

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 23 FEB 2022

DAY:

Wed.

TABLED
BY:

The Majority Whip
Hon. E. Wangwey MP
Baron Inzoga.

CLERK-AT
THE TABLE

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TAVETA CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2020

OFFICE OF THE AUDITOR GENERAL
P. O. Box 95202, MOMBASA

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Revised Template 30th June 2020



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

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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 TAVETA 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	Daniel Mwaluko
2.	Sub-County Accountant	Robert Kibet
3.	Chairman NGCDFC	Julita Baby Mbelle
4.	Member NGCDFC	Kirimi Morris

(d) Fiduciary Oversight Arrangements

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

P.O. Box 243-80302
NG-CDF Building
Taveta- Voi Road
TAVETA, KENYA

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

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(f) NGCDF TAVETA Constituency Contacts

Telephone: (254) 710-128510
E-mail: tavetangcdf@ngcdf.go.ke
Website: www.ngcdftaveta.go.ke

(g) NGCDF TAVETA Constituency Bankers

1. Equity Bank, Taveta Branch
Account no. 1420262668499
P.O. Box 305 - 80302
Taveta, Kenya

(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

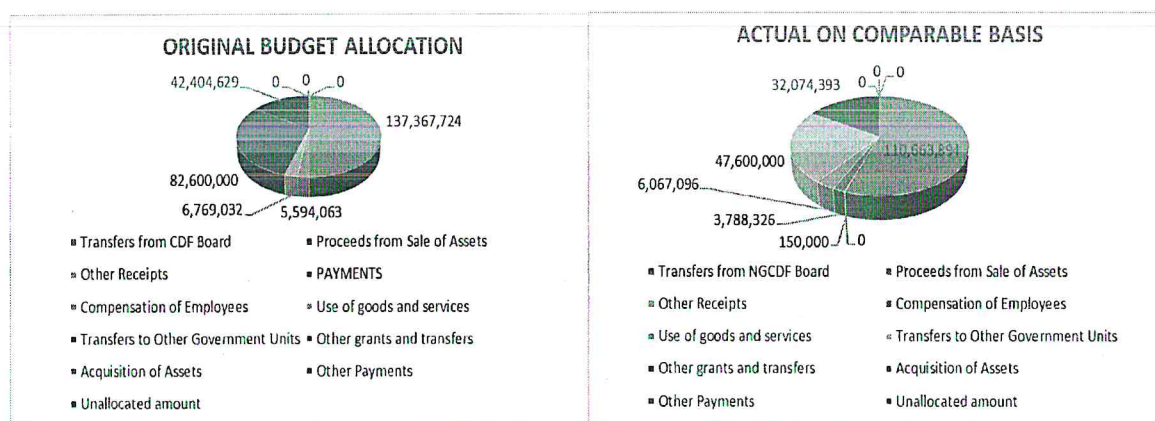
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II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

I would like to extend my gratitude to Taveta constituents for giving me the opportunity to serve in my capacity as the chairperson NG-CDFC. This is a gracious position which has also promoted gender equality being a woman holding this position. Our agenda is enclaved in the slogan “*maendeleo kwa wote*” as we purpose to deliver improved livelihoods through promoting quality education at primary, secondary schools and tertiary institutions. This financial year ending June 2020 has seen us almost complete the KMTC construction and close to 160 pioneer students enrolled in the institution. There has also been tremendous increase in bursary allocation, ensuring more students are in schools. We have endeavoured to nature Youth talent by supporting sports through supply of full uniform and organizing tournaments. In the environment sectors through budgetary support for purchase of 3,600 tree seedlings to plant in public institutions to increase our forest cover. Her excellent performance can be attributed to tremendous support from the NG-CDF Board, Member of Parliament and all stakeholders.

Taveta constituency is one of the four constituencies in Taita-Taveta county, coast Region. During the financial year 2019/2020 we received Kshs. 102,367,724.10. Our utilization of funds for the financial year stands at 61% of the total budget of Kshs.137,367,724.14. The low absorption of funds was due to kshs:35,000,000 meant for Kmtc TAVETA Campus which has not been received at the closure of the financial year. The NG-CDF Board should provide funds in time for 100% utilization to be achieved.

The project allocation percentage per sector is as indicated below:-



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Achievements

There have been several success stories in this financial year ending June 2020. Project is attributed to the harmonious working relationship amongst the NGCDFC members, staff and technical support from the government officials as well. The synergy has been achieved through continuous training and engagement to promote team work and quality project.

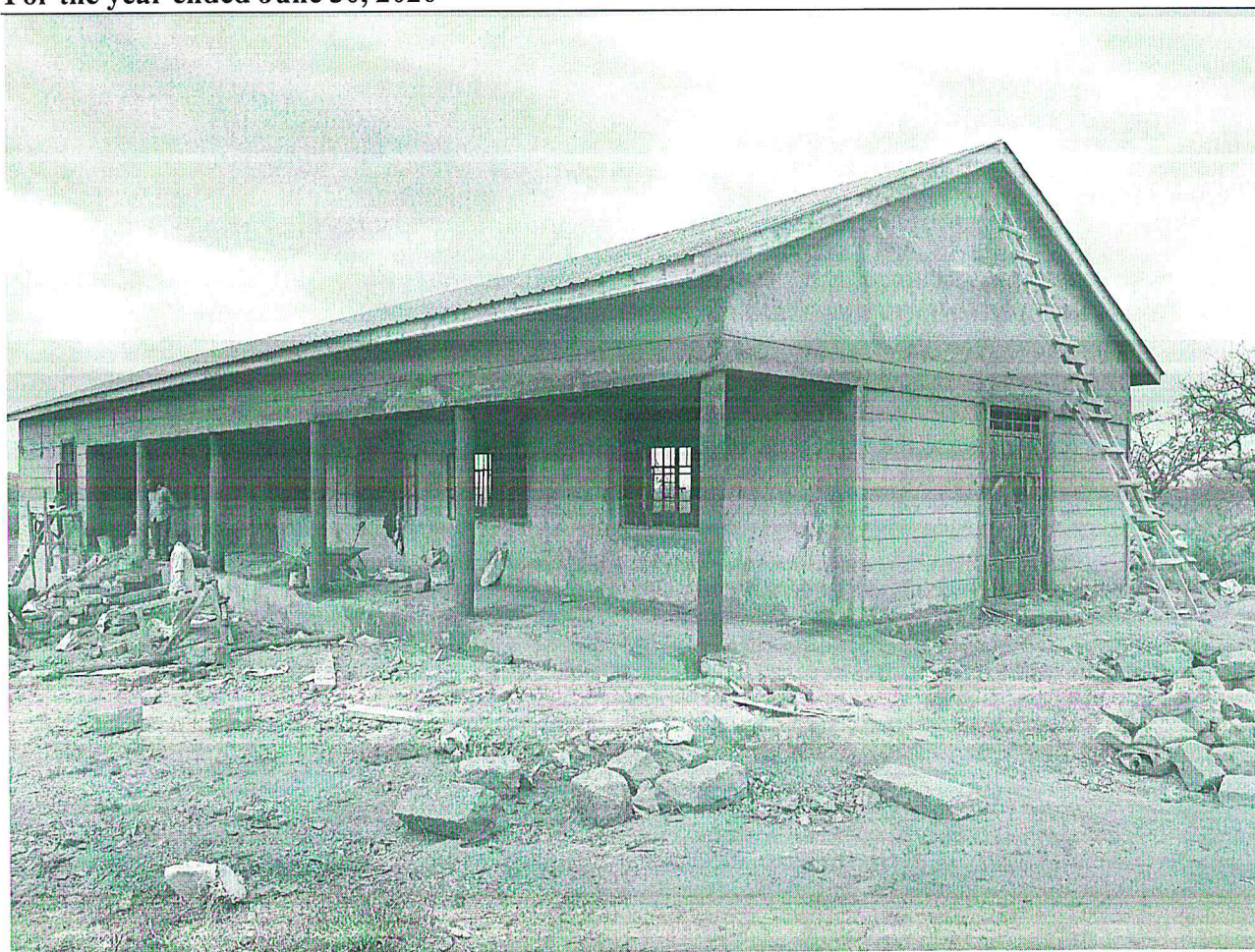
During the financial year 2019/2020 the Constituency realised tremendous improvement in infrastructure across the two key sectors namely; Education and Security Sector. Seventeen (17) new classrooms were constructed and four (4) Chief's Offices whose construction is ongoing. The completion of NG-CDF Office extension project will facilitate efficient and effective service delivery to Wananchi.

