

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT  
FUND – LARI CONSTITUENCY**

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

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 07 MAR 2023	DAY: TUESDAY
TABLED BY:	The Leader of the Majority Party (Lom)
CLERK AT THE TABLE:	Inzofu Mwale



*Lari Constituency*

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



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**LARI CONSTITUENCY**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

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

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



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## **I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

### **(a) Background information**

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

### **Mandate**

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

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

### **Vision**

Equitable Socio-economic development countrywide

### **Mission**

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

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**Core Values**

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

**Functions of NG-CDF Committee**

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

**(b) Key Management**

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

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

**(c) Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	JOSEFRIDA KAMETI
2.	Sub-County Accountant	NANCY MUGOI
3.	Chairman NGCDFC	EVAN KARANJA
4.	Member NGCDFC	ALICE NDUNGU

**(d) Fiduciary Oversight Arrangements**

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

**(e) LARI Constituency NGCDF Headquarters**

P.O. Box LARI 71 MATATHIA  
LARI SUB COUNTY HEAD QUARTERS  
DCC OFFICE COMPOUND  
NAIROBI NAKURU HIGH WAY

**(f) LARI Constituency NGCDF Contacts**

Telephone: (254) 0720120932  
E-mail: laricdf@gmail.com

**(g) Constituency NGCDF equity bank**

Acc no. 1110295360924

Bank (equity bank Kimende branch)

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

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

Include among others the following:



**FORWARDED BY THE CHAIRMAN NGCDF COMMITTEE**

**Budget Performance.**

The allocation for financial year 2020/2021 was KSHS 137,088,724 Out of this we received 70% from the NG-CDF BOARD.

AIE NO. B 128484	7,000,000.00
AIE NO. B 126485	11,600,000.00
AIE NO. B 124589	9,000,000.00
AIE NO. B 119540	8,500,000.00
AIE NO. B 119930	12,000,000.00
AIE NO. B 128171	6,900,000.00
AIE NO. B132228	6,000,000.00
AIE NO B138896	12,000,000.00
AIE NO B126190	7,000,000.00
AIE NO B140628	12,000,000.00
<b>TOTAL</b>	<b>92,000,000.00</b>

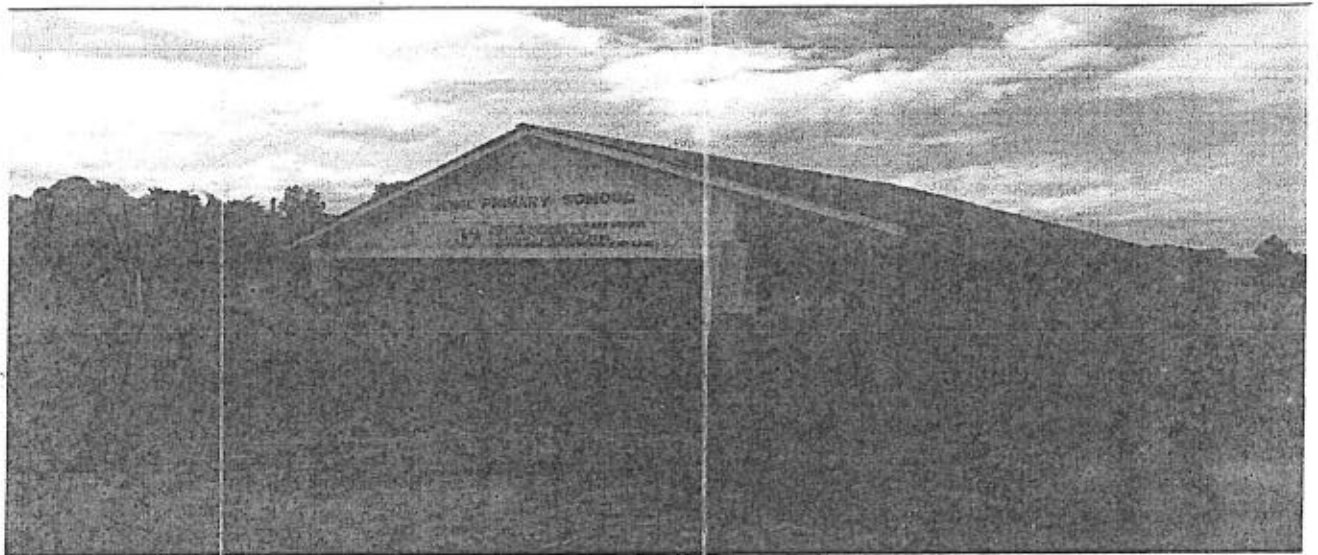
**Emerging Issues**

Disbursement of funds from the NGCDF BOARD was delayed during this financial year with only 70% received within the Financial year. However, despite the late disbursement of funds from the NGCDF-BOARD, fifteen projects had not started by 30th June 2021

**Implementation challenges**

1. Delay in release of funds
2. Transfer of FAM
3. Funds allocated not sufficient to implement projects
4. Proposals are forwarded to the NGCDFC at ward forums without realistic cost estimates from Public Works officer.
5. Covid -19 Pandemic

