermined objectives.

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

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

The key development objectives of NGCDF-SHINYALU Constituency's 2017-2022 plan are to:

Strategic Area One: Education

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

Initiative: Develop and enhance school's infrastructure to enhance facilities and provide conducive learning environment for children.

Strategic Area Two: Environment

Objective: Improve access to clean hygienic toilets

Initiative: Construct Modern toilets in Public institutions



Strategic Area Three: Sports

Objective: Promote peace building activities and enhance community cohesion

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

Strategic Area Four: Information Communication and Technology (ICT)

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

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

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Reduced distance covered by school children, Increases opportunities for school leavers, Education for the disabled, Improved learning facilities	Number of Classrooms/laboratories Constructed.	Number of classrooms increased from 427 to 504
Environment	Improve hygiene standards in schools.	Construction of Modern toilets in schools	Number of toilets built in primary and secondary.	The constituency constructed 4 Modern toilets in Primary schools.

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

Constituency Program	Objective	Outcome	Indicator	Performance
Sports	Promote peace building activities and enhance community cohesion.	Sports activities for the youth and other vulnerable groups.	Number of Sports Tournaments organized.	The Constituency organized two big tournaments where youths were awarded with trophies.
Information Communication and Technology (ICT)	Enhance access to information and technology and use ICT to enhance service delivery.	Construct an ICT Centre and equip with computers and internet connectivity	Number of ICT Centers built and equipped.	The constituency did not receive the funds related to the construction of the ICT



IV CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

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

SUSTAINABILITY STRATEGY AND PROFILE

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

ENVIRONMENTAL PERFORMANCE

Environment Policy and Action Plan Protection of the environment in which we live and operate is part of Shinyalu NG-CDF initiatives Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

EMPLOYEES WELFARE

Shinyalu NG-CDFC offers only categories of employment, which are Contract employees who are employed for 3 years on a renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements. Casual employees are hired to perform specific duties on a daily or weekly basis on a piece rate payment system. Casuals are not allowed to work continuously for more than three (3) months and are not eligible for any employee benefits in line with statutory requirements.

Recruitment Procedure. The Fund Account Manager declares vacancies in the office through the NG-CDFC, an approval is then sought for advertisement within the constituency to be done.

COMMUNITY ENGAGEMENTS

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision. Public's engagement is a vital part of many projects and the benefits of it are well documented, such as better outcomes for all stakeholders, community ownership and lower project costs. When the public is involved in a project, they feel motivated to work together, recognize the benefits of their involvement and have ownership of the projects and the decision making process, which is key to a successful project outcome and their sustainability. Effective public engagement is about recognizing that involving the public in a project is no longer about information dissemination and telling the people what is being done, but is a two- way information sharing tool. The more views gathered in the process of making a decision, the more likely the final product will meet the most needs and address the most concerns possible.

Covid-19 Mitigation Measures

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

1. The office purchased 120 hand wash pots and basins that were distributed to the Government offices within the constituency
2. Printing of brochures disseminating information regarding Corona Virus protection measure.



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-Shinyalu 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 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-Shinyalu Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the NG-CDF Shinyalu financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-Shinyalu Constituency further confirms the completeness of the accounting records maintained for the NG-CDF Shinyalu 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-Shinyalu Constituency confirms that the entity has complied fully with applicable Government Regulations 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 NG-CDF Shinyalu 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-Shinyalu Constituency financial statements were approved and signed by the Accounting Officer on 15/07/ 2021.


Fund Account Manager
Name: IGNATIUS ATEYA

FUND ACCOUNT MANAGER
SHINYALU NG CONSTITUENCY DEV. FUND
P. O. Box 405 - 50100
KAKAMEGA


Sub-County Accountant
Name: ROSELYN KOLWA
ICPAK Member Number:



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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - SHINYALU 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 - Shinyalu Constituency set out on pages 14 to 39, which comprise the statement of assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development 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 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 - Shinyalu Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Un-accounted for Funds

As disclosed in Note 5 to the financial statements, the statement of receipts and payments reflects Kshs.42,822,344 in respect to other grants and transfers which include Kshs.11,018,235 in respect to emergency projects. The emergency projects expenditure includes a transfer of Kshs.1,100,000 for the construction of collapsed toilet at Ihondolo Primary School. However, information provided for audit review indicated that the transfer was for a project which had previously been done by a contractor in July, 2019 and paid Kshs.1,681,190 vide payment voucher No.5 dated

10 July, 2019. Further, the same supporting documents used to support the payment in 2019 were used to support transfer of the Kshs.1,100,000 to the school account vide payment voucher No.159 dated 09 April, 2020. In addition, audit inspection at the school revealed that apart from the toilets, no other work had been carried out at the school and the money was not in the school bank account.

Consequently, the emergency funds amounting to Kshs.1,100,000 transferred to Ihondolo Primary School during the year ended 30 June, 2020 could not be accounted for.

2. Cash and Cash Equivalents

As disclosed in Note 7A to the financial statements, the statement of assets and liabilities reflects Kshs.5,611,614 in respect to cash and cash equivalents and relating to cash held at cooperative bank. However, review of respective bank reconciliation statement for June, 2020 revealed unpresented cheques totalling Kshs.10,673,719 out of which cheques totalling Kshs.9,823,864 were dated between 27 February, 2015 and 20 December, 2019 and were, therefore, stale and no reason was provided for not reversing the cheques.