Below is a sample of projects undertaken during the financial year.



a. Extension of Ng-CDF Office- Ongoing

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b. Construction of Nakruto Chief's office- Ongoing

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c. Construction of one complete classroom at Ngutini secondary school

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d. Environment project at Timbila Boys High school – fruit and indigenous trees

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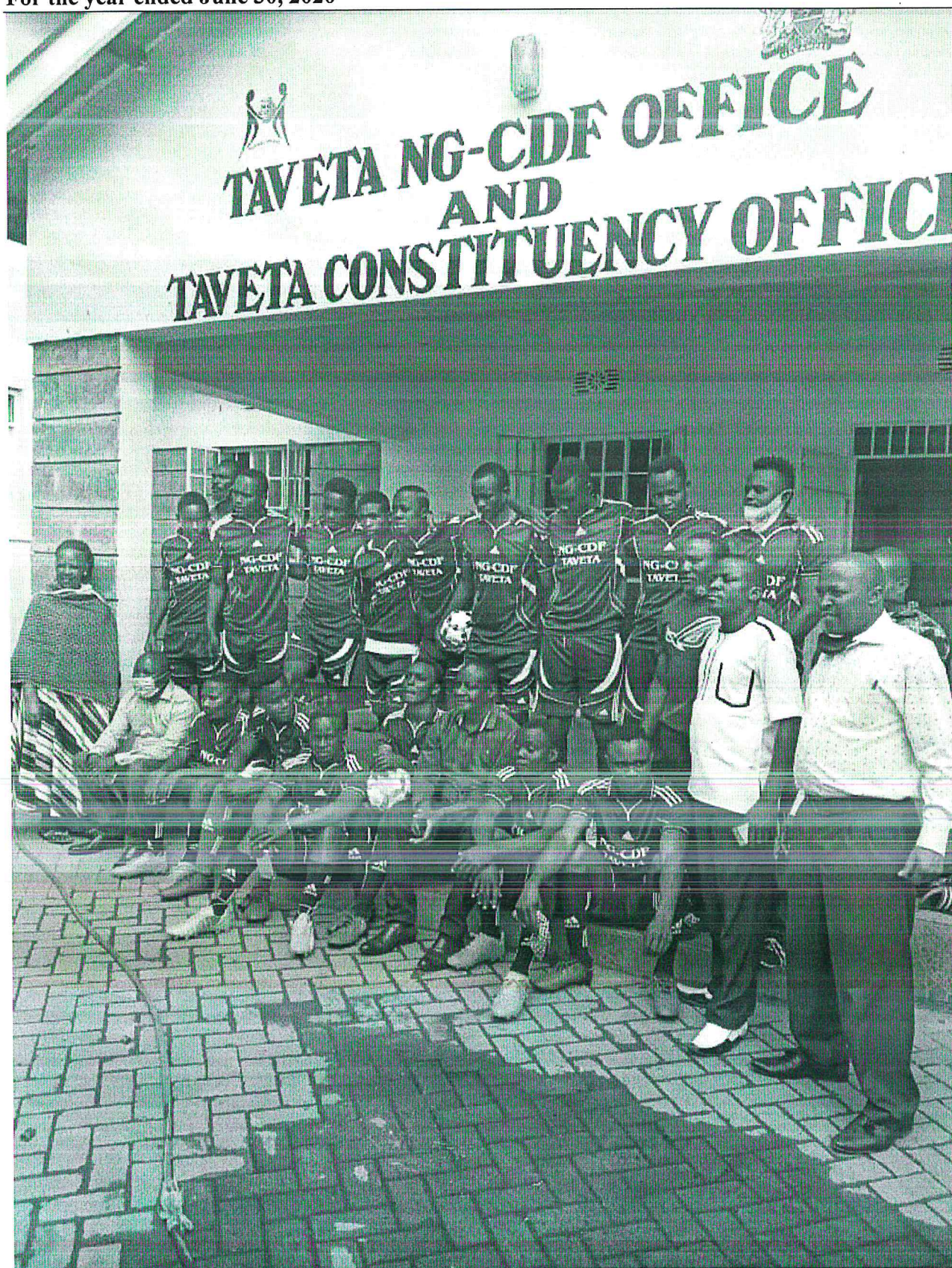
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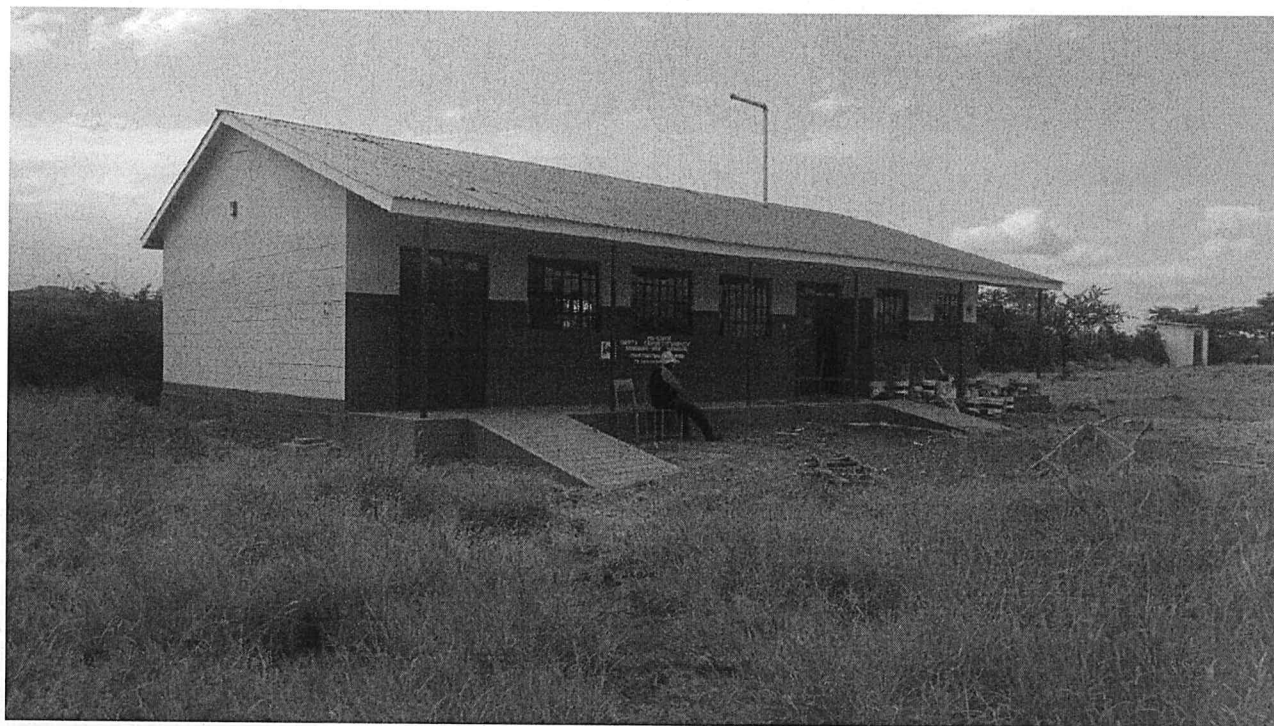
e. Rain water harvesting at Lotima Primary school- complete