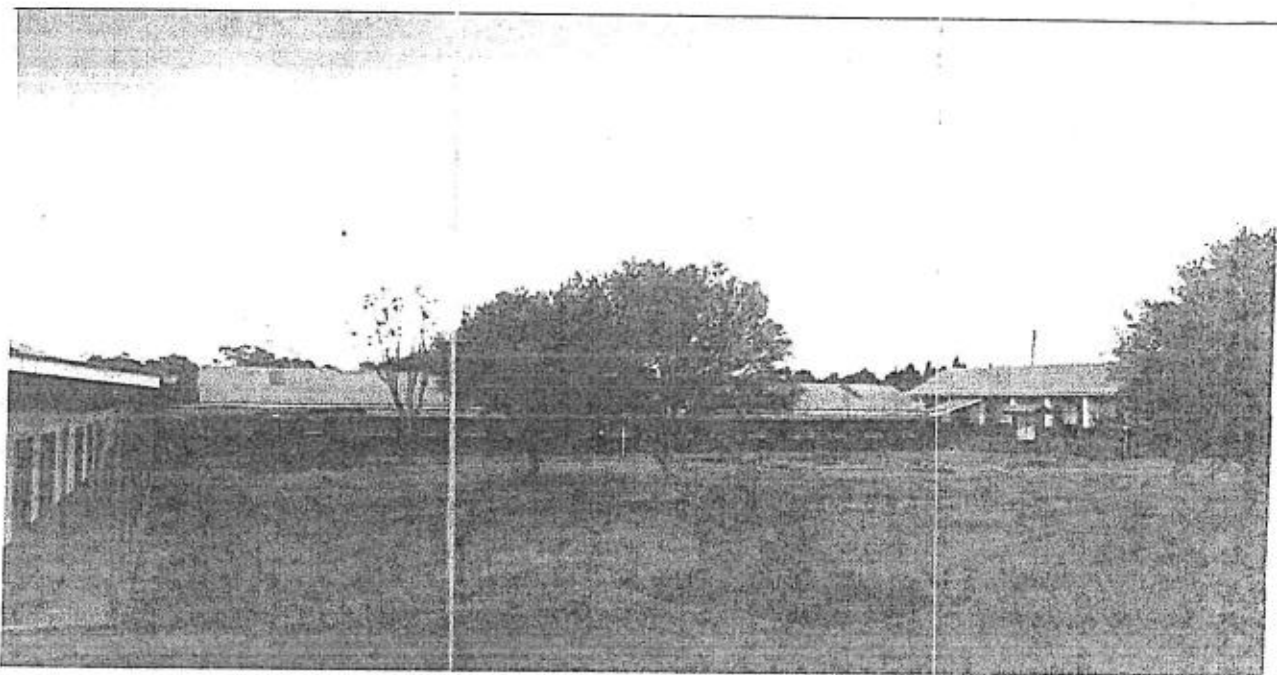




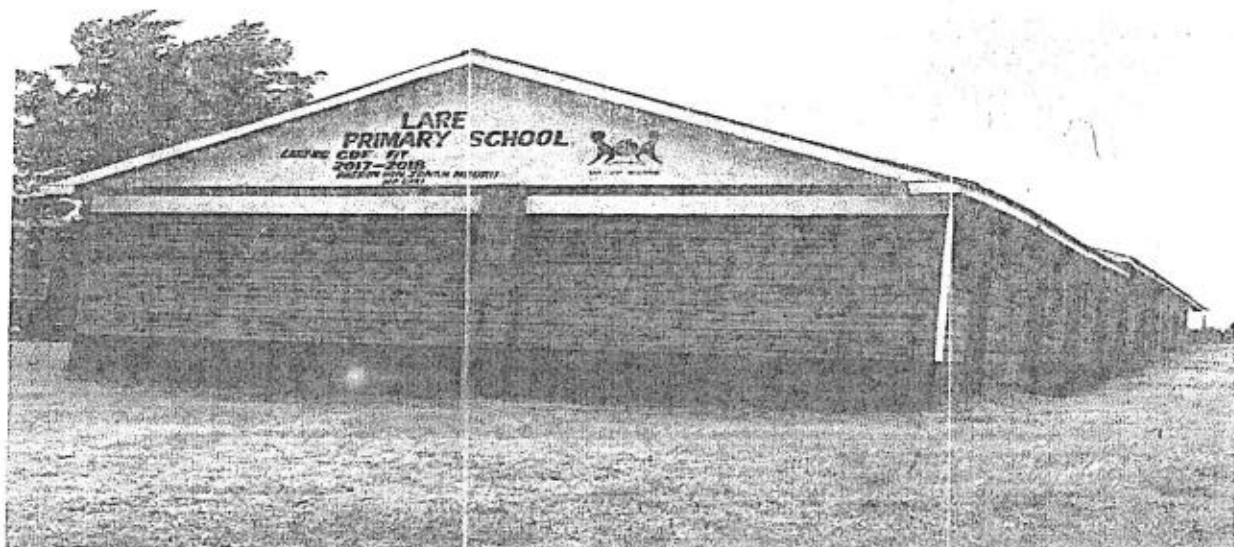
**KARENGE PRIMARY SCHOOL**  
 Construction Of Two Classrooms To Completion Including



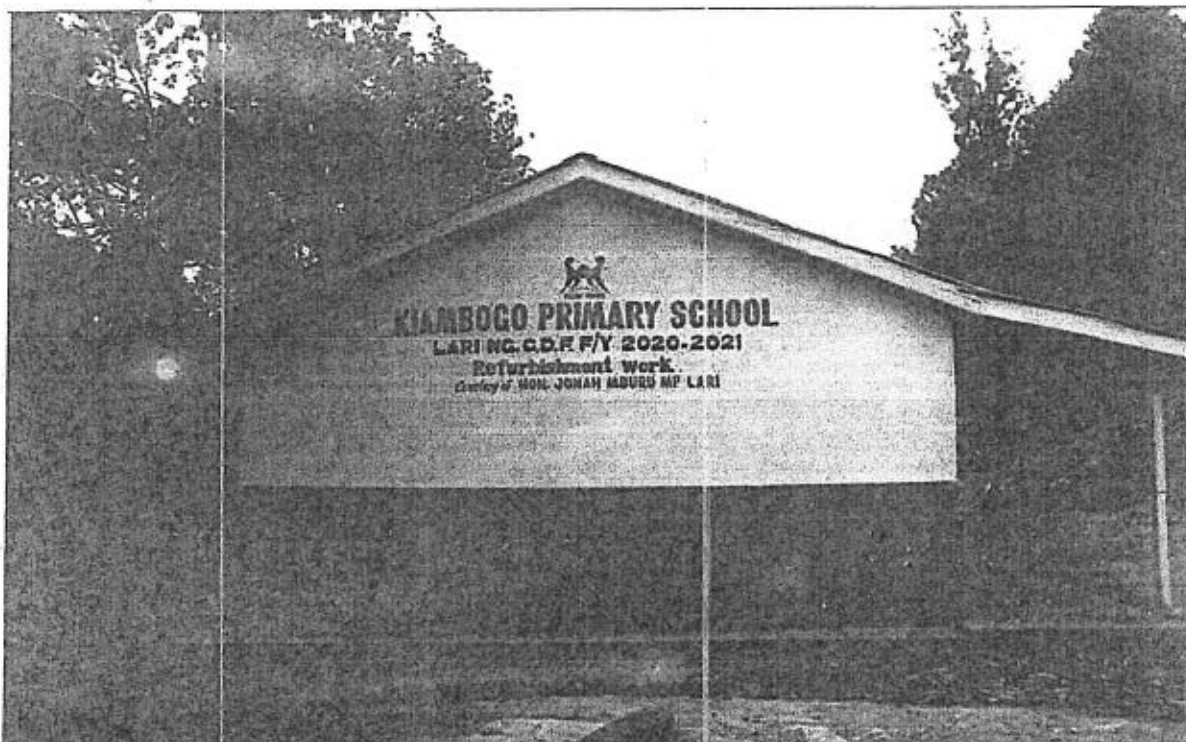
**KAMAE PRIMARY SCHOOL**  
 Renovation Of The Whole School .



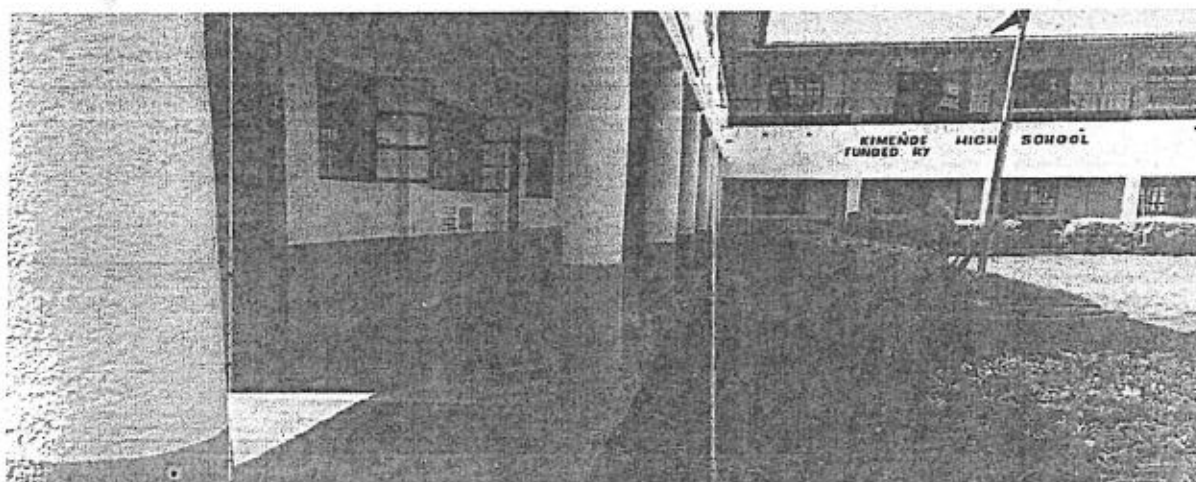
**MUGIKO PRIMARY SCHOOL**  
 Renovation of the whole school.