Further, the bank reconciliation statement reflects Kshs.26,000 in respect to receipts in the bank statement not recorded in cashbook relating to the period between 13 October, 2018 and 17 September, 2019 and for which no reason was provided.

In addition, the bank reconciliation statement reflects Kshs.4,284,038 in respect to receipts in cashbook not recorded in bank out of which Kshs.4,277,558 relate to the period 17 March, 2017 and earlier and no reason has been provided for not depositing the receipts in bank.

The bank reconciliation statement also reflects Kshs.465,844 in respect to payments in bank statement not recorded in cashbook relating to bank charges and commissions for the period between 06 September, 2016 and 25 June, 2020 and which should have been recorded in the cashbook.

Consequently, the accuracy and validity of the cash and cash equivalents balance of Kshs.5,611,614 as at 30 June, 2020 could not be confirmed.

3. Summary Statement of Appropriation and Budget Information

The summary statement of appropriation: recurrent and development combined reflects Kshs.262,657,995 in respect to final budget after budget adjustment of Kshs.125,290,271. However, the unutilized funds arising from the operations of the Fund for the year ended 30 June, 2019 amounted to Kshs.117,590,269 resulting to a variance of Kshs.7,700,003 which has not been explained or reconciled.

The statement, further, reflects actual receipts amounting to Kshs.185,752,533 while the statement of receipts and payments reflects Kshs.157,082,447 in respect to receipts which when summed with the opening cash and cash equivalents balance of

Kshs.27,170,085 as at 01 July, 2019 totals to Kshs.174,822,618. The resulting variance of Kshs.10,929,915 has not been explained or reconciled.

In addition, as disclosed in Note 11.2 to the financial statements, the summary statement of appropriation reflects Kshs.82,517,076 in respect to budget underutilization difference. However, Annex 2 to the financial statements only supports unutilized funds amounting to Kshs.75,258,955 resulting to unsupported balance of Kshs.7,258,121.

Consequently, the accuracy of the summary statement of appropriations: recurrent and development combined for the year ended 30 June, 2020 could not be confirmed.

4. Fixed Assets of the Fund

Annex 3 to the financial statements reflects Kshs.12,414,530 in respect to fixed assets as at 30 June, 2020. However, as reported previously, the value of the assets includes two office laptops, HPI5 500GB purchased at a cost of Kshs.111,070 on 30 August, 2017 but which were not in the custody of the Fund Account Manager as at the time of audit in March, 2019 and a review of the position in March, 2021 reconfirmed the same and no explanation was provided as to their where about.

Further, motor vehicle registration no. GKA083U Land Rover Defender 110 TDI S/W said to have undergone a major overhaul at CMC Motors (Kitale) in July, 2019 at a cost of Ksh.156,252 and paid vide payment voucher no.123 dated 15 February, 2020, was not at the Fund offices as at the time of audit in March, 2021 and no evidence, including the vehicle's work ticket, was produced to establish the location of the vehicle.

Consequently, the existence and value of the laptops and motor vehicle as at 30 June, 2020 could not be confirmed.

5. Presentation and Disclosure of the Financial Statements

A review of the financial statements for the Fund revealed the following inadequacies:

- (i) As disclosed in Note 10 to the financial statements, the statement of assets and liabilities, and statement of cash flows reflect Kshs.1,500,000 in respect to prior year adjustment balance and relating to bank account balance adjustment which has, however, not been explained or supported.
- (ii) The statement of budget execution by programmes and sub-programmes reflects balances that are at variance with those reflected in the summary statement of appropriation: recurrent and development combined and for which no explanation/reconciliation has been provided for audit review as detailed below:

Item	Summary Statement of Appropriation Kshs.	Budget Execution by Programmes Kshs.	Variance Kshs.
Original Budget	137,367,724	90,174,904	47,192,820
Budget Adjustment	125,290,271	107,260,645	18,029,626
Approved Budget	262,657,995	192,993,669	69,664,326
Actual Expenditure	180,140,919	120,697,811	59,443,108
Budget Utilization Difference	82,517,076	71,737,738	10,779,338

- (iii) The progress on follow up of auditor recommendations has also not been included in the financial statements as required by the reporting format prescribed by the Public Sector Accounting Standards Board (PSASB).

Consequently, the accuracy and completeness of the financial statements for the year ended 30 June, 2020 could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Shinyalu 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 are 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.262,657,995 and Kshs.185,752,533 respectively resulting to an under-funding of Kshs.76,905,462 or 31% of the budget. Similarly, the Fund expended Kshs.180,140,919 against an approved budget of Kshs.262,657,995 resulting to an under-expenditure of Kshs.82,517,076 or 31% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the residents of Keiyo South Constituency.

2. Project Implementation Status

The management of Fund did not provide an updated and current Project Implementation Status (PIS) report as at 30 June, 2020 for audit review.

Consequently, the status of the projects funded by the budget could not be established and constituents may not have obtained value from the amounts disbursed towards the implementation of the planned projects for the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, except for the matters described in the Conclusion on 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 money has not been applied lawfully and in an effective way.