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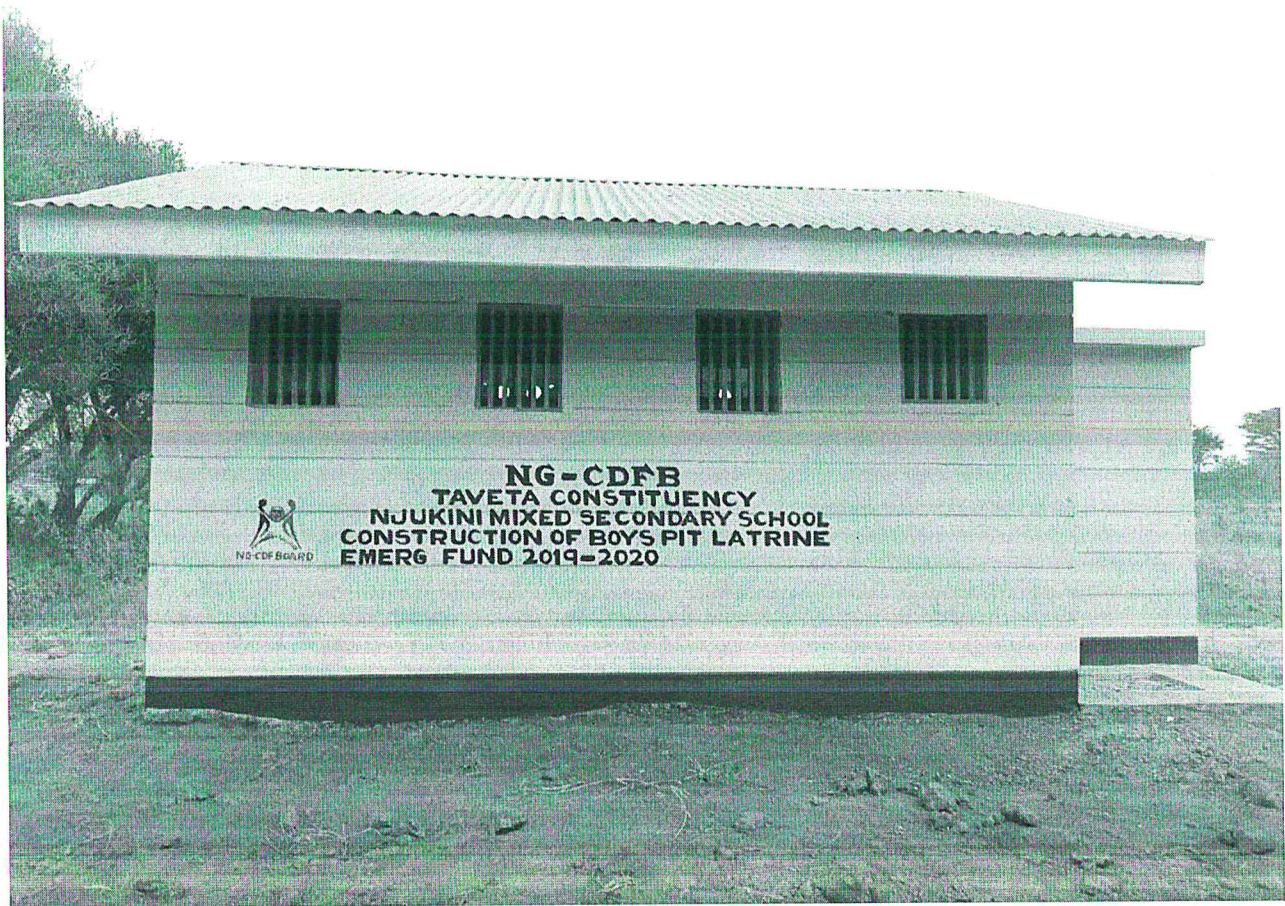
f) sports

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g) Construction of laboratory at Sowene secondary school- complete

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h) Construction of pit latrine at Njukini secondary school- complete

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Challenges

Delay in disbursement of funds from the NG-CDF Board has affected timely implementation of projects and absorption of funds allocated during the financial year, in addition insufficient funds for monitoring and evaluation and capacity building of various operatives has impacted negatively on funds administration.

Way forward

In order to improve on timely completion of projects NG-CDF Board should disburse funds quarterly, Allocation for monitoring and evaluation vote should be increased for effective and efficient management of projects. Lastly, Projects should be funded in full to avoid delays in completion County projects committee should be operationalized for consultation at county level to guard against any duplication of projects and enhance synergy between all development agents.