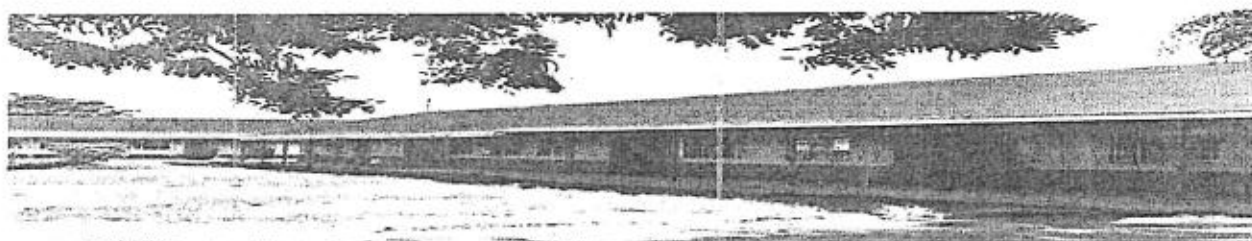
**Lare primary school**  
 Renovation and construction of the school

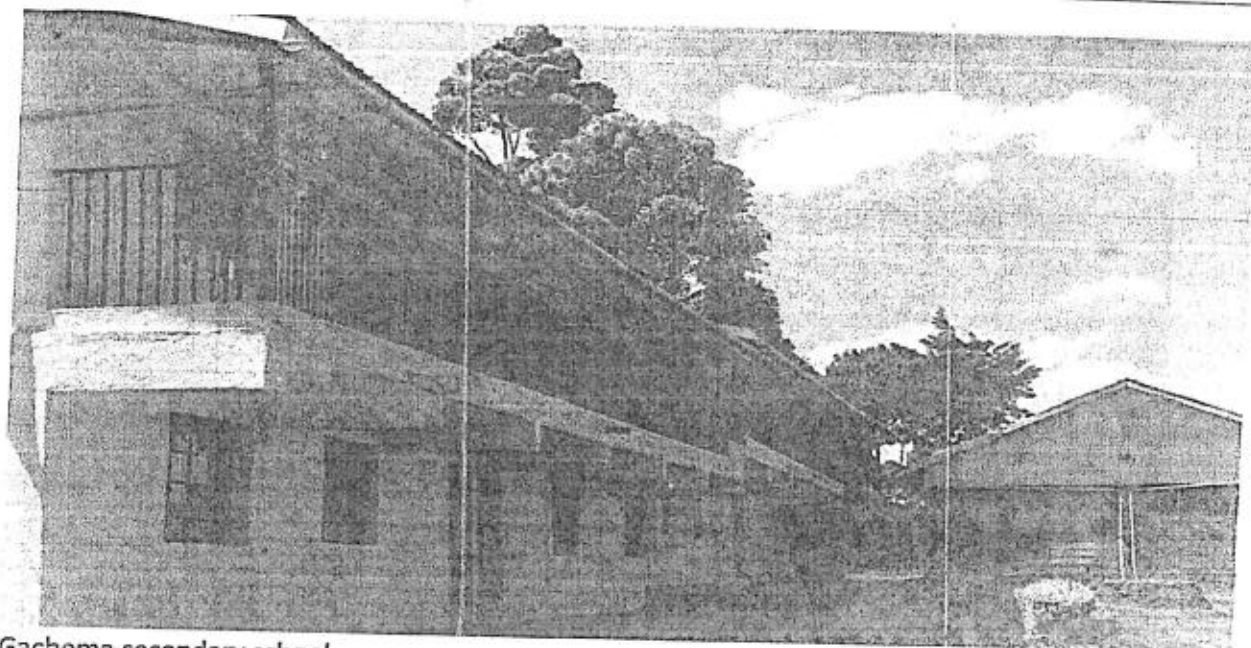


KIAMBOGO PRIMARY SCHOOL  
RENOVATION OF THE WHOLE SCHOOL



Kimende high school  
Renovation of the whole school





Gachema secondary school

Construction of classrooms to completion.

Signature

**CHAIRMAN NGCDF COMMITTEE**



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

**Introduction**

**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.

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

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

The key development objectives of NGCDF-LARI Constituency's 2018 - 2023 plan are to: In underscoring the above, the key development objectives of NGCDFC-Lari

**Introduction**

**Strategic Area One:**

**strategic Area One:**

**Education Objective:**

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

Initiative: Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children. Initiative: Enhance and develop social programmes that support education within the constituency.

**Strategic Area Two:**

**Water and Environment Objective:**

Improve access to clean water and a more sustainable and conserved environment in Lari through natural resources conservation initiatives Initiative: Initiate and enhance conservation programs within the constituency Initiative: Water and Sanitation: To ensure water sustainability in the Constituency

**Strategic Area Three:**

**Security Objective:**

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

**Strategic Area Four:**

**Sports Objective:**

Empower and develop youth and special groups to reduce dependence and spur economic growth through sports Initiative: Develop and empower youth and special groups through sports.



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##### **Strategic Area Five:**

##### **Information Communication and Technology (ICT) Objective:**

Enhance access to information and technology by Lari 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:

##### **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	Become a national model for education by improving schools infrastructure, improving performance, reducing dropout rates and increasing primary, secondary and higher education transition rates	Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children	<ul style="list-style-type: none"><li>- Number of usable physical infrastructure built in primary, secondary, and tertiary institutions</li><li>- Number of bursary beneficiaries at all levels</li></ul>	Number of classrooms increased from 320 to 416 Number of laboratories increased from 8 to 9 Number of dormitories increased from 5 to 10 Number of administration blocks increased from 17 to 19
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police station	Number of renovated chiefs' offices increased from 2 to 6 Number of assistant chiefs' offices increased from 1 to 6
Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation	Buying of water tanks for various schools  Equip schools and public facilities with sanitation	Number of sanitation facilities built in primary and secondary schools and trees planted in various schools	Environment Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives Water tanks to provide clean water to schools  Equip schools and public facilities with

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	initiatives Drill			<p>sanitation Number of water tanks bought from 0 to 8 tanks</p> <p>Increased Number of sanitation facilities built in primary and secondary from 15 to 27</p> <p>Number of trees From in primary and secondary schools increased from 0 trees to 20,000 trees</p>
Sports	Empower and develop youth and special groups through sports	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	Number of youths groups benefitting from the sports programme increased from 15 to 45 teams
Information Communication and Technology (ICT)	Enhance access to information and technology and use ICT to enhance service delivery	Equip youths with computers and internet connectivity to enable them	Number of usable chiefs' offices with computers and internet connectivity	Number of ICT centres at the chiefs' offices increased from 0 to 4

iv. **CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING.**

NGCDF - Lari 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 Lari NG-CDF Committee always highlights Corporate Responsibility as a tool with relevance for public policy actualization with the aim of enhancing sustainable and inclusive development programmes in the constituency. The financial prudence has a lot of weight in development agenda which drives on a delicate thread of enormous community expectations. In enhancing the financial trust in various sectors, we assessed the risks factors, long term and short term performance. We further looked at performance on responsible leadership with clear undertone on the interest of the constituents and stakeholders and sufficient respect for environmental, social and governance issues.

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

**SUSTAINABILITY STRATEGY AND PROFILE**

The Lari 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 as provided for in our strategic plan.

**Model Definition Relevance to sustainable strategy**

**Vision**

To be renowned Constituency in advocating for all round socio-economic development and sustainability. What the constituency is striving for in the future that influence the strategies, purpose and aspirations put in place

**Mission**

To involve all the stakeholders in the development process of the Constituency in order to achieve desired development goals.

This communicates what the office does to attain sustainable developments

**Core Values**

Accountability, Transparency, Integrity, Honesty, Equality, Equity

These are the norms, principles and beliefs that the office upholds in order to follow the right path towards attainment of the set objectives

To realize effective suitability, the constituency relied on the set targets as a sign of performance ambition.

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

**ENVIRONMENTAL PERFORMANCE**

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

Our Environmental Policy In this policy statement Lari NG-CDF commits to:

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

Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water



- ☐ Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- ☐ Managing and disposing of all wastage in a responsible manner;
- ☐ Providing training for our CD/FC and staff so that we all work in accordance with this and within an environmentally aware culture
- ☐ Regularly communicating our environmental performance to our employees and other significant stakeholders
- ☐ Developing our management processes to ensure that environmental factors are considered during planning and implementation
- ☐ Monitoring and continuously improving our environmental performance.
- ☐ Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance

Our Environmental Action Plan Lari NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts. These four areas together with our approach and targets for each are shown below:

**Impact Area Approach Capacity Building**

- ☐ Promote environmental awareness by sensitizing the Lari NG-CDFC, NGCDFC staff and PMCs on good conservation practices
- ☐ To encourage, through regular communication to Lari NG-CDFC, staff, and other stakeholders changes in individual behaviour to reduce usage Conservation of Energy and Resources
- ☐ To maximize use of available technologies to remove the need to use paper
- ☐ To encourage our clients to engage with us using electronic means where possible
- ☐ To maximize on rain water harvesting
- ☐ To make energy efficiency a key factor in the selection of any new energy device being purchased
- ☐ To invest in available energy saving technologies and devices within our existing premises

**Environmental Protection and Conservation**

- ☐ To promote use of volt guards to control power surges
- ☐ We have constructed culverts and gabions to prevent soil erosion
- ☐ To encourage tree planting in the constituency to improve the forest cover.
- ☐ To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires

**Pollution Control and Waste Management**

- ☐ To ensure that all paper waste is recycled
- ☐ To ensure segregation of waste
- ☐ To ensure proper human waste disposal through construction of pit latrines, septic and soak pit tanks

**EMPLOYEES WELFARE TERMS AND CONDITIONS OF SERVICE**

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

**Categories of Employment** Lari 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.

The Advertisement contains the following:

1. Job title
2. Main purpose of the job
3. A brief description of the key responsibilities of the job
4. Education, experience, skills and competencies required for the job

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### ***National Government Constituencies Development Fund (NGCDF)***

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5. Location of the job
6. Clear instructions on how to apply and information to be submitted in the application
7. Closing date for receipt of applications

#### **Appointment of a selection and Interview subcommittee**

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

#### **Interviews**

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

#### **Offer of Appointment.**

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

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

#### **Orientation and Induction of employees.**

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

#### **Promotions**

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

#### **HEALTH, SAFETY AND WELL BEING**

This provides guidelines on the health, safety and well-being of the office staff. Guidelines to General Safety: The office has maintain healthy and safe working conditions for its employees to ensure there is no personal injury caused by accidents. All the staff must always consider safety to themselves and others when performing their duties. They should not compromise on quality, cause injury, ill health, loss or environmental damage.

#### **Emergency Preparedness**

Every Department depending on the nature of work and services shall plan for foreseeable incidents such as accidents, explosions, fire, floods etc. and prepare and outline procedures to be followed in such events.

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

General information on fire precautions and fire equipment is contained in stickers on the wall next to the fire extinguishers. Provision of protective equipment and clothing.

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

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

#### **Guidance and Counselling**



The current challenges in the workplace and family environment affects the performance and wellbeing of an officer. To address these challenges, the office undertakes guidance and counselling of the affected staff however, consultation with family members or support system may be sought when deemed necessary. Health Care Services The staff, including spouses and children, are eligible to affordable health care services and to benefit from the NHIF medical scheme as statutory deductions are done and remitted on a monthly basis

#### **HIV/AIDS**

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

HIV/AIDS shall be treated like any other challenging issue at the workplace. All officers of the Institute shall have a role to play in the wider struggle to mitigate the effects of the pandemic.

An officer shall not be discriminated or stigmatized on the basis of HIV status. It is an offence for any person to discriminate another on the ground of actual, perceived or suspected HIV status.

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

HIV/AIDS screening shall not be a requirement for job seekers, recruitment or for persons in employment. Screening shall be confidential, voluntary and shall be after counselling.

There all be no disclosure of HIV/AIDS test results of any related assessment results to any person without the written consent of the officers.

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

#### **Persons Living with Disability**

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

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

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

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

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

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

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

**Reporting Harassment Cases** Any staff who believes that they have experienced some form of harassment should report harassment cases as outlined in the office complaints procedures manual

#### **MARKET PLACE PRACTICES NG-CDFC**

## *Lari Constituency*

### *National Government Constituencies Development Fund (NGCDF)*

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The fund was designed to support constituency-level, grass-root development projects. It is aimed to achieve equitable distribution of development resources across regions and to control imbalances in regional development brought about by partisan politics. It targets all constituency-level development projects, particularly those aiming to combat poverty at the grassroots and entrench equitable distribution of development in line with the NG-CDFC Act 2015 provisions

The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

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

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

- b) Responsible Supply chain and supplier relations Payments to suppliers are done promptly upon presentation of requisite supporting documents
- c) Responsible marketing and advertisement - outline efforts to maintain ethical marketing practices Advertisement for tenders is done publicly and no form of discrimination is applied to unfairly lock out interested bidders
- d) Product stewardship In order to safeguard consumer rights and interests, the Lari NG-CDF came up with a service charter and the complaints handling policy, principles and procedures brochure. The service charter points out our commitment in ensuring that we provide quality services to our customers with high level professionalism, dignity, integrity and courtesy, whereas complaints handling policy, principles and procedures shows our commitment to consistent, fair and confidential complaint handling and to resolve complaints as quickly as possible.

#### **COMMUNITY ENGAGEMENTS**

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

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

There after the list of proposed constituency based projects to be covered under this Act shall be submitted by NG-CDFC to the Board.

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

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

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

In summary stakeholders participation is important since:

.. Providing information helps them understand the issues, options, and solutions available for the projects.

- 
- ☐ Consulting with the public aids in obtaining their feedback on alternatives or decisions
  - ☐ Involving the public to ensures their concerns are considered throughout the decision process, particularly in the development of decision criteria, options and preferred solutions that are workable, efficient and sustainable .

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

Public Awareness and Sensitisation Exercise Provide.

- ☐ A 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 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

**v. STATEMENT OF MANAGEMENT RESPONSIBILITIES**

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

The Accounting Officer in charge of the NGCDF-LARI 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-LARI 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 transaction; 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-LARI 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-LARI 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-lari Constituency financial statements were approved and signed by the Accounting Officer on 20<sup>th</sup> May 2022.

  
Chairman NGCDF Committee  
Name: EVAN KARANJA K.

  
Fund Account Manager  
Name: JOSEFRIDA KAMETI



# REPUBLIC OF KENYA

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

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### **PREAMBLE**

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

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

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

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

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

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Lari Constituency set out on pages 22 to 41, which comprise the statement of assets and liabilities as at 30 June, 2021, and the statement



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

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

### **Basis for Qualified Opinion**

#### **1.0 Inaccuracies in Presentation and Disclosure in the Financial Statements**

Review of the report and financial statements for the year ended 30 June, 2021 revealed the following inaccuracies: -

- i. Note 5 to the financial statements reflects comparative figure of Kshs.20,000 in respect of the use of goods and services instead of Kshs.5,000 in the prior year audited financial statements.
- ii. Note 7 to the financial statements reflects Nil comparative figure instead of Kshs.7,198,241 in the prior year audited financial statements.
- iii. The summary of the fixed assets register was not included as an annexure in the financial statements.

As a result, the financial statements as presented are inconsistent with the template by the Public Sector Accounting Standards Board on partial implementation of the standards.

#### **2.0 Inaccuracies in Cash and Cash Equivalents**

The statement of assets and liabilities reflects a bank balance of Kshs.67,913,616 as disclosed in Note 10A to the Financial Statements. This was at variance with the bank reconciliation statement for the month of June, 2021 which reflected a bank balance of Kshs.62,478,286 resulting in an unexplained and unreconciled variance of Kshs.5,435,330. Further, review of the bank reconciliation statements for the year ended 30 June, 2021 revealed stale cheques amounting to Kshs.855,566 which relate to unbanked bursary cheques and statutory deductions that are accruing interests and penalties on the entity.

In addition, Review of bank reconciliations provided for audit revealed that the Accounting Officer ensured bank reconciliations basis were prepared on a monthly. However, the copies of the bank reconciliations prepared were not submitted to the Auditor-General in compliance with the requirements of Regulation 90 of the Public Finance Management (National Government) Regulations, 2015.



As a result, the accuracy and completeness of cash and cash equivalents balance Kshs.67,913,616 could not be confirmed.

### **3.0 Unsupported Procurement of Desktop Computers and Computer Accessories**

The statement of receipts and payments reflects an amount of Kshs.2,320,000 in respect of Other payments incurred in the procurement of forty (40) desktop computers and the accessories for the ICT Hubs. However, Management did not provide the prequalified list of suppliers, tender opening, and evaluation minutes for audit. It was, therefore, not possible to confirm whether procurement procedures were followed.

As result, the accuracy, completeness, and validity of Kshs.2,320,000 in respect of Other payments incurred in the procurement of forty (40) desktop computers and the accessories for the ICT Hubs could not be confirmed.

### **4.0 Irregular Payment of Gratuity to Contractual Staff**

The statement of receipts and payments reflects Kshs.2,805,117 in respect of compensation of employees. Included in this amount and as disclosed in Note 4 to the financial statements is Kshs.1,222,197 as gratuity to contracted staff. However, Staff contracts for the period were not provided for audit verification.

As a result, the accuracy and validity of the payment of Kshs.1,222,197 as gratuity to contracted staff could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Lari Constituency Management in accordance with ISSAI 130 on the 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.