Basis for Conclusion

1. Irregular Payment for Legal Services

Note 3 to the financial statements reflects Kshs.4,057,000 in respect to committee allowances which includes a payment of Kshs.369,420 paid to a law firm to represent the Chairman of the Constituencies Development Fund Committee accused together with the National Board and area MP in Kakamega Constitutional Petition Number 9 of 2020 for undertaking development projects in secret without public participation and for failure to follow procurement procedures. However, the details of how the law firm was identified and contracted evidence of advice from the Office of the Attorney-General, as the principal legal advisor for the Fund, to engage a private advocate and were not provided for audit review. Further, no information has been provided of the outcome or progress of the case.

Consequently, the procurement and payment of the legal services amounting to Kshs.369,420 was irregular and public resources may have been applied unlawfully.

2. Project Implementation Review

Physical verification of seven (7) sampled projects implemented by the Fund at a total cost of Kshs.31,282,000 in March, 2019 revealed anomalies attributed to poor project management and monitoring as summarised in Appendix 1.

Consequently, the constituents of Shinyalu Constituency may not have obtained value for the Kshs.31,282,000 disbursed towards project implementation during the year ended 30 June, 2020.

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, except for the matter described in the Basis for Conclusion on Effectiveness on Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Staff Management

Staff establishment provided by the National Constituencies Development Fund Board indicate the position of a project coordinator whose duties are to provide technical evaluation of construction projects and thereby provide supervisory role in the ongoing projects. However, audit review of the staffing of the Fund revealed that the Fund did not have a project coordinator as at 30 June, 2020. Although records provided indicated that a clerk of works was employed and maintained on the payroll, there was no evidence that the officer was working for the Fund and provided any service to the Fund during the year under review as he was said to have deserted duty. Management has, therefore, failed to enforce the terms of employment and human resource management regulations to obtain value and services expected of the position.

Consequently, the salaries paid to the officer during the year ended 30 June, 2020 did not constitute a proper charge to public funds.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standard requires 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 continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to 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 Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to 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 Fund's policies and procedures may deteriorate.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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

04 February, 2022

Appendix 1 – Schedule of Projects Implemented

No.	Project	Amount Kshs.	Observations
1.	Construction of eight (No.) Classrooms at Muraka Primary School	4,830,000	An audit verification to the school to ascertain the status of the construction revealed the following: i. The building had been painted with three (No.) classrooms on ground floor but without doors and windows while the fourth classroom on the same floor had windows but no door. ii. The floor and staircases were poorly done. Also, the floor had not been tiled with ceramic tiles as per the BQs. iii. Doors on the classrooms physically counted were eight while the BQs provided for eleven doors at unit cost of Kshs.28,000 per door. The three doors valued at Kshs.168,000 had no place to be fitted iv. Each classroom was supposed to have four windows each costing Kshs.13,300 as per the BQs. However, two classrooms did not have windows and therefore eight windows valued at Kshs.106,400 had not been fitted.
2.	Construction of four (No.) Classrooms at Friends Shamiloli Secondary School	4,000,000	The classrooms were complete and in use. However, the floors whose total cost as per the BQs was Kshs.115,700 was noted to be pilling-off due to workmanship. In addition, no skirting was done although the same was provided for in the BQs for Kshs.24,200.
3.	Construction of four (No.) Classrooms at Lirhandia Girls Boarding Primary School	1,952,000	Physical verification of the classrooms revealed that the ceiling board was fitted with cardboards. The roof leaks and has already destroyed the ceiling boards. As a result, of the poor work, Kshs.732,840 that was incurred on the roof is likely to go to waste.
4.	Construction of eight (No.) Classrooms at Shanderema Primary School	4,000,000	Physical verification revealed that the iron bars (T5) used to partition the windows are not strong enough for the size of the windows fitted. There was also no skirting in the only classroom, which had been floored.
5.	Construction of eight (No.) Classrooms at Makuchi Primary School	7,500,000	Physical verification revealed that the iron bars (T5) used to partition the windows are not strong enough for the size of the windows fitted. Also skirting had not been done although was provided for in the BQs at a cost of Kshs.11,556.

No.	Project	Amount Kshs.	Observations
6.	Construction of eight (No.) Classrooms at Shanda Primary School	8,000,000	The iron bars (5T and flat) used in partitioning of the windows are weak for the kind/size of windows fitted and the windows do not have grills. As such, Kshs.823,782.00 (<i>as per the BQs</i>) spent on the windows is likely to be a wasteful expenditure. In addition, skirting costing Kshs10,800 as per the BQs had not been done.
7.	Construction of Administration Block at Shagungu Primary School	1,000,000	The external doors were supposed to be made of heavy-duty mild steel at a cost of Kshs32,000. However, the two doors fitted were grills. Also skirting provided for Kshs.14,700 had not been done.
	Total	31,282,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

SHINYALU CONSTITUENCY


Reports and Financial Statements

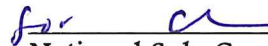
For the year ended June 30, 2020

VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	157,082,447	73,405,173
TOTAL RECEIPTS		157,082,447	73,405,173
PAYMENTS			
Compensation of employees	2	1,971,933	868,020
Use of goods and services	3	16,648,831	9,568,088
Transfers to Other Government Units	4	118,697,811	7,400,000
Other grants and transfers	5	42,822,344	63,770,948
Other Payments	6	—	3,500,000
TOTAL PAYMENTS		180,140,919	85,107,056
SURPLUS/(DEFICIT)		<u>(23,058,472)</u>	<u>(11,701,883)</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-shinyalu Constituency financial statements were approved on 15/07/ 2021 and signed by:


Fund Account Manager
Name: IGNATIUS ATIENO
SHINYALU CONSTITUENCY DEV. FUND
P. O. Box 405 - 50100
KAKAMEGA


National Sub-County Accountant
Name: ROSELYNE KOLWA
ICPAK Member Number:

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

VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	7A	5,611,614	27,170,085
Cash Balances (cash at hand)	7B	—	—
Total Cash and Cash Equivalents		5,611,614	27,170,085
TOTAL FINANCIAL ASSETS		5,611,614	27,170,085
FINANCIAL LIABILITIES		-	-
NET FINANCIAL ASSETS		<u>5,611,614</u>	<u>27,170,085</u>
REPRESENTED BY			
Fund balance b/fwd	9	27,170,086	38,693,981
Prior year adjustments	10	1,500,000	177,987
Surplus/Deficit for the year		(23,058,472)	(11,701,883)
NET FINANCIAL POSITION		<u>5,611,614</u>	<u>27,170,085</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Shinyalu Constituency financial statements were approved on 15/07/2021 and signed by:

The prior year adjustments of 1,500,000 it was a reversed payment from the previous financial year 2018/19

Fund Account Manager

Name: IGNATIUS ATEYA



for
National Sub-County Accountant
Name: ROSELYNE KOLWA
ICPAK Member Number:



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

IX. STATEMENT OF CASHFLOW

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	157,082,447	73,405,173
Total receipts		157,082,447	73,405,173
Payments for operating expenses			
Compensation of Employees	2	1,971,933	868,020
Use of goods and services	3	16,648,831	9,568,088
Transfers to Other Government Units	4	118,697,811	7,400,000
Other grants and transfers	5	42,822,344	63,770,948
Other Payments	6		3,500,000
Total payments		180,140,919	85,107,056
Total Receipts Less Total Payments		(23,058,473)	(11,701,883)
Adjusted for:			
Prior year adjustments	9	1,500,000	177,987
Net cash flow from operating activities			
CASHFLOW FROM INVESTING ACTIVITIES		-	
NET INCREASE IN CASH AND CASH EQUIVALENT		(21,558,473)	(11,523,896)
Cash and cash equivalent at BEGINNING of the year	8	27,170,085	38,693,981
Cash and cash equivalent at END of the year	7	<u>5,611,613</u>	<u>27,170,085</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Shinyalu Constituency financial statements were approved on 15/07/2021 and signed by:

Fund Account Manager

Name: IGNATIUS ATEYA

ACCOUNT MANAGER
SHINYALU NG CONSTITUENCY DEV. FUND
P.O. Box 405 - 50100
KAKAMEGA

For

National Sub-County Accountant

Name: ROSELYN KOLWA

ICPAK Member Number:

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

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	137,367,724	125,290,271	262,657,995	185,752,533	76,905,462	70.7%
Proceeds from Sale of Assets						
Other Receipts						
PAYMENTS						
	137,367,724	125,290,271	262,657,995	185,752,533	76,905,462	70.7%
Compensation of Employees	1,665,000	859,041	2,524,041	1,971,933	552,108	78.1%
Use of goods and services	10,698,095	5,995,638	16,693,733	16,648,831	44,902	99.7%
Transfers to Other Government Units	90,174,904	106,181,027	196,355,931	118,697,811	77,658,120	60.5%
Other grants and transfers	34,829,725	10,916,827	45,746,552	42,822,344	2,924,208	93.6%
Acquisition of Assets		1,337,738	1,337,738	-	1,337,738	
Other Payments						
TOTALS	137,367,724	125,290,271	262,657,995	180,140,919	82,517,076	68.0%

1. The adjustment figure of Kshs 123,790,271 comprises of the cash book balance brought forward from the financial year 2018/2019 of Kshs 27,170,086 and the undisbursed funds from 2017/2018 Kshs 96,620,185.
 2. Compensation of employees scored an underutilization owing to gratuity money that has not been paid to the staff.
 3. Transfers to other Government units got a 60.5% underutilization due to some projects funds yet to be received from the board
- The NGCDF-Shinyalu Constituency financial statements were approved on 15/07/2021 and signed by:

FUND ACCOUNT MANAGER
Name: IGNATIUS ATIELA
SHINYALU NG CONSTITUENCY DEV. FUND
P. O. Box 405 - 50100
KAKAMEGA

Sub-County Accountant
Name: ROSELYN KOLWA
ICPAK Member Number:



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SHINYALU 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	1,665,000	850,041	2,524,041	1,971,933	552,108
1.2 Committee allowances	2,000,000	2,092,345	4,092,345	4,057,000	35,345
1.3 Use of goods and services	4,577,063	3,466,793	8,043,856	8,043,681	175
2.0 Monitoring and evaluation					
2.1 Capacity building	2,121,032		2,121,032	2,120,650	382
2.2 Committee allowances	2,000,000	436,500	2,436,500	2,427,500	9,000
2.3 Use of goods and services					
3.0 Emergency	7,198,241	3,826,226	11,024,467	11,018,235	6,232
4.0 Bursary and Social Security	25,000,000	4,706,101	29,706,101	29,419,609	286,492
5.0 Sports	1,417,499	584,500	2,001,999	584,500	1,417,499
6.0 Environment	1,213,984	1,800,000	3,013,984	1,800,000	1,213,984
7.0 Primary Schools Projects (List all the Projects)	74,341,931	76,094,000	150,435,931	83,477,811	77,658,120
Khayega DEB primary school	0	4,830,000	4,830,000	4,830,000	0
Muraka primary school	0	4,830,000	4,830,000	4,830,000	0
Shilongo primary school	3,000,000	4,902,000	7,902,000	4,902,000	3,000,000
St Pauls Shibuye primary	0	2,830,000	2,830,000	2,830,000	0
Lirhandia girls boarding primary	2,500,000	1,952,000	4,452,000	1,952,000	2,500,000
Khayega DEB primary school	20,000,000	5,000,000	25,000,000	5,000,000	20,000,000
Maluna primary school	0	1,500,000	1,500,000	1,500,000	0
Bukhaywa primary school	3,000,000	2,000,000	5,000,000	2,000,000	0
Ihondolo primary school	2,000,000	2,000,000	4,000,000	4,000,000	0
Ingolomoso primary school	0	2,000,000	2,000,000	2,000,000	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SHINYALU 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
Shilongo primary school	0	1,000,000	1,000,000	1,000,000	0
Musanyiri primary school	0	1,000,000	1,000,000	1,000,000	0
Makakha primary school	3,000,000	2,000,000	5,000,000	2,000,000	3,000,000
Makuchi primary school	3,000,000	1,000,000	4,000,000	4,000,000	0
Shanderema primary school	6,000,000	1,500,000	7,500,000	1,500,000	6,000,000
Mukumu primary	2,000,000	0	2,000,000	0	2,000,000
Ihondolo primary school	0	1,500,000	1,500,000	1,200,000	300,000
Shanyinya primary school	0	1,000,000	1,000,000	1,000,000	0
Muraka primary school	7,000,000	2,000,000	9,000,000	9,000,000	0
Luvini primary school	0	2,000,000	2,000,000	2,000,000	0
Shagungu primary school	0	1,000,000	1,000,000	1,000,000	0
Lunyu primary school	0	3,000,000	3,000,000	3,000,000	0
Shikulu primary	0	200,000	200,000	200,000	0
Ebukaburu primary school	3,000,000	0	0	3,000,000	0
Likhovero primary school	1,341,931	200,000	1,541,931	1,541,031	0
Mukhonje primary school	0	300,000	300,000	3,000,000	0
Isecheno primary school	0	200,000	200,000	200,000	0
Shinyalu Education PMC	0	5,250,000	5,250,000	5,250,000	0
Vikoshe primary	0	1,000,000	1,000,000	1,000,000	0
Shilongo primary school	0	1,000,000	1,000,000	1,000,000	0
Wakukha primary school	2,000,000	2,000,000	4,000,000	4,000,000	0
Mukhonje primary school	0	600,000	600,000	0	600,000
Singila primary school	2,000,000	0	2,000,000	2,000,000	0
Shitsava primary school	0	200,000	200,000	0	200,000
Shibuye primary school	0	900,000	900,000	0	900,000
Shibuye primary school	0	600,000	600,000	0	600,000
Solyo primary school	0	600,000	600,000	0	600,000



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SHINYALU 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
Ikuywa primary school		300,000	300,000	0	300,000
Shirulu primary school	4,500,000	3,900,000	8,400,000	0	8,400,000
St Kizito bukusi primary	0	300,000	300,000	0	300,000
Nat correll Enterprises	0	1,441,880	0	1,441,830	0
Shanda primary school	6,000,000	0	6,000,000	2,000,000	4,000,000
St pauls shibuye primary	0	4,000,000	4,000,000	0	4,000,000
St pauls Shibuye primary	4,000,000	2,000,000	6,000,000	0	6,000,000
Shihumbu primary school	0	2,000,000	2,000,000	0	2,000,000
sub total	74,341,931	76,094,000	119,361,931		77,658,120
8.0 Secondary Schools Projects (List all the Projects)	15,832,973	29,187,027	45,020,000	35,220,000	7,800,000
Ivakale secondary school	0	1,637,027	1,637,027	1,637,027	0
Mundulu secondary school	0	1,500,000	1,500,000	1,500,000	0
Shanderema secondary school	0	5,000,000	5,000,000	5,000,000	0
Ivakale Secondary school	3,332,973	2,000,000	5,332,973	5,332,973	0
Shanderema secondary school	3,500,000	5,000,000	8,500,000	8,500,000	0
St Philips Mukomari secondary school	0	1,500,000	1,500,000	0	1,500,000
Iloro secondary school	2,000,000	0	2,000,000	2,000,000	0
St Philips Mukomari secondary school	0	800,000	800,000	0	800,000
Munasio secondary school	0	2,500,000	2,500,000	2,500,000	0
Mukhonje secondary school	0	1,000,000	1,000,000	1,000,000	0
Shamiloli secondary school	4,000,000	0	4,000,000	4,000,000	0
Rev Kisia secondary school	3,000,000	0	3,000,000	3,000,000	0
Murhanda secondary school	0	500,000	500,000	500,000	0
Shinyalu Education PMC	0	5,250,000	5,250,000	5,250,000	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – SHINYALU 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
Ileho secondary school	0	2,000,000	2,000,000	0	2,000,000
St Gerald Shanjero secondary school	0	200,000	200,000	0	200,000
Holy cross Injira	0	300,000	300,000	0	300,000
	15,832,973	29,187,027	45,020,000	35,220,000	7,800,000
9.0 Tertiary institutions Projects (List all the Projects)					
10.0 Security Projects		900,000	900,000	0	900,000
Virhembe police post	0	200,000	200,000	0	200,000
Mukhonje Ileho police	0	200,000	200,000	0	200,000
Shinyalu police	0	300,000	300,000	0	300,000
Mukhonje Assistant chief	0	200,000	200,000	0	200,000
Sub total		900,000	900,000		900,000
GRAND TOTAL	90,165,904	106,181,027	196,355,931	118,697,811	77,658,120
11.0 Acquisition of assets		1,337,738	1,337,738	0	1,337,738
11.1 Motor Vehicles (including motorbikes)	-	-	-	-	-
11.2 Construction of CDF office	-	-	-	-	-
11.3 Purchase of furniture and equipment	-	-	-	-	-
11.4 Purchase of computers	-	-	-	-	-
11.5 Purchase of land	-	-	-	-	-
12.0 Others					
12.1 Strategic Plan	-	-	-	-	-
12.2 Innovation Hub	-	-	-	-	-
12.2					