Sign-----



CHAIRPERSON NG-CDF COMMITTEE

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

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

- a) Increase access to education at primary and secondary school levels
- b) Enhance security and peaceful coexistence in the constituency
- c) Promote of environmental conservation initiatives
- d) Provide access to medical, health and technical training courses to secondary school graduates
- e) Promote of sports and cultural activities
- f) Create of employment activities for the youth

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:

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Constituency Program	Objective	Outcome	Indicator	Performance
Education	<p>1.Increase access to education at primary and secondary school levels</p> <p>2.Provide access to medical, health and technical training courses to secondary school graduates</p>	<p>Increased enrolment in primary schools and 100% transition to secondary schools and tertiary institutions</p> <p>Funding completion of KMTTC Taveta Campus.</p>	<p>- number of usable physical infrastructure build in primary, secondary, and tertiary institutions</p> <p>- number of bursary beneficiaries at all levels</p>	<p>In the FY 19/20 -we constructed 17 new classrooms and renovated 6 classrooms in primary schools and secondary schools, constructed 2 dormitories, 3 laboratories, purchased 160 desks and 120 lockers and chairs. The constituency was able to achieve a 98% transition from primary to secondary school.</p> <p>-2,148 Bursary beneficiaries at all levels were funded as per the attached schedules. The KMTTC Taveta campus admitted 150 pioneer students in September 2019.</p>
Security	<p>1.Enhanced security and peaceful coexistence in the constituency</p>	<p>Increased and effective service delivery</p>	<p>Number of chief offices and police offices constructed</p>	<p>In the FY 2019/20 we funded the construction of 4 chief offices and completed Taveta Sub County police headquarters</p>

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Environment	1.Promotion of environmental conservation initiatives	Increased tree cover, improved sanitation in public institutions	Number of trees planted, number of toilets constructed	In the FY 2019/20 we planted 3600 tree seedlings 1000 being fruit seedlings, constructed 19 pit latrines in various public institutions and water harvesting in 2 primary schools.
Sports	Promotion of sports and cultural activities	Increased participation in sports and cultural activities	Number of sport teams supported	In the FY 2019/20 we financed purchase of full uniforms for 11 football teams
Disaster Management	Promotion of disaster mitigation strategies	Increased awareness of disaster preparedness measures	Number of public awareness meetings and training conducted	In the FY 2019/2020 we conducted 5 ward meetings where members of the public were sensitized on disaster mitigation measures focusing on floods, drought, fire and earthquakes We conducted 1 training for NG-CDFC and NG-CDFC staff on disaster management, fire drill was conducted by the deputy Sub County Commander

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Youth Empowerment	Creation of employment activities for the youth	Establishment of constituency innovation hubs	Number of ICT hubs established	In the FY 2019/2020 we operationalized 4 constituency innovation hubs where 100 youths have already been trained on use of internet to do online jobs
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IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile –

Taveta NG-CDF endeavours to finance construction of quality buildings that are PLWD friendly and adhere to international construction standards. All stake holders are adequately sensitized on their roles and responsibilities before embarking on any project.

Model	Definition	Relevance to sustainable strategy
Vision	To be economically stable constituency providing equitable and sustainable use of all resources for quality life of the residents.	What the constituency is striving for in the future that influence the strategies, purpose and aspirations put in place
Mission	To promote inclusive participation and people centered development approach that support equitable and sustainable utilization of constituency resources for quality life of all residents.	This communicates what the office does to attain sustainable developments
Core Values	Integrity, professionalism and teamwork, Accountability and transparency, Diligence impartiality and respect for diversity continuous learning, To promote a culture of efficiency and transparency, To ensure the stakeholders are involved at all levels of projects implementation.	These are the norms , principles and beliefs that the office upholds in order to follow the right path towards attainment of the set objectives

2. Environmental performance

Taveta NG-CDF promotes tree planting and roof water harvesting to increase forest cover and reduce soil erosion caused by runoff water. Project management committees and contractors are encouraged to plant tree seedlings during the construction period. The policy statement of Taveta NG-CDF includes;

- Regular communicating of our environmental performance to our stakeholders
- Monitoring and improving of our environmental performance
- Developing our management processes to ensure that environmental factors are considered during planning and implementation.

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- Comply with all relevant environmental legislation, regulations and approved codes of practice.

3. Employee welfare

Taveta NG-CDF takes into account gender, skills, ethnicity during recruitment of staffs when vacancy occurs. Currently we have seven staffs on contract terms where 5 are male and 2 are female, six students on attachment and internship 3 female and 3 male.

The staffs are frequently trained on job and encouraged to advance their education through bursary support.

4. Community Engagements-

Taveta NG-CDFC and NG-CDFC staffs visited Taveta primary school special unit and issued clothing, food stuffs assisted in the cleaning of the special unit compound and spent time with the PLWD.

Public Participation in Project Identification and Implementation and Monitoring

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

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

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision. 11

Public Awareness

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

Public Awareness and Sensitization Exercise Provide

- A menu of options for including individuals and organizational actors in identifying development priorities and selecting NG-CDF projects.
- Ensuring implementation of NG-CDF funded projects are transparent and known to everybody within the community.
- Increase accountability hence ensure local citizens gain skills and confidence to carryout social audits as means to enhanced accountability in management of other devolved funds apart from NG-CDF at constituency and other levels within the constituency.
- Increase public participation at all stages of project cycle funded under NG-CDF kitty
- Identify control and report any irregularities witnessed during NG-CDF project

***NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
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- implementation cycle
- Measure the impact of the projects funded by NG-CDF
- Enable people to exercise their rights by instilling democratic culture through enhanced social accountability and transparency among state and non state actors.
- Promote awareness creation on constitution and devolved governance system in Kenya

Covid-19 Mitigation Measures

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

NG-CDF TAVETA in conjunction with Taveta Constituency Office distributed 4,000 bottles of 250mls sanitizers to the community free of charge and 5,000 pcs of facial masks.

In addition, both NG-CDFC and constituency office employees work in shifts to ensure social distancing at the work place, COVID-19 educational materials are displayed in the entrance at the gate, notice board and entrance to the office.

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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-TAVETA 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-TAVETA 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 charge of the NGCDF-TAVETA 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-TAVETA 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-TAVETA Constituency financial statements were approved and signed by the Accounting Officer on 12/9/ 2020.

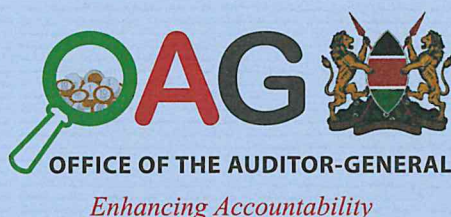


Fund Account Manager
Name: Daniel Mwaluko

Sub-County Accountant
Name: Robert Kibet
ICPAK Member Number:

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TAVETA 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 - Taveta Constituency set out on pages 24 to 48, which comprise the statement of financial 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 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 - Taveta 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 National Government Constituencies Development Fund Act No. 30 of 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Outstanding Imprest

As previously reported, Note 11 to the financial statements reflects an outstanding imprest of Kshs.88,600 which was issued in the year 2017. Available records indicated that the imprest was issued to an employee who has since been transferred to another Government department outside Taveta Sub-County. The management has prepared a loss report on the same for consideration to write-off as a result of fruitless recovery efforts.