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

### **Conclusion**

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

## **Basis for Conclusion**

### **1.0 Under-allocation of Bursary Funds**

The statement of receipts and payments reflects other grants and transfers amounting to Kshs.42,915,208 as disclosed in Note 7 to the financial statements. Included in this amount are bursary disbursements to secondary and tertiary institutions of Kshs.18,956,500 and Kshs.18,464,000, respectively. However, review of the total receipts from NGCDF Board revealed transfers of Kshs.161,367,724 against an allocation of Kshs.37,420,500 towards bursaries which was 23.19% of the total receipts. This was contrary to Regulation 21(5) of the NGCDF Regulations, 2016 a Constituency Committee shall allocate not less than twenty five percent of the funds allocated to a constituency for bursaries.

As result, Management was in breach of the law.

### **2.0 Irregular Recruitment of Staff**

The Fund placed advertisement for recruitment during the year under review. The advertisement on the recruitment file was unstamped and gave the applicants only 5 days to submit their applications. The advertisement of file indicated the vacant position and the responsibilities but it did not show qualifications requirements. The advertisement was not officially made either on the Funds websites, noticeboard or in any other open place. Further, discussion with the Management revealed that the advertisement was internal staff only. However, the applications were received from both internal and external applicants and among the staff appointed, one was from an external source. This contrary to Section B 4(1) of the Public Service Commission Human Resource Policies 2016 which stipulates that Ministries/State Departments will advertise all vacant posts in a manner that reaches the widest pool of potential applicants and allow for at least twenty-one (21) days before closing the advert.

Review of the interview process revealed lack of individual ranking or rating scale and individual score sheets by the panelists.

In addition, review of the payroll records indicated that in September, 2020, there was a new staff captured in the payroll who was missing in the December's Payroll. Management did not provide explanations on how the staff was recruited and how the staff exited a month later. The personal file for the staff was not provided for verification.

In the circumstances, the legality and validity of the recruitment is in doubt.

### **3.0 Lack of Updated Fixed Assets Register**

The Fund did not maintain an updated fixed asset register. Physical verification showed that some assets which were bought back in 2007 were fully depreciated. Also, the verification revealed that a number of fixed assets including printers, desktops, UPS and Furniture were in poor condition. Further, some assets were not disclosed in the fixed assets register. This was contrary to Regulation 139(1) of the Public Finance Management (National Government) Regulations, 2015 which provides that the Accounting Officer of a national government entity shall take full responsibility and ensure that proper control systems exist for assets and that preventative mechanisms are in

place to eliminate theft, security threats, losses, wastage and misuse; movement and conditions of assets can be tracked; and stock levels are at an optimum and economical level.

In the circumstances, Management was in breach of law

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

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

### **Conclusion**

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

### **Basis for Conclusion**

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the sustainability of services 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 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 noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's policies and procedures may deteriorate.



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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 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

29 July, 2022




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


**vii. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2020 - 2021	2019 - 2020
			Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	161,367,724	123,040,876
Proceeds from Sale of Assets	2		-
Other Receipts	3	100,000	30,000
<b>TOTAL RECEIPTS</b>		<b>161,467,724</b>	<b>123,070,876</b>
<b>PAYMENTS</b>			
Compensation of employees	4	2,805,117	2,022,308
Use of goods and services	5	13,039,049	6,303,296
Transfers to Other Government Units	6	46,300,000	53,296,000
Other grants and transfers	7	45,269,826	57,338,072
Acquisition of Assets	8	95,120	-
Other Payments	9	2,320,000	
<b>TOTAL PAYMENTS</b>		<b>109,829,112</b>	<b>118,959,676</b>
<b>SURPLUS/DEFICIT</b>		<b>51,638,612</b>	<b>4,111,200</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LARI Constituency financial statements were approved on 20<sup>th</sup> May 2022 and signed by:

  
**Fund Account Manager**  
**Name: JOSEFRIDA KAMETI**

  
**National Sub-County**  
**Accountant**  
**Name: NANCY N. MOGOI**  
**ICPAK M/No: 20483**

  
**Chairman NG-CDF Committee**  
**Name: EVAN KARANJA K.**








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

**viii. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2020 - 2021 Kshs	2019 - 2020 Kshs
<b>FINANCIAL ASSETS</b>			
Cash and Cash Equivalents			
Bank Balances ( as per the cash book)	10A	62,478,286	10,839,674
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		62,478,286	10,839,674
Accounts Receivable:			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>62,478,286</b>	<b>10,839,674</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	1,035,347
<b>NET FINANCIAL SSETS</b>		<b>(62,478,286)</b>	<b>9,804,327</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	10,839,674	5,693,127
Prior year adjustments	14		
Surplus/Deficit for the year		51,638,612	4,111,200
<b>NET FINANCIAL POSITION</b>		<b>62,478,286</b>	<b>9,804,327</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LARI Constituency financial statements were approved on 20<sup>th</sup> May 2022 and signed by:




		
<b>Fund Account Manager</b>	<b>National Sub-County Accountant</b>	<b>Chairman NG-CDF Committee</b>
<b>Name: JOSEFRIDA KAMETI</b>	<b>Name: NANCY N. MOGOI</b>	<b>Name: EVAN KARANJA K.</b>
	<b>ICPAK M/No: 20483</b>	

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

**STATEMENT OF CASHFLOW**

		2020 - 20201	2019 - 2020
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	161,367,724	123,040,876
Other Receipts	3	100,000	30,000
		161,467,724	123,070,876
<b>Payments for operating activities</b>			
Compensation of Employees	4	2,805,117	2,022,308
Use of goods and services	5	13,039,049	6,273,296
Transfers to Other Government Units	6	46,300,000	53,296,000
Other grants and transfers	7	45,269,826	57,338,072
Other Payments	9	2,320,000	-
		109,743,992	118,929,676
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	1,035,347
Prior year Adjustments	14	-	-
<b>Net Adjustments</b>		-	1,035,347
<b>Net cash flow from operating activities</b>		51,723,732	5,176,547
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(95,120)	-
<b>Net cash flows from Investing Activities</b>		(95,120)	-
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		51,638,612	5,176,547
<b>Cash and cash equivalent at BEGINNING of the year</b>	10	10,839,674	5,693,128
<b>Cash and cash equivalent at END of the year</b>		62,478,286	10,869,675

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LARI Constituency financial statements were approved on 20<sup>th</sup> May 2022 and signed by:

		
<b>Fund Account Manager</b> Name: JOSEFRIDA KAMETI	<b>National Sub-County Accountant</b> Name: NANCY N. MOGOI	<b>Chairman NG-CDF Committee</b> Name: EVAN KARANJA K.

ix. SUMMARY STATEMENT OF APPROPRIATION

Receipt/Expense Item	Original Budget	Adjustments		Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b		c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AJA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	137,088,879.31	10,839,674	69,367,724	217,296,277	172,207,398.10	45,088,879	79.3%
Proceeds from Sale of Assets	-	0	0	0	-	-	0.0%
Other Receipts		100000		100,000	100,000.00	-	100.0%
<b>TOTAL RECEIPTS</b>	<b>137,088,879.31</b>	<b>10,939,674</b>	<b>69,367,724</b>	<b>217,396,277</b>	<b>172,307,398.10</b>	<b>45,088,879</b>	<b>79.3%</b>
PAYMENTS							
Compensation of Employees	2,403,982.00	2,839,833		5,243,815	2,805,117.00	2,438,698	53.5%
Use of goods and services	9,934,016.62	4,128,197		14,062,213	9,958,337.00	4,103,876	70.8%
Transfers to Other Government Units	68,800,200.00	2,363,331	53,000,000	124,163,531	46,300,000.00	77,863,531	37.3%
Other grants and transfers	55,950,680.16	1,508,313	16,367,725	73,826,718	42,915,208.00	30,911,510	58.1%
Acquisition of Assets	-		95,120.00	95,120.00	95,120.00	-	100%
Other Payments				2,320,000.00	2,320,000.00	-	100%
Funds pending approval		100000		100,000		100,000	
<b>TOTAL</b>	<b>137,088,878.78</b>	<b>10,939,674.00</b>	<b>69,367,725.00</b>	<b>217,396,277.78</b>	<b>104,393,782.00</b>	<b>113,002,495.78</b>	<b>48.0%</b>