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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

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.

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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) – SHINYALU
CONSTITUENCY**
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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
NGCDF Board		
AIE NO A896780		43,405,173
AIE NO B047538		30,000,000
AIE NO B047236	51,780,656	
AIE NO B041204	4,000,000	
AIE NO B041424	25,922,481	
AIE NO B041394	11,379,310	
AIE NO B047650	20,000,000	
AIE NO B104091	15,000,000	
AIE NO B049173	6,000,000	
AIE NO B104474	23,000,000	
TOTAL	157,082,447	73,405,173

2. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	1,919,013	868,020
Personal allowances paid as part of salary	-	-
Pension and other social security contributions (Gratuity)	-	-
Employer Contributions Compulsory national social security schemes	52,920	-
Total	1,971,933	868,020



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Allowances	4,057,000	2,623,694
Utilities, supplies and services	-	-
Electricity	-	100,000
Other committee expenses	4,072,500	1,151,000
Communication, supplies and services	5499	9,828
Office rent	2,310,000	300,000
Domestic travel and subsistence	-	-
Water and sewerage charges	10,000	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	2,120,650	-
Hospitality supplies and services	1,091,030	-
Insurance costs	-	-
Fuel, oil & lubricants	1,000,000	-
Specialized materials and services	-	-
Office and general supplies and services	1,067,481	4,261,566
Other operating expenses	-	1,000,000
Routine maintenance – vehicles and other transport equipment	914,671	122,000
Routine maintenance – other assets	-	-
	-	-
Total	16,648,831	9,568,088

4. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	83,477,811	5,400,000
Transfers to secondary schools (see attached list)	35,220,000	2,000,000
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	-	-
TOTAL	118,697,811	7,400,000

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	20,173,409	48,489,041
Bursary – tertiary institutions (see attached list)	9,246,200	1,465,811
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	700,000
Security projects (see attached list)	-	1,996,961
Sports projects (see attached list)	584,500	3,284,564
Environment projects (see attached list)	1,800,000	2,374,137
Emergency projects (see attached list)	11,018,235	5,460,434
Total	42,822,344	63,770,948

6. OTHER PAYMENTS

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

7A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
Cooperative bank, 01120098471300, Kshs	5,611,614	27,170,085
Total	5,611,614	27,170,085

7B: CASH IN HAND

Description	2019-2020	2018-2019
	Kshs	Kshs
Location 1	-	-
Total	-	-



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	Kshs	Kshs
Name 1 ZAKARIA SHICHENJE	212,040	212,040
Name 2 VICTORIA LIHABI	212,040	212,040
Total	424,080	424,080

9. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	27,170,086	38,693,981
Cash in hand	-	-
Imprest	-	-
Total	27,170,086	38,693,981

10. 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	27,170,086	1,500,000	28,670,086
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
	27,170,086	1,500,000	28,670,086

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. OTHER IMPORTANT DISCLOSURES

11.1: PENDING STAFF PAYABLES (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	424,080	424,080
Others (<i>specify</i>)		
	424,080	424,080

11.2: UNUTILIZED FUND (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	552,108	859,041
Use of goods and services	44,902	5,995,638
Amounts due to other Government entities (see attached list)	77,658,120	106,181,027
Amounts due to other grants and other transfers (see attached list)	2,924,208	10,926,827
Acquisition of assets	1,337,738	1,337,738
Others (<i>specify</i>)	-	-
	82,517,076	125,290,271

11.3: SUMMARY OF FIXED ASSET REGISTER (Annex 3)

Assets Class	Historical cost (kshs) 2019/20	Historical cost (Kshs) 2018/19
Land	0	0
Building and structures	0	0
Transport and Equipment	11,702,190	11,702,190
Office equipment furniture and fittigs	18,600	18,600
ICT Equipment software and Other ICT Assets	646,740	646,740
Other machinery Equipment	47,000	47,000
Heritage and cultural assets	0	0
Intangible assets	0	0
Total	12,414,530	12,414,530

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11.4: PMC account balances (See Annex 4)