Consequently, the recoverability of outstanding imprest of Kshs.88,600 as at 30 June, 2020.

2.0 Cash and Cash Equivalents

The statement of assets and liabilities as at 30 June, 2020 reflects cash and cash equivalents balance of Kshs.21,284,080. Bank reconciliation statement provided for

audit reflected unpresented cheques totalling to Kshs.227,660 out of which cheques amounting to Kshs.148,087 had not cleared in the bank for more than six months and were therefore stale as at 30 June, 2020. No explanation was provided for non-reversal of the stale cheques in the cashbooks.

Consequently, the accuracy and completeness of cash and cash equivalents balance of kshs.21,284,080 as at 30 June, 2020 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Taveta 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.145,813,894 and Kshs.110,813,894 respectively resulting to shortfall of Kshs.35,000,000 or 24% of the approved budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totaling to Kshs.145,813,894 and Kshs.89,529,814 respectively, resulting in underperformance amounting to Kshs.56,284,080 or 39% of the budget.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed. I confirm that, nothing 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

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 matters described in the Basis for Conclusion on Effectiveness of 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

1. Projects

1.1 Projects Implementation Status

The projects implementation status report as at 30 June, 2020 provided for audit review indicates that fifty-four (54) projects with a total budget of Kshs.69,256,388 received the entire allocation. Further, analysis of the report revealed that thirty-eight (38) projects with a budget of Kshs.36,150,000 and disbursements of the same amount were completed, fifteen (15) projects which had a budget of Kshs.31,006,387 were ongoing while one (1) project with a budget of Kshs.2,100,000 and received the amount had not started.

The Management needs to strengthen monitoring and evaluation of development projects as it provides crucial feedback on areas that require urgent and continuous improvement. In the circumstances, service delivery to the residents of Taveta Constituency and the intended purpose of the projects may not be realized.

1.2 Projects Inspection

An audit inspection of fourteen (14) projects with total allocation of Kshs.24,906,388 in the month of January 2020 indicated the following state of affairs:

No.	Project Name	Approved Activity	Amount Allocated (Kshs.)	Amount Disbursed (Kshs.)	Comments on physical Verifications
1	Timbila Boys High School	Construction of two classrooms	2,200,000	2,200,000	Project complete but the one classroom not being used
2	Sowene Secondary School Project	Completion of a 60-student laboratory (plastering, wiring, sockets,	2,200,000	2,200,000	Lab preparation room used as staff room, Lab assistant

No.	Project Name	Approved Activity	Amount Allocated (Kshs.)	Amount Disbursed (Kshs.)	Comments on physical Verifications
		bulbs, flooring, plumbing, gas system, ceiling).			office used as the principal office
3	Abori Primary School Project	Construction of administration block (Phase I) For (Head teacher, deputy head teacher, senior teacher, clerk, guiding and counseling room, staff room and store).	2,000,000	2,000,000	Plastering, floor, windows, doors not yet done. contractor not on site
4	Sowene Secondary School Project	Construction of two classroom to completion.	2,200,000	2,200,000	No chalk rails on blackboard, cracks on walls and floor
5	Kiwalwa Secondary School Project	Construction of laboratory (Phase I) for 60 students.	3,000,000	3,000,000	Huge cracks on the ramp. Plastering, floor, windows, doors not yet done. contractor not on site
6	Kiwalwa Secondary School Project	Renovation of Two classrooms (walling, roofing, plastering, wiring, sockets, bulbs flooring and painting) to completion.	1,200,000	1,200,000	Huge cracks on walls and floor. Floors not done with coloured cement
7	Timbila Secondary school Project	Construction of Dormitory (Phase I) for 112 students to completion.	5,000,000	5,000,000	Plastering, floor, windows, doors not yet done. contractor not on site
8	Taveta Sub-County Police Headquarters	Pavement slabs, and fire exit door.	500,000	500,000	Project Complete

No.	Project Name	Approved Activity	Amount Allocated (Kshs.)	Amount Disbursed (Kshs.)	Comments on physical Verifications
9	Taveta Sub-County Police Headquarters	Tilling of the two storey office block.	1,200,000	1,200,000	Project Complete
10	Taveta Sub-County Police Headquarters	Fencing (Concrete posts and chainlink, gate and gate house) 400 Meters.	1,406,388	1,406,388	Fencing complete, works at gate and gate house ongoing
11	Taveta Sub-County Police Headquarters	Construction of 3 door public pit latrine to completion.	500,000	500,000	Plastering and fixing of ventilation pipes on going
12	Taveta Sub-County Police Headquarters	Construction of parking (cabro paved and car shed)	1,000,000	1,000,000	Laying of cabro Ongoing
13	Timbila Chiefs Office	Construction of chiefs office and four door pit latrine. Chiefs offices, 2 assistant chiefs offices, clerk office, store and meeting room for 300 people.	2,000,000	2,000,000	Foundation, walling and roofing done. Finishes not complete and the contractor not on site
14	Taveta Deputy County Commissioners Official Residence.	construction of 3 door pit latrine	500,000	500,000	Project complete, two manholes constructed instead of three as per Bills of Quantities
Total				24,906,388	

The above observations are indications of poor workmanship which casts doubt on project supervision of the fourteen projects for the year ended 30 June, 2020.

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 ability of the Fund to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or 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 Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the Fund's 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 Fund's 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 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 Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

10 February, 2022

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**TAVETA CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2020****VII. STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	102,367,724	163,825,359
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	150,000	30,000
TOTAL RECEIPTS		102,517,724	163,855,359
PAYMENTS			
Compensation of employees	4	3,788,326	4,377,130
Use of goods and services	5	6,067,095	5,384,275
Transfers to Other Government Units	6	47,600,000	110,130,000
Other grants and transfers	7	32,074,393	36,953,951
Acquisition of Assets	8	-	399,990
Other Payments	9	-	-
TOTAL PAYMENTS		89,529,814	157,245,346
SURPLUS/(DEFICIT)		12,987,910	6,610,013

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TAVETA Constituency financial statements were approved on 12/9/ 2020 and signed by:



Fund Account Manager
Name: Daniel Mwaluko



National Sub-County Accountant
Name: Robert Kibet
ICPAK Member Number:

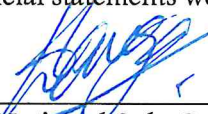
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TAVETA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

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

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	21,284,080	8,296,170
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		21,284,080	8,296,170
Accounts Receivable			
Outstanding Imprests	11	88,600	88,600
TOTAL FINANCIAL ASSETS		21,372,680	8,384,770
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	-	-
Deposits (Gratuity)	12B	-	-
TOTAL FINANCIAL LIABILITES			
NET FINANCIAL ASSETS		21,372,680	8,384,770
REPRESENTED BY			
Fund balance b/fwd	13	8,384,770	1,774,757
Prior year adjustments	14	-	-
Surplus/Defict for the year		12,987,910	6,610,013
NET FINANCIAL POSITION		21,372,680	8,384,770