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	113,002,495
Less undisbursed funds receivable from the Board as at 30th June 2021	45,088,879
	67,913,616
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 202021	67,913,616

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**X. BUDGET EXECUTION BY SECTORS AND PROJECTS**

Programme/Sub-programme	Original Budget			Final Budget	Actual on comparable basis	Budget utilization difference
		Adjustments				
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursement s			
	2020/2021		2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,403,982.00			2,403,982.00	1,000,000.00	1,403,982.00
1.2 Committee allowances	3,498,976.51	2,839,833.00		6,338,809.51	1,805,117.00	4,533,692.51
1.3 Use of goods and services	2,322,374.24	4,128,197.00	95,120.00	6,545,691.24	95,120.00	6,450,571.24
				-		-
2.0 Monitoring and evaluation						
2.1 Capacity building	1,600,000.00			1,600,000.00		1,600,000.00
2.2 Committee allowances	1,256,333.15			1,256,333.19		1,256,333.19
2.3 Use of goods and services	1,256,333.15			1,256,333.19	9,958,337.00	(8,702,003.81)
				-		-
3.0 Emergency Projects	7,192,207.00	1,508,313.00		8,700,520.00		8,700,520.00
3.1 Primary Schools				-		-
3.2 Secondary schools				-		-
3.3 Tertiary institutions				-		-
3.4 Security projects				-		-
4.0 Bursary and Social Security				-		-
4.1 Primary Schools				-		-
4.2 Secondary Schools	20,387,559.07		10,000,000.00	30,387,559.07	10,387,559.07	20,000,000.00
4.3 Tertiary/University Institutions	19,387,559.05		6,367,725.00	25,755,284.05	9,387,559.05	16,367,725.00
4.6 Revision Materials	3,499,800.00			3,499,800.00	3,499,800.00	-
5.0 Sports				-		-



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	2,741,777.58			2,741,777.58		2,741,777.58
6.0 Environment	2,437,135.63			4,874,271.26		2,437,135.63
			2,437,135.63		2,437,135.63	
7.0 Primary Schools Projects						
(List all the Projects)						
Gathaiti Primary	3,000,000.00			3,000,000.00		2,550,000.00
Mugiko Primary	200,000.00		200,000.00	400,000.00	450,000.00	(200,000.00)
					600,000.00	
Kamahindu Primary	200,000.00		200,000.00	400,000.00		400,000.00
Kambaa Primary	200,000.00		200,000.00	400,000.00		400,000.00
Bathi Primary	200,000.00		200,000.00	400,000.00		400,000.00
Utugi Primary	200,000.00		200,000.00	400,000.00		400,000.00
Sulmac Primary	200,000.00		200,000.00	400,000.00		400,000.00
Kirasha Primary	200,000.00		200,000.00	400,000.00		400,000.00
Matathia Primary	200,000.00		200,000.00	400,000.00		(200,000.00)
					600,000.00	
Kabunge Primary	200,000.00		200,000.00	400,000.00		400,000.00
Kimende Primary	200,000.00		200,000.00	400,000.00		(200,000.00)
					600,000.00	
Ragia Primary	3,200,200.00			6,400,400.00		(3,200,200.00)
Matathia Primary	100,000.00		100,000.00	200,000.00	9,600,600.00	200,000.00
8.0 Secondary Schools Projects (List all the Projects)						
Mirangi Secondary	100,000.00		100,000.00	200,000.00		200,000.00
St. Joseph the Worker Secondary School	104,641.95		104,641.95	209,283.90		209,283.90
Mugiko Secondary School	7,500,000.00		7,500,000.00	15,000,000.00		15,000,000.00
Kimende Secondary	7,500,000.00		7,500,000.00	15,000,000.00		15,000,000.00
Gitithia Mixed Secondary School	7,500,000.00		7,500,000.00	15,000,000.00		15,000,000.00
			7,500,000.00	15,000,000.00	22,500,000.00	(7,500,000.00)
St. Augustine Nyanduma Secondary School	7,500,000.00		7,500,000.00	15,000,000.00		15,000,000.00
Kamae Secondary School	3,200,000.00		3,200,000.00	6,400,000.00		(3,200,000.00)
Escarpment Secondary School	3,600,000.00		3,600,000.00	7,200,000.00	9,600,000.00	(3,600,000.00)
					10,800,000.00	
10.0 Security Projects						
Kagaa Chiefs	3,000,000.00		582,845.00	3,582,845.00		582,845.00
					3,000,000.00	
Githirioni Assistant Chiefs Office	3,000,000.00			3,000,000.00		2,500,000.00
					500,000.00	
Uplands Police Station	3,000,000.00			3,000,000.00		3,000,000.00
Kagaa Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Kamburu Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00


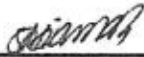

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Lari District Administration Police Commanders Office(D.A.P.C)	120,000.00	120,000.00		240,000.00		240,000.00
Lari Officer Commanding Police Division Office (O.C.P.D)	120,000.00	120,000.00		240,000.00		240,000.00
Lari Officer Commanding Police Stations office (O.C.S)	120,000.00	120,000.00		240,000.00		240,000.00
Kinale Assistant County Commissioners Office	120,000.00	120,000.00		240,000.00		240,000.00
King'atua Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Kambaa Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Kirenga Assistant County Commissioners Office	120,000.00	120,000.00		240,000.00		240,000.00
Gatamaiyu Assistant County Commissioners Office	120,000.00	120,000.00		240,000.00		240,000.00
Lari Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Gitithia Assistant Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Kamukombini Assistant Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Kamuchege Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Kamate Assistant Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Escarpment Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Gathumuri Assistant Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Mbau-ini Assistant Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Kanyeki-ini Assistant Chiefs Office	120,000.00	120,000.00		240,000.00		240,000.00
Kamahindu Chiefs Office	120,000.00	83,331.00		203,331.00		203,331.00
Kirenga Assistant County Commissioner's Office	3,600,000.00		3,600,000.00	7,200,000.00	3,592,497.83	3,607,502.17
Kinale Assistant County Commissioner's Office	3,600,000.00		1,660,056.42	5,260,056.42	1,660,056.42	3,600,000.00
OTHERS						
Kagwe ICT Hub	2,600,000.00		2,320,000.00	4,920,000.00	2,320,000.00	2,600,000.00
Kimende ICT Hub	2,600,000.00			2,600,000.00		2,600,000.00
Funds Pending Approval		100,000.00		100,000.00		100,000.00
<b>TOTAL</b>	<b>137,088,879.31</b>	<b>10,939,674.00</b>	<b>69,367,724.00</b>	<b>217,396,277.00</b>	<b>104,393,782.00</b>	<b>113,002,495.00</b>

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

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The NGCDF-LARI Constituency financial statements were approved on 20<sup>th</sup> May 2022 and signed by:

 _____ Fund Account Manager Name: JOSEFRIDA KAMETI	 _____ National Sub-County Accountant Name: NANCY N. MOGOI ICPAK M/No: 20483	 _____ Chairman NG-CDF Committee Name: EVAN KARANJA K.
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**Lari Constituency**  
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**xl. SIGNIFICANT ACCOUNTING POLICIES**

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

*Statement of Compliance and Basis of Preparation*

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

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

**1. Reporting Entity**

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

**2. 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.

**3. Significant Accounting Policies**

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

**a) Recognition of Receipts**

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

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

**Unutilized Funds from PMCs.**

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

**External Assistance**

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

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**



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

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

**4. In-kind contributions**

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

**5. Cash and Cash Equivalents.**

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

**6. 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.

**7. Accounts Payable**

For the purposes of these financial statements, Deposits (gratuity and retentions) held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

**8. Pending Bills**

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

**9. 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 for fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(2) of NGCDF Act, 2015.