PMC	2019-2020	2018-2019
Khayega Primary School	1,001	-
Muraka Primary School		-
St Pauls Shibuye Primary School	420	21,325
Ingolomosio Primary School		-
Lirhanda Girls Primary School	244	-
Shilongo Primary School		-
Musanyi Primary School	980,001	-
Magakha Primary School	901	1,553
Shanda Primary School	1,740	2,800
Bukhaywa Primary School	1,000	-
Lunyu Primary School	3,000,000	-
Shagungu Primary School	950,001	-
Shanderema Primary School	900	421
Munasio Secondary School	2,440,052	-
Mundulu Secondary School		-
Ebukaburu Primary School	1,080	-
Makuchi Primary School	733	-
Iloro Secondary School	91	-
Singila Primary School		-
Ihondolo Primary School	800	-
Wakukha Primary School	2,351	-
Rev Kisia Secodary School	2,850,000	-
Ivakale Secondary School	351	-
Shirulu Primary School	501	-
Mukhonje Secondary School	700	-
Mukhonje Primary School	637	-
Luvini PAG Primary School	2,723	2,723
Likhovero Primary School	235	-
Shanderema Secondary School	8,500,005	-
Shamiloli Secondary School	376,001	-
Isecheno Primary School	194	-
Shikulu Primary School	210	-
Shanyinya Primary School	119	-
Murhanda Secondary School	24	73
Busulwa Primary School	1,009	1,009
Friends School Lukusi Secondary	-	-
Friends School Shilalyo Secondary	503,577	503,577
Iloro Primary School	-	-
Irobo Primary School	1,563	1,563
Itenyi Primary School	1,775	1,775
Ivakale Primary School	1,460	1,460
Lirhanda Mixed Primary School	22,273	22,273
Lugango Primary School	1,890	1,890
Lwanda Secondary School	591	591
Madioli Primary School	3,023	3,023
Madioli Primary School	270	270
Mukhonje Primary School		1,001

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Muleche Primary School	2,362	2,362
Mundulu Primary School	4,341	4,341
Shanda Primary School		2,800
Shavirotsi Primary School	6,249	6,249
Shinyalu Constituency Environment PMC	6,471	6,471
Shinyalu Constituency Health PMC		1,751,185
Shinyalu Constituency Water PMC	841	841
Shinyalu Security PMC	8,608	8,608
Shitochi Primary School	1,000	1,000
Solyo Primary School	2,103	2,103
St Albert Shanjero Primary School	3,795	3,795
St Annes Ikuywa Secondary School	-	-
St. Gerald Shanjero Secondary	1,330	1,330
St. Joseph Mukulusu Secondary	2,066	2,066
St. Monica Lubao Secondary	-	-
St. Monica Lugose Primary	2,013	2,013
St. Peters Shirulu Primary		1,571
Virhembe Police Post	980	976
Wanzalala Primary School	53,123	53,123
	19,745,720	2,418,154

The PMC are not willing to bear the cost of producing certificate of balance from the bank



NATIONAL GOVERNMENT ENTITY –NG-CDF SHINYALU
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ANNEX 1 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
Senior Management		a	b	c	d=a-c	
1.						
2.						
3.						
Sub-Total						
Middle Management			10/07/2019			
4. ZAKARIA SHICHENJE	B	212,040	10/07/2019	0.00	212,040	
5. VICTORIA LIHABI	B	221,040		0.00	212,040	
6.						
Sub-Total		424,080			424,080	
Unionisable Employees						
7.						
8.						
9.						
Sub-Total						
Others (specify)						
10.						
11.						
12.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT ENTITY – NG-CDF SHINYALU
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ANNEX 2 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees	Payment of staff salaries, NHIF, NSSF and Gratuity	552,108		
Use of goods & services	Committee Expenses and allowances and purchase of general goods and services	44,902		
Sub total		597,010		
Amounts due to other Government entities				
Shilongo primary school		3,000,000		
Lirhandanda girls boarding primary		2,500,000		
Khayega DEB Primary school		20,000,000		
Makakha primary school		3,000,000		
Shanderena primary school		6,000,000		
Mukumu primary school		2,000,000		
Ihondolo primary school		300,000		
Mukhonje primary school		600,000		
Shitsava primary school		200,000		
Shibuye primary school		900,000		
Shibuye primary school		600,000		
Solyo primary school		600,000		
Ikuywa primary school		300,000		
Shirulu primary school		8,400,000		
St Kizito Bukusi primary school		300,000		
Shanda primary school		4,000,000		
St pauls shibuye primary school		4,000,000		
St pauls shibuye primary school		6,000,000		
Shihumbu primary school		2,000,000		
St Philips Mukomari secondary school		1,500,000		
St Philips mukomari secondary school		800,000		



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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Ileho secondary school		2,000,000		
St Gerald Shanjero Secondary school		200,000		
Holy Cross Injira Secondary school		300,000		
Virhembe police post		200,000		
Mukhonje Ileho police line		200,000		
Shinyalu police post		300,000		
Mukhonje Assistant chief		200,000		
Sub-Total		86,358,120		
Amounts due to other grants and other transfers				
Emergency		6,232		
Sports		1,417,499		
Bursary		286,492		
Environment		1,213,984		
Sub-Total				
Sub-Total		2,924,207		
Acquisition of assets		1,337,738		
Others (specify)				
Sub-Total		1,337,738		
Grand Total		91,217,075		