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TAVETA Constituency financial statements were approved on 12/9/ 2020 and signed by:



Fund Account Manager
Name: Daniel Mwaluko

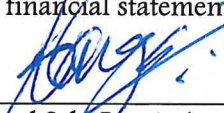

National Sub-County Accountant
Name: Robert Kibet
ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**TAVETA CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2020****IX. STATEMENT OF CASHFLOW
FOR THE YEAR ENDED JUNE 30, 2020**

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	102,367,724	163,825,359
Other Receipts	3	150,000	30,000
Total receipts		102,517,724	163,855,359
Payments for operating expenses			
Compensation of Employees	4	3,788,326	4,377,130
Use of goods and services	5	6,067,095	5,384,275
Transfers to Other Government Units	6	47,600,000	110,130,000
Other grants and transfers	7	32,074,393	36,953,951
Acquisition of assets	8	-	399,990
Other Payments	9	-	-
Total payments		89,529,814	157,245,346
Total Receipts Less Total Payments		12,987,910	6,610,013
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
Net cash flow from operating activities		12,987,910	6,610,013
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		12,987,910	6,610,013
Cash and cash equivalent at BEGINNING of the year	13	8,384,770	1,774,757
Cash and cash equivalent at END of the year		21,372,680	8,384,770

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TAVETA Constituency financial statements were approved on 12/9/2020 and signed by:


Fund Account Manager
Name: Daniel Mwaluko


National Sub-County Accountant
Name: Robert Kibet
ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA CONSTITUENCY

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

**X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED
FOR YEAR ENDED JUNE 30, 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	8,296,170	145,663,894	110,663,894	35,000,000	76%
Proceeds from Sale of Assets						
Other Receipts		150,000	150,000	150,000	0	0%
PAYMENTS						
Compensation of Employees	5,594,063.45	431,951		3,788,326	2,237,688	63%
Use of goods and services	6,769,032	644,209		6,067,095	1,346,146	82%
Transfers to Other Government Units	82,600,000	0		47,600,000	35,000,000	58%
Other grants and transfers	42,404,629	7,190,000		32,074,393	17,520,236	65%
Acquisition of Assets	-	10		10	10	0%
Other Payments	-	-		-	-	0%
Unallocated amount		180,000		180,000	180,000	0%
TOTALS	137,367,724	8,446,170	145,813,894	89,529,814	56,284,080	61%

(a) Adjustments was are result of opening balance of kshs 8,296,170.30

(b) Included in the payments is unallocated amount of Kshs 180,000 being A in A not yet approved by the NG-CDF board.

(c) Underutilisation of compensation of employees was due to accrued outstanding staff gratuity of Kshs 392,770 and Kshs. 1,193,190 respectively


(d) Underutilisation of transfers to other Government units was as a result of delay of approval by the NG-CDF Board of kshs: 35,000,000 for KMTC Campus Taveta.

(e) Underutilisation of other Grants and transfers was due to closure of learning institutions as a result of Covid – 19 pandemic.

The NGCDF-TAVETA Constituency financial statements were approved on 12/9/2020 and signed by:



Fund Account Manager
Name: Daniel Mwaluko


Sub-County Accountant
Name: Robert Kibet
ICPAK Member Number

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA 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 Kshs	Adjustments Kshs	Final Budget 2019/2020 Kshs	Actual on comparable basis 30/06/2020 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	5,594,063	431,951	6,026,014	3,788,326	2,237,688
1.2 Committee allowances	1,248,000	0	1,248,000	1,248,000	0
1.3 Use of goods and services	1,400,000	644,209	2,044,209	2,044,209	0
Sub-total	8,242,063	1,076,160	9,318,223	7,080,535	2,237,688
2.0 Monitoring and evaluation					
2.1 Capacity building	1,000,000	0	1,000,000	1,000,000	0
2.2 Committee allowances	2,621,032	0	2,621,032	1,274,887	1,346,145
2.3 Use of goods and services	500,000	0	500,000	500,000	0
Sub-total	4,121,032	0	4,121,032	2,774,887	1,346,145
3.0 Emergency					
3.1 Primary Schools					0
Ulawani primary school project				100,000	0
Khadija muna primary school project				100,000	0
Grigan primary school project				700,000	0
Grigan primary school project				100,000	0
Machungwani primary school project				0	
3.2 Secondary schools				0	0
Malukiloriti secondary school				1,900,000	0
Njukini secondary school				1,900,000	0
Timbila high school				2,200,000	0
Sub-total	7,198,241	0	7,198,241	7,100,000	98,241
3.3 Tertiary institutions					
3.4 Security projects					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA 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
4.0 Bursary and Social Security					
4.1 Primary Schools					
4.2 Secondary Schools	11,000,000	1,000,000	12,000,000	1,300,000	10,700,000
4.3 Tertiary Institutions	4,000,000	190,000	4,190,000	0	4,190,000
Sub-total	15,000,000	1,190,000	16,190,000	1,300,000	14,890,000
4.4 Universities					
4.5 Social Security					
5.0 Sports	2,500,000	0	2,500,000	2,500,000	0
5.1					
Sub-total	2,500,000	0	2,500,000	2,500,000	0
6.0 Environment					
6.1 Chala Secondary School	500,000	0	500,000	500,000	0
6.2 Deputy County Commissioners residence	550,000	0	550,000	550,000	0
6.3 Riata Primary School	300,000	0	300,000	300,000	0
6.4 Lotima Primary school	650,000	0	650,000	650,000	0
6.5 Timbila Boys High School	50,000	0	50,000	50,000	0
6.6 Bishop Njenga secondary School	50,000	0	50,000	50,000	0
Sub-total	2,100,000	0	2,100,000	2,100,000	0
7.0 Primary Schools Projects					
7.1 Msheghesheni primary school project	1,100,000	0	1,100,000	1,100,000	0
7.2 Ulawani primary school project	1,100,000	0	1,100,000	1,100,000	0
7.3 Machungwani primary school project	1,100,000	0	1,100,000	1,100,000	0
7.4 Chala primary school project	2,200,000	0	2,200,000	2,200,000	0
7.5 Grigan primary school project	800,000	0	800,000	800,000	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA 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
7.6 Lotima Primary School Project	3,500,000	0	3,500,000	3,500,000	0
7.7 Khadija Muna Primary School Project	1,900,000	0	1,900,000	1,900,000	0
7.8 Salaita Primary School Project	1,900,000	0	1,900,000	1,900,000	0
7.9 St. Norberts Tangini Primary School Project	1,500,000	0	1,500,000	1,500,000	0
7.10 Abori Primary School Project	2,000,000	0	2,000,000	2,000,000	0
7.11 Riata Primary School Project	1,100,000	0	1,100,000	1,100,000	0
7.12 Chokaa Primary School Project	1,100,000	0	1,100,000	1,100,000	0
7.13 Mahoo Primary School Project	2,000,000	0	2,000,000	2,000,000	0
7.14 Patani hill Primary School Project	2,100,000	0	2,100,000	2,100,000	0
7.15 Njoro Springs Primary School Project	1,100,000	0	1,100,000	1,100,000	0
7.16 Taveta Primary School Project	200,000	0	200,000	200,000	0
Sub-total	24,700,000	0	24,700,000	24,700,000	0
8.0 Secondary Schools Projects					
8.1 Lumi Secondary school project	300,000	0	300,000	300,000	0
8.2 Kitobo Secondary school project	700,000	0	700,000	700,000	0
8.3 Mahandakini Secondary School Project	3,000,000	0	3,000,000	3,000,000	0
8.4 Njoro Secondary School Project	1,100,000	0	1,100,000	1,100,000	0
8.5 Sowene Secondary School Project	4,400,000	0	4,400,000	4,400,000	0
8.6 Kiwalwa Secondary School Project	4,200,000	0	4,200,000	4,200,000	0
8.7 Ngutini secondary school	1,200,000	0	1,200,000	1,200,000	0