**10. Budget**

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

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

**11. Comparative Figures**

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

**12. Subsequent Events**

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

**13. Errors**

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

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

**14. Related Party Transactions**

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

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**XII. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

	2020-2021	2019-2020
B041087		45,140,876
B041105		4,000,000
b041496		20,000,000
B041415		9,900,000
b047955		6,000,000
b049353		14,000,000
b104376		15,000,000
b096595		9,000,000
AIE NO B 32747354	32,747,354	
AIE NO. B 104962	36,620,369	
AIE NO. B 128484	7,000,000	
AIE NO. B 126485	11,600,000	
AIE NO. B 124589	9,000,000	
AIE NO. B 119540	8,500,000	
AIE NO. B 119930	12,000,000	
AIE NO. B 128171	6,900,000	
AIE NO. B132228	6,000,000	
AIE NO B138896	12,000,000	
AIE NO B126190	7,000,000	
AIE NO B126190	12,000,000	
<b>TOTAL</b>	<b>161,367,724.00</b>	<b>123,040,876.00</b>

3510000	2. PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS			
	Description		2020 - 2021	2019 - 2020
			Kshs	Kshs
3510202	Receipts from the Sale of Buildings		-	-
	AIA			
3510601	Receipts from the Sale of Vehicles and Transport Equipment		-	-
3510801	Receipts from the Sale Plant Machinery and Equipment		-	-
3510803	Receipts from the Sale of Office and General Equipment		-	-
	<b>TOTAL</b>		-	-

1400000	3. OTHER RECEIPTS			
	Description		2020 - 2021	2019 - 2020
			Kshs	Kshs
1410107	Interest Received			-
1410405	Rents			-
	AIA		100,000.00	
1420601	Receipts Sale of Tender Documents			30,000
	Hire of plant/equipment/facilities		-	-
	Unutilized funds from PMCs			

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1450207	Other Receipts Not Classified Elsewhere (specify)			-
	<b>TOTAL</b>		<b>100,000.00</b>	<b>30,000</b>

2110000	4. COMPENSATION OF EMPLOYEES			
	Description		2020 - 2021	2019 - 2020
			Kshs	Kshs
2110201	NG-CDFC Basic staff salaries		1,171,080.00	1,547,108
	<b>Personal allowances paid as part of salary</b>			
2110301	House allowance		176,000.00	-
2110314	Transport allowance		184,000.00	201,600
2110320	Leave allowance		-	208,800
2710120	Gratuity-contractual employees		1,222,197.00	-
2120101	Employer Contributions Compulsory national social security schemes		51,840.00	64,800
	<b>TOTAL</b>		<b>2,805,117.00</b>	<b>2,922,308</b>

2200000	5. USE OF GOODS AND SERVICES			
	Description		2020 - 2021	2019 - 2020
			Kshs	Kshs
2210100	Utilities, supplies and services		744,345.00	350,000
2210101	Electricity		122,500.00	0
2210102	Water & sewerage charges		162,000.00	120,000
2210200	Communication, supplies and services		138,700.00	480,000
2210300	Domestic travel and subsistence		53,000.00	0
2210500	Printing, advertising and information supplies & services		732,360.00	480,000
2210700	Training expenses		2,116,000.00	1,878,000
2210800	Hospitality supplies and services		162,000.00	0
2210802	Other committee expenses		4,572,220.00	1,315,288
2210809	Committee allowance		1,117,000.00	1,128,000
2211000	Specialised materials and services		40,000.00	-
2211100	Office and general supplies and services		180,200.00	20,000
2211200	Fuel, oil & lubricants		84,800.00	0
2211300	Other operating expenses			242,008



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2211301	Bank service commission and charges	13,800.00	135,000
2211310	Other Operating Expenses	-	
2211313	Security operations	86,500.00	-
2220100	Routine maintenance - vehicles and other transport equipment	13,800.00	125,000
		19,700.00	0
	<b>TOTAL</b>	<b>13,039,049</b>	<b>6,273,296</b>

Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
Transfers to Primary Schools		33,800,000.00	41,996,000
Transfers to Secondary Schools		12,500,000.00	11,300,000
<b>TOTAL</b>		<b>46,300,000.00</b>	<b>53,296,000</b>
Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
Bursary - Secondary ( see attached list)		18,956,500.00	18,140,877
Bursary -Tertiary ( see attached list)		19,818,618	8,383,000
Security Projects ( see attached list)		-	20,898,600
Sports Projects ( see attached list)		2,747,354.00	2,747,354
Environment Projects ( see attached list)		2,747,354.00	-
<b>TOTAL</b>		<b>45,269,826</b>	<b>50,169,831</b>
Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
Purchase of computers ,printers and other IT equipments		95,120.00	-
<b>TOTAL</b>		<b>95,120.00</b>	<b>0</b>
<b>9 Other Payments</b>			
ICT Hubs		2,320,000.00	-
<b>TOTAL</b>		<b>2,320,000.00</b>	<b>-</b>
<b>10A: Bank Balances (cash book bank balance)</b>			
Name of Bank, Account No. & currency	Account Number	2020 - 2021	2019 - 2020
		Kshs	Kshs
		(30/6/2020)	(30/6/2019)

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equity bank lari constituency NG-CDF	1110295360924	67,913,616	10,839,674
Equity Bank		-	-
<b>TOTAL</b>		67,913,616	10,839,674
<b>10B: CASH IN HAND)</b>			
		<b>2020 - 2021</b>	<b>2019 - 2020</b>
		<b>Kshs</b>	<b>Kshs (30/6/2020)</b>
		<b>(30/6/2021)</b>	
Other receipts (specify)		-	-
<b>TOTAL</b>		-	-
<b>11: OUTSTANDING IMPRESTS</b>			
<i>Name of Officer</i>		<i>Amount Taken</i>	<i>Amount Surrendered</i>
	<i>Date Imprest taken</i>	<i>Kshs</i>	<i>Kshs</i>
<b>12A Retention</b>			
		<b>2020-2021</b>	<b>2019-2020</b>
		<b>KShs</b>	<b>KShs</b>
<b>12 B Gratuity</b>			
		<b>2020-2021</b>	<b>2019-2020</b>
		<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)			-
Gratuity held during the year (B)			1,035,347
Gratuity paid during the Year (C)			-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C		-	1,035,347
<b>13 BALANCES BROUGHT FORWARD</b>			
		<b>2020- 2021</b>	<b>2019- 2020</b>
		<b>Kshs</b>	<b>Kshs</b>
		<b>(1/7/2021)</b>	<b>(1/7/2020)</b>
Bank accounts		62,478,286	10,839,674
Cash in hand			
Imprest			
<b>TOTAL</b>		62,478,286	10,839,574
<b>14. PRIOR YEAR ADJUSTMENTS</b>			
		Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments
<i>Description of the error</i>		<i>Kshs</i>	<i>Kshs</i>
Bank accounts balances		5,693,128	
Cash in hand		-	-
<b>Total</b>		5,693,128	-
Clarification note included			
<b>15. CHANGES IN ACCOUNTS RECEIVABLE -</b>			

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OUTSTANDING IMPREST			
		2020- 2021	2019- 2020
		Kshs	Kshs
Outstanding Imprest as at 1st July (A)		-	-
Imprest issued during the year (B)		7,891,920.00	-
Imprest surrendered during the Year ( C)		7,891,920.00	-
Net changes in accounts receivables (D=A+B-C)		-	-
<b>16. CHANGES IN ACCOUNTS PAYABLE - DEPOSITS AND RETENTION</b>			
		2020- 2021	2019- 2020
		Kshs	Kshs
<b>17. OTHER IMPORTANT DISCLOSURES</b>			
17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)			
		2020- 2021	2019- 2020
		Kshs	Kshs
17.2: PENDING STAFF PAYABLES (See Annex 2)			
		2020- 2021	2019- 2020
		Kshs	Kshs
NGCDF Staff - Gratuity			-
17.3: UNUTILISED FUNDS (See Annex 3)			
		2020- 2021	2019- 2020
		Kshs	Kshs
Compensation of employees			
Use of goods and services			
Amounts due to other Government entities (see attached list)		69,367,724.00	45,088,879.18
Others (specify)			
17.4: PMC ACCOUNT BALANCES (See Annex 4)			
		2020- 2021	2019- 2020
		Kshs	Kshs
PMC account balances (see attached list)		21,136,900	0

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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.						
Sub-Total						
Construction of civil works						
4.						
5.						
Sub-Total						
Supply of goods						
7.						
8.						
Sub-Total						
Supply of services						
10.						
11.						
Sub-Total						
Grand Total						

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

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2021
NG-CDFC Staff			
1.			
2.			
3.			
4.			
Grand Total			