NATIONAL GOVERNMENT ENTITY – NG-CDF SHINYALU
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ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Historical Cost (Kshs) 2018/19
Land	0	0
Buildings and structures	0	0
Transport equipment	11,702,190	11,702,190
Office equipment, furniture and fittings	18,600	18,600
ICT Equipment, Software and Other ICT Assets	646,740	646,740
Other Machinery and Equipment	47,000	47,000
Heritage and cultural assets	0	0
Intangible assets	0	0
Total	12,414,530	12,414,530



NATIONAL GOVERNMENT ENTITY – NG-CDF SHINYALU

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ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2020

PMC	BANK	ACCOUNT NO	Bank Balance as at 30 th June 2020	Bank Balance as at 30 th June 2019
Khayega Primary School	Equity	0500279036834	1,001	-
Muraka Primary School	Equity	0500279026025		-
St Pauls Shibuye Primary School	Equity	0500279026117	420	21,325
Ingolomosio Primary School	Cooperative	01139804278500		-
Lirhanda Girls Primary School	Equity	0500279036361	244	-
Shilongo Primary School	Equity	05002790259939		-
Musanyi Primary School			980,001	-
Magakha Primary School	Cooperative	113963264400	901	1,553
Shanda Primary School	Cooperative	1139166529300	1,740	2,800
Bukhaywa Primary School	Cooperative		1,000	-
Lunyu Primary School	Equity		3,000,000	-
Shagungu Primary School	Cooperative	01139165034901	950,001	-
Shanderema Primary School	Cooperative	1109165042100	900	421
Munasio Secondary School	Cooperative	01141632887300	2,440,052	-
Mundulu Secondary School				-
Ebukaburu Primary School	Equity	0500279758253	1,080	-
Makuchi Primary School	Equity	0500279106780	733	-
Iloro Secondary School	Equity	0500279760879	91	-
Singila Primary School	Equity	0500279865136		-
Ihondolo Primary School	Equity	0500279299657	800	-
Wakukha Primary School	Equity	0500279780192	2,351	-
Rev Kisia Secodary School	Equity	0500279599437	2,850,000	-
Ivakale Secondary School	Equity	0500279026068	351	-
Shirulu Primary School	Equity	0500279965503	501	-
Mukhonje Secondary School	Cooperative	01139804962600	700	-
Mukhonje Primary School	Equity	0500279519096	637	-
Luvini PAG Primary School	Cooperative	1139631627602	2,723	2,723
Likhohero Primary School			235	-
Shanderema Secondary School			8,500,005	-
Shamiloli Secondary School	Equity	0500279774314	376,001	-
Isecheno Primary School			194	-
Shikulu Primary School	Cooperative	1109165043300	210	-
Shanyinya Primary School	Cooperative	01139165044501	119	-
Murhanda Secondary School	Cooperative	1139545688902	24	73
Busulwa Primary School	Cooperative	1139165040800	1,009	1,009
Friends School Lukusi Secondary	Cooperative	1100033619500	-	-
Friends School Shilalyo Secondary	Cooperative	1139165359202	503,577	503,577
Iloro Primary School	Cooperative	1100165626000	-	-
Irobo Primary School	Cooperative	1139632241100	1,563	1,563
Itenyi Primary School	Cooperative	1141165048100	1,775	1,775
Ivakale Primary School	Cooperative	1109165107100	1,460	1,460
Lirhanda Mixed Primary School	Cooperative	1139167559901	22,273	22,273
Lugango Primary School	Cooperative	1109023471300	1,890	1,890
Lwanda Secondary School	Cooperative	1139167256501	591	591
Madioli Primary School	Cooperative	1139165659001	3,023	3,023
Madioli Primary School	Cooperative	1139165666900	270	270



NATIONAL GOVERNMENT ENTITY – NG-CDF SHINYALU

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Mukhonje Primary School	Cooperative	1139165074201		1,001
Muleche Primary School	Cooperative	1139165051000	2,362	2,362
Mundulu Primary School	Cooperative	1139165050601	4,341	4,341
Shanda Primary School	Cooperative	1139166529300		2,800
Shavirotsi Primary School	Cooperative	1139165058101	6,249	6,249
Shinyalu Constituency	Cooperative	1141632733800	6,471	6,471
Environment PMC				
Shinyalu Constituency Health PMC	Cooperative	1141632683800		1,751,185
Shinyalu Constituency Water PMC	Cooperative	1141632683900	841	841
Shinyalu Security PMC	Cooperative	1134632232600	8,608	8,608
Shitochi Primary School	Cooperative	1139167563200	1,000	1,000
Solyo Primary School	Cooperative	1141545043300	2,103	2,103
St Albert Shanjero Primary School	Cooperative	113902357900	3,795	3,795
St Annes Ikuywa Secondary School	Cooperative	113902357900	-	-
St. Gerald Shanjero Secondary	Cooperative	1139165032901	1,330	1,330
St. Joseph Mukulusu Secondary	Cooperative	1139165082400	2,066	2,066
St. Monica Lubao Secondary	Cooperative	500263316847	-	-
St. Monica Lugose Primary	Cooperative	1139632639600	2,013	2,013
St. Peters Shirulu Primary	Cooperative	1139165820500		1,571
Virhembe Police Post	Cooperative	1120009847130	980	976
Wanzalala Primary School	Cooperative	1139632628100	53,123	53,123
			19,745,720	2,418,154

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For the year ended June 30, 2020

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)	
	The certificate has not been received					