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA 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
8.8 Malukiloriti secondary School Project	1,500,000	0	1,500,000	1,500,000	0
8.9 Njukini secondary School Project	1,500,000	0	1,500,000	1,500,000	0
8.10 Timbila boys High school project	5,000,000	0	5,000,000	5,000,000	0
Sub-total	22,900,000	0	22,900,000	22,900,000	0
9.0 Tertiary institutions Projects					
9.1 Kenya Medical Training College- Taveta Project	35,000,000	0	35,000,000	0	35,000,000
Sub-total	35,000,000	0	35,000,000	0	35,000,000
10.0 Security Projects					
Taveta Sub-county police headquarters	4,606,388	0	4,606,388	4,606,388	0
Mata chiefs office project	2,000,000	0	2,000,000	2,000,000	0
Nakruto chiefs office project	2,000,000	0	2,000,000	2,000,000	0
Mboghoni chiefs office project	2,000,000	0	2,000,000	2,000,000	0
Timbila chiefs office project	2,000,000	0	2,000,000	2,000,000	0
Taveta prisons	500,000	0	500,000	500,000	0
Sub-total	13,106,388	0	13,106,388	13,106,388	0
11.0 Acquisition of assets					
11.1 Motor Vehicles (including motorbikes)					
11.2 Construction of CDF office	2,500,000	6,000,000	8,500,000	5,968,005	2,531,995
11.3 Purchase of furniture and equipment					
11.4 Purchase of computers	0	10	10	0	10
11.5 Purchase of land					
Sub-total	2,500,000	6,000,010	8,500,010	5,968,005	2,532,005
12.0 Others					
12.1 Strategic Plan					
12.2 Innovation Hub					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TAVETA CONSTITUENCY
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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
12.2 Unallocated Amount	0	180,000	180,000	0	180,000
Sub-total	0	180,000	180,000	0	180,000
TOTAL	137,367,724	8,446,170	145,813,894	89,529,814	56,284,080

(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) –
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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-TAVETA 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.

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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.

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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.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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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 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 2019.

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) –
TAVETA 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 A 005181	1		22,784,483
AIE NO A 005393	2		4,000,000
AIE NO B 030041	3		28,000,000
AIE NO B 030122	4		10,000,000
AIE NO B 005482	5		12,000,000
AIE NO B 007484	6		8,000,000
AIE NO. B 042845	7		13,000,000
AIE NO B 042625	8		11,000,000
AIE NO B 047583	9		55,040,876
AIE NO B041218	1	4,000,000	
AIE NO B047657	2	20,000,000	
AIE NO B049183	3	6,000,000	
AIE NO B104118	4	14,000,000	
AIE NO B104489	5	24,000,000	
AIE NO B096776	6	34,367,724	
TOTAL		102,367,724	163,825,359

2. PROCEEDS FROM SALE OF ASSETS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	~	~
Rents	~	~
Receipts from Sale of tender documents (A IN A)	150,000	30,000
Other Receipts Not Classified Elsewhere	~	~
Total	150,000	30,000

4. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of contractual employees	2,262,000	2,188,000
Basic wages of casual labourers	745,442	175,000
Personal allowances paid as part of salary	~	~
House Allowance	300,000	292,000
Transport Allowance	144,000	140,000
Gratuity	-	1,047,490
Leave allowance	50,000	~
Other personal payments (medical allowance and NHIF Casuals)	164,700	141,980
Employer Contributions Compulsory national social security schemes (Contractual)	91,854	89,460
Employer Contributions Compulsory national social security schemes (Casual labourers)	30,330	~
Total	3,788,326	4,377,130

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	70,000	233,600
Committee Allowance	2,718,000	2,425,000
Utilities, supplies and services	84,141	99,855
Communication, supplies and services	186,894	98,535
Domestic travel and subsistence	1,290,560	1,042,900
Printing, advertising and information supplies & services	461,292	143,760
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	-	314,900
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	618,421	445,205
Other operating expenses	-	-
Routine maintenance – vehicles and other transport equipment	527,787	210,700
Routine maintenance – other assets	-	274,860
Fuel, Oil and Lubricants	110,000	94,960
Total	6,067,095	5,384,275

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (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)	24,700,000	19,030,000
Transfers to secondary schools (see attached list)	22,900,000	35,100,000
Transfers to tertiary institutions (see attached list)	-	56,000,000
Transfers to health institutions (see attached list)	-	-
TOTAL	47,600,000	110,130,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	807,000	8,786,000
Bursary – tertiary institutions (see attached list)	493,000	3,714,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	13,106,388	6,600,000
Sports projects (see attached list)	2,500,000	1,000,000
Environment projects (see attached list)	2,100,000	2,500,000
Emergency projects (see attached list)	7,100,000	8,876,924
Strategic Plan	-	800,000
ICT Hub	-	4,677,027
Construction of CDF office	5,968,005	-
Total	32,074,393	36,953,951

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	399,990
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	399,990

9. OTHER PAYMENTS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Equity Bank Limited, Account No. 1420262668499</i>	21,284,080	8,296,170
Total	21,284,080	8,296,170
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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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
Francis Kimotho	2009/2005/ 2007	88,600	-	88,600
<i>Total</i>				88,600

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

12A. RETENTION

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

[Provide short appropriate explanations as necessary]

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
TOTAL	-	-

[Provide short appropriate explanations as necessary]

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	8,296,170	1,686,157
Cash in hand	-	-
Imprest	-	-
Total	8,296,170	1,686,157