**ANNEX 3 - UNUTILIZED FUND**

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20
Amounts due to other Government entities			
kimende sec school	renovation of the school		



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		3,900,000.00	
mugiko primary school	renovation of the school	3,700,000.00	
kiambogo primary school	renovation of the school	3,700,000.00	
MUTHAINI PRIMARY SCHOOL	construction two class rooms	2,400,000.00	
CROSSROAD PRIMARY SCHOOL	construction three class rooms	3,600,000.00	
MUGIKO PRIMARY SCHOOL	construction of admin block	3,000,000.00	
MIRANGI PRIMARY SCHOOL	construction two classrooms	2,400,000	
SULMAC PRIMARY SCHOOL	construction two classrooms	2,400,000.00	
NGECHU PRIMARY SCHOOL	construction two classrooms	2,400,000.00	
NGECHU PRIMARY SCHOOL	construction two classrooms	1,200,000.00	
KARENGE PRIMARY SCHOOL	construction two classrooms	1,200,000.00	
KABUNGE PRIMARY SCHOOL	construction two classrooms	2,400,000.00	
ST AUGUSTINE PRIMARY SCHOOL	construction two classrooms	2,400,000.00	
UTUGI SECONDARY SCHOOL	construction two classrooms	2,400,000.00	
SULMAC SECONDARY SCHOOL	construction two classrooms	2,400,000.00	
KIJABE PRIMARY	renovation of the school	3,800,000.00	
kimende sec school	construction of admin	3,700,000.00	
environment activities		2,747,354.00	
kijabe girls	construction of gate	660,000.00	
BURSARIES 2020/2021 FINANCIAL YEAR		19,020,370.00	
ENVIRONMENT	environment activities		2,437,135.50
BUSES	buses		30,000,000.00
GITHIRION ASST'NT CHIEF	construction of office		51,743.68
UPLANDS POLICE STATION	construction of office		3,000,000.00
CHIEF OFFICES FURNITURES	construction of office		2,400,000.00
KIRENGA ASSISTANT CHIEF	construction of office		3,600,000.00
KINALE COUNTY COMMISSIONER	construction of office		3,600,000.00
Sub-Total		69,367,724.00	45,088,879.18

ANNEX 4 – SUMMARY OF FIXED  
ASSET REGISTER

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Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	-	-	-	-
Buildings and structures	1,650,000.00	-	-	1,650,000.00
Transport equipment	-	-	-	-
Office equipment, furniture and fittings	772,500.00	95,120.00	-	867,620.00
ICT Equipment, Software and Other ICT Assets	2,524,750.00	-	-	2,524,750.00
Other Machinery and Equipment	40,000.00	-	-	40,000.00
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>4,987,250.00</b>	<b>95,120.00</b>	<b>-</b>	<b>5,082,370.00</b>

ANNEX 5 - PMC BANK BALANCES AS AT 30 <sup>th</sup> JUNE 2021				
PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
KIRATI HITHI PRIMARY SCHOOL	FAMILY BANK	049000026304	90,078.00	0
KINALE PRIMARY SCHOOL	FAMILY BANK	049000026303	112,006.00	0
KIRENGA GIRLS SECONDARY SCHOOL	FAMILY BANK	049000026302	47,368.00	0
NYAMUTHANGA PRIMARY SCHOOL	FAMILY BANK	049000026295	111,356.00	0
KAGO PRIMARY SCHOOL	FAMILY BANK	049000026293	115,281.00	0
KIBAGARE PRIMARY SCHOOL	FAMILY BANK	049000026298	8,516.00	0
LCDP GITITHIA CHIEF'S OFFICE	FAMILY BANK	049000026503	302.97	0
LCDP KINALE CHIEF'S OFFICE	FAMILY BANK	049000026504	45,958.97	0
LCDP MBAU-INI CHIEF'S OFFICE	FAMILY BANK	049000026506	56.97	0
IRIA-INI CHIEFS	FAMILY BANK	049000026301	74,640.00	0
KAMIBURU PRIMARY SCHOOL	FAMILY BANK	049000026296	144,356.00	0
LCDP SPORTS ACTIVITIES	FAMILY BANK	049000026485	62,198.55	0
GACHEMA SECONDARY SCHOOL	FAMILY BANK	049000026305	14,157.00	0
NYAMWERU SECONDARY SCHOOL	FAMILY BANK	049000026299	44.00	0
MU'GIKO PRIMARY SCHOOL	FAMILY BANK	049000026300	498.00	0
KARIGU-INI SECONDARY SCHOOL	FAMILY BANK	049000026294	227,933.00	0

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MUNYAKA PRIMARY SCHOOL	FAMILY BANK	049000026297	19,475.00	0
LARI-KIRENGA GITUAMBA CHIEFS OFFICE	FAMILY BANK	049000026679	276.00	0
LARI-NGCDF KARATINA PRIMARY SCHOOL	FAMILY BANK	049000026662	220.00	0
MBAU INI PRIMARY SCHOOL	FAMILY BANK	049000026584	119,943.00	0
LCDF EMERGENCY PROJECTS	FAMILY BANK	049000026585	3.00	0
LARI-NGCDF KIRENGA PRIMARY SCHOOL(RENOVATION)	FAMILY BANK	049000026655	175,091.00	0
LARI-NGCDF GITHOGOYO ASSISTANT CHIEFS OFFICE(CONSTRUCTION)	FAMILY BANK	049000026650	764.00	0
LARI-NGCDF MAGINA PRIMARY SCHOOL(RENOVATION)	FAMILY BANK	049000026652	40,131.00	0
LARI-NGCDF GITHOGOYO PRIMARY SCHOOL(RENOVATION)	FAMILY BANK	049000026654	108,933.00	0
LNGCDF KARUGO PRIMARY SCHOOL	FAMILY BANK	049000026653	6.00	0
LARI-NGCDF MAGINA CHIEFS OFFICE	FAMILY BANK	049000026663	124,830.00	0
LCDF KAMAE PRIMARY SCHOOL	FAMILY BANK	049000026583	43,872.00	0
LARI-NGCDF MATIMBEI ASSISTANT CHIEF(CONSTRUCTION)	FAMILY BANK	049000026657	296.00	0
LARI NGCDF MUGIKO PRIMARY SCHOOL	FAMILY BANK	049000026879	1,530,270.31	0
LARI NGCDF NGECHU PRIMARY SCHOOL	FAMILY BANK	049000026882	760,352.73	0
LARI NG- CDF KIJABE PRIMARY SCHOOL	FAMILY BANK	049000026878	1,613,811.00	0
LARI NGCDF KIMENDE HIGH SCHOOL	FAMILY BANK	049000026880	610,270.31	0
LARI NGCDF KINGATUA PRIMARY SCHOOL	FAMILY BANK	049000026881	999,938.02	0
LARI NGCDF KIAMBOGO PRIMARY SCHOOL	FAMILY BANK	049000026883	146.36	0
LARI NGCDF ST AUGUSTINE SECONDARY SCHOOL	FAMILY BANK	049000026986	633,246.93	0
LARI NGCDF MUTHAI-INI PRIMARY SCHOOL	FAMILY BANK	049000026985	382,238.00	0
LARI NGCDF SULMAC SECONDARY SCHOOL	FAMILY BANK	049000026987	2,365,836.93	0
LARI NGCDF UTUGI SECONDARY SCHOOL	FAMILY BANK	049000027006	2,365,825.65	0
LARI NGCDF KARENJE PRIMARY SCHOOL	FAMILY BANK	049000026983	716,210.00	0
LARI NGCDF UTUGI PRIMARY SCHOOL	FAMILY BANK	049000026992	904,046.74	0
LARI NGCDF MIRANGI PRIMARY SCHOOL	FAMILY BANK	049000026990	346,018.00	0
LARI NGCDF CROSSROAD PRIMARY SCHOOL	FAMILY BANK	049000026991	1,288,890.00	0
LARI NGCDF ENVIRONMENT	FAMILY BANK	049000027021	137,654.51	0
LARI NGCDF KABUNGE PRIMARY SCHOOL	FAMILY BANK	049000026984	2,395,960.00	0
LARI NGCDF SULMAC PRIMARY SCHOOL	FAMILY BANK	049000026989	2,397,594.44	0
TOTAL			21,136,900	