[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>)			
TOTAL	-	-	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	88,600	88,600
Imprest issued during the year (B)	374,400	-
Imprest surrendered during the Year (C)	374,400	-
Net changes in account receivables D= A+B-C	88,600	88,600

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16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff Gratuity	1,193,190	392,770
Others (<i>specify</i>)	-	-
TOTAL	1,193,190	392,770

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	2,237,688	431,951
Use of goods and services	1,346,145	644,209
Amounts due to other Government entities (see attached list)	35,000,000	0
Amounts due to other grants and other transfers (see attached list)	17,520,236	7,190,000
Acquisition of assets	10	10
Others (<i>specify</i>)	-	-
Unallocated amount	180,000	30,000
TOTALS	56,284,080	8,296,170

*NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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17.4. SUMMARY OF FIXED ASSET REGISTER (See Annex 4)

	2019-2020	2018-2019
	Kshs	Kshs
Land	-	-
Buildings and structures	-	-
Transport equipment	-	-
Office equipment, furniture and fittings	-	-
ICT Equipment, Software and Other ICT Assets	-	-
Other Machinery and Equipment	-	-
Heritage and cultural assets	-	-
Intangible assets	-	-
TOTAL	28,223,021	22,255,016

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.5: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	29,751,633.60	13,663,110
TOTALS	29,751,633.60	13,663,110

NATIONAL GOVERNMENT ENTITY - (NG-CDF TAVETA)

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

NATIONAL GOVERNMENT ENTITY - (NG-CDF TAVETA)

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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. Peter Nyamai	GOK (H)	238,080				
2. Ashura Kabwange	GOK(G)	186,000				
3. Raphael Kihara	GOK(K)	267,840				
4. Stanley Maghanga	GOK(H)	200,880				
5. John Oloo	GOK(H)	163,680				
6. Margaret Irine Chao	GOK(G)	69,750				
7. Ernest Juma Mnene	GOK(G)	66,960				
Sub-Total		1,193,190				
Middle Management						
1.						
2.						
3.						
Sub-Total						
Unionisable Employees						
4.						
5.						
6.						
Sub-Total						
Others (specify)						
7.						
8.						
9.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT ENTITY - (NG-CDF TAVETA)

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees		2,237,688	431,951	
Use of goods & services		1,346,145	644,209	
Amounts due to other Government entities			-	
Taveta KMTC Campus		35,000,000		
Sub-Total		38,583,833	1,076,160	
Amounts due to other grants and other transfers				
Emergency		98,241		
Bursary secondary school		10,700,000	1,000,000	
Bursary tertiary institutions		4,190,000	190,000	
Construction of CDF office		2,531,995	6,000,000	
Sub-Total		17,520,236	7,190,000	
Sub-Total		56,104,070	8,266,160	
Acquisition of assets				
Purchase of computers		10	10	
Unallocated amount		180,000	30,000	
Sub-Total		180,010	30,010	
Grand Total		56,284,080	8,296,170	

NATIONAL GOVERNMENT ENTITY - (NG-CDF TAVETA)
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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land				
Buildings and structures	6,000,000	5,968,005		11,968,005
Transport equipment	3,300,000			3,300,000
Office equipment, furniture and fittings	473,336			473,336
ICT Equipment, Software and Other ICT Assets	461,080			461,080
Other Machinery and Equipment	12,020,600			12,020,600
Heritage and cultural assets				
Intangible assets				
Total	22,255,016	5,968,005		28,223,021

Opening balances were restated after correction of errors

NATIONAL GOVERNMENT ENTITY - (NG-CDF TAVETA)
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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
Grigan primary school project		1420277747318	157,540	1,101,029
Kitobo secondary school project		1420277269247	67,113.70	1,640
Kiwalwa secondary school project		1420277579900	127,968.10	-
KMTC-Taveta project		1420263406530	1,111.23	9,476,112.70
Lotima primary school project		1420266636831	3,608,900.80	992,120
Machungwani primary school project		1420266785509	126,573,.80	51,622
Mahandakini secondary school		1420271104238	11,152,.60	1,110,561.20
Mahoo Girls secondary school project		1420277750176	3,870.50	2,190
Njoro secondary school project		1420264568698	106,519.30	236,214
Sowene secondary school project		1420277597975	295,725.80	81,599
Taveta primary school project		1420277621406	202,870	2,870
Bishop Njenga secondary school project		1420268218298	51,084	1,084
Timbila high school		1420178878677	2,622,665	270
Timbila Primary school		1420178861151	120	120
Taveta Sport Project		1420172063458	116,560	1,020
Eldoro chiefs office project		1420277603487	1520	161,516
Mahoo chiefs office project		1420277637072	172	171,375
Jipe Divisional headquarters		1420272268008	31,134.05	31,134.50
Jipe primary school project		1420266493700	1815	1,815
kiwalwa primary school project		1420277579904	465	465
Mahandakini primary school project		1420277269247	921.03	921.03
Njoro Springs primary school project		1420178675965	1,100,000	-
Orkungú primary school project		1420277628403	1,367.50	1,367.50
Riata primary school project		1420178770328	135,291.80	101,135

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Salaita primary school project		1420272874761	187,989	103,215
Mahoo primary school project		1420265068081	2,001,645	-
Lumi Secondary School Project		1420263829981	41,729	-
Taveta Deputy County Commissioner Project		1420179831662	550,000	-
Taveta Sub-County Police Headquarters Project		1420179884929	4,606,387.59	-
Nakruto chiefs office project		1420179792562	2,000,000	-
Timbila chiefs office project		1420179788497	2,000,000	-
Mboghoni chiefs office project		1420179783250	560,908.50	-
Mata chiefs office project		1420179822660	2,000,000	-
Taveta Prisons project		1420179817552	1,520	-
Njoro Mata pre-school project		1420178675965	580	580
Chala Seconadry School peoject		1420179725382	183,995	-
Patani Hill primary school project		1420179902744	2,100,000	-
Abori primary school project		1420179883531	2,000,000	-
Msheghesheni primary school project		1420271322534	219,361.60	-
Njukini secondary school project		1420178587442	242,676.40	-
Malukiloriti primary school project		1420178581390	279,427.60	-
St. Norbert Tangini primary school project		1420268539350	176,715	-
Ngutini secondary school project		1420276831006	241,560	-
Ulawani primary school project		1420263454943	132,445	-
Khadija muna primary school project		1420178869450	152,888.40	-
Chala primary school project		1420277308530	1,152,002.30	-
Chokaa primary school project		1420179793854	105,613	-
Total			29,572,178	13,631,976

The Opening balances for PMC accounts was restated after correction of errors

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XIV. 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)
ADL/5/17/17/18 (4)	Outstanding imprest	Overdue outstanding imprest issued in 2007	Daniel Mwaluko-FAM	Not resolved	31/12/20
	Log Book for GKE 4.008	Follow up on going	Daniel Mwaluko-FAM	Not resolved	31/12/20