

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Nakuru Town East Constituency set out on pages 26 to 55, which comprise of the statement of assets and liabilities as at 30 June, 2020, statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Nakuru Town East Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with National Government Constituency Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Inaccuracies in the Financial Statements

The financial statements prepared and presented for audit had the following inaccuracies:

- 1.1** The statement of appropriation: recurrent and development combined for the year ended 30 June, 2020 reflects transfers from the CDF board budget utilization difference of Kshs.100,753,724 while a recast revealed an amount of Kshs.101,407,044 resulting to an unreconciled and an explained variance of Kshs.653,320;
- 1.2** Note 14 to the financial statements reflects outstanding imprest of Kshs.1,690,000 for the year under review and a comparative balance of Kshs 2,000,000. However, these balances are not reflected in the statement of assets and liabilities.

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

2.0 Variance Between the Financial Statements and Supporting Schedules

A review of the statement of receipts and payments for the year ended 30 June, 2020 revealed various expenditure items were at variance with the supporting schedules/ledgers provided for audit amounting to Kshs.6,152,283 as detailed below.;

Component	Note	Financial Statements Kshs.	Schedules Figures Kshs.	Variance Kshs.
Compensation of Employees	3	2,946,300	2,972,800	(26,500)
Committee Allowances	4	3,213,000	3,797,000	(584,000)
Utilities, Supplies and Services	4	151,730	0	151,730
Communication, Supplies and Services	4	701,630	684,150	17,480
Domestic Travel	4	287,600	257,600	30,000
Printing, Advertising and Information Supplies and Services	4	1,162,796	1,121,246	41,550
Training Expenses	4	465,000	0	465,000
Hospitality Supplies and Services	4	259,229	240,249	18,980
Office and General Supplies and Services	4	786,885	723,225	63,660
Other Operating Expenses	4	1,499,430	1,492,430	7,000
Bursary to Secondary Schools and Tertiary Institutions	6	21,082,496	15,115,112	5,967,384
Total		32,556,096	26,403,812	6,152,283

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

3.0 Use of Goods and Services

The statement of receipts and payments for the year ended 30 June, 2020 reflects use of goods and services expenditure of Kshs.9,782,900 and as disclosed under Note 5 to the financial statements. A review of the expenditure related records revealed the following unsatisfactory matters;

3.1 Unsupported Expenditure

Included in the use of goods and services amount are utilities, supplies and services expenses of Kshs.151,730 and committee expenses of Kshs.1,255,600 which includes Kshs.660,000 totaling to Kshs.811,730 that were not supported with expenditure records including payment schedules, vouchers and related supporting documents.

Under the circumstances, the accuracy and completeness of expenses totaling Kshs.811,730 included under use of goods and services could not be confirmed.

3.2 Unsupported Other Operating Expenses

Included under use of goods and services expenditure of Kshs.9,782,900 is other operating expenses amount of Kshs.1,499,430 out of which Kshs.300,000 is described as bank charges but which could not be traced in the bank statements. Further, the nature of these charges was not explained, Payment vouchers and detailed schedules were also not provided for audit review.

Under the circumstances, the accuracy and completeness of other operating expenses of Kshs.1,499,430 for the year ended 30 June, 2020 could not be confirmed.

4.0 Unsupported Transfers to Other Government Units

The statement of receipts and payments reflects transfers to other government units of Kshs.53,300,000 as disclosed under Note 5 to the financial statements. Included in the expenditure is Kshs.15,850,000 in respect to transfers to secondary schools. However, transfers amounting to Kshs.10,400,000 to seven (7) secondary schools was not supported with project files and project management committee bank statements.

Under the circumstances, the validity, accuracy and completeness of transfers to secondary schools of Kshs.10,400,000 for the year ended 30 June, 2020 could not be confirmed.

5.0 Other Grants and Transfers

The statement of receipts and payments for the year ended 30 June, 2020, reflects other grants and transfers of Kshs.34,071,885 as disclosed under Note 6 to the financial statements. A review of the expenditure records revealed the following unsatisfactory matters;

5.1 Unsupported Grants on Sports and Environment Projects

Included in other grants and transfers amount of Kshs.34,071,885 are sports and environment projects expenditure of Kshs.2,659,389 and Kshs.500,000 respectively. However, the expenditure was not accounted for by way of delivery notes and acknowledgements of receipt of the sports items and environmental related supplies by the recipients.

Under the circumstance, the validity, accuracy and completeness of sports projects expenditure of Kshs.2,659,389 and environment projects expenditure of Kshs.500,000 for the year ended 30 June, 2020 could not be confirmed.

5.2 Unsupported Covid-19 Expenses

Other grants and transfers expenditure of Kshs. 34,071,885 includes payments in respect to emergency projects of Kshs.8,830,000 out of which Kshs.2,400,000 was spent on COVID-19 related expenses. However, the expenditure was not supported with procurement records, stores records and records to show their distribution and usage.

Under the circumstance, the validity, accuracy and completeness of COVID-19 related expenses of Kshs.2,400,000 for the year ended 30 June, 2020 could not be confirmed.

6.0 Inaccuracy of Cash and Cash Equivalents

As disclosed under Note 10A to the financial statements, the statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.224,147. A review of the bank reconciliation statement for the month of June, 2020 revealed that the statement reflects un-presented cheques totaling to Kshs.4,554,623 out of which cheques worth Kshs.1,243,038 were stale with some dating far back to the year 2014 and which had not been reversed in the cashbook.

Further, the un-presented cheques also include employee pay as you earn (PAYE) deductions totalling Kshs.370,495 some dating back to the year 2014 that has remained unremitted to Kenya Revenue Authority. No explanation was provided for failure to replace these cheques.

In addition, the statement reflects payments in the bank statement not recorded in the cash book totalling Kshs.90,916 with some dating back to the year 2016. No explanation was provided by Management for the failure make these adjustments in the cashbook.

Consequently, the accuracy and completeness of the cash and cash equivalents balance of Kshs.224,147 as at 30 June, 2020 could not be ascertained.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation: recurrent and development combined reflects final receipts budget Kshs.201,135,956 and actual receipts on comparable basis of Kshs. 99,728,912 resulting to an under-funding of Kshs.101,407,044 or 50% of the budget. Similarly, the Fund expended Kshs.100,101,085 against an approved budget of Kshs.201,135,956 resulting to an under-expenditure of Kshs.101,034,871 or 50% of the budget. The underfunding affected the planned activities and may have impacted negatively on service delivery for the constituents of Nakuru Town East Constituency.

2. Projects Implementation

2.1. Delay in Project Implementation

The project implementation status report for the year ended 30 June, 2020 indicates that thirty-nine (39) projects of the projects budgeted for implementation with funding allocation of Kshs.49,749,00, were at various implementation status out of which three (3) with a funding allocation of Kshs. 6,600,000 were not started and thirty six (36) with allocated funding of Kshs. 43,149,000 were ongoing. The Fund management attributed the delay in completing the projects to slow tendering processes and delayed disbursements from the NGCDF- Board.

Delay in project implementation denies the residents of the Nakuru Town East Constituency the intended benefits.

2.2. Project Verification

Twenty (20) projects with a funding allocation of Kshs.34,450,000 were sampled for verification during the month of February 2021 and the status of the specific projects is outlined in **Appendix 1**. No satisfactory explanation has been rendered for the anomalies noted and delays in completing the projects.

Under the circumstances, the delivery of services to the Constituents is affected and the Constituents are not receiving the intended benefits from the projects.

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 Errors in Presentation of Financial Statements

The financial statements prepared and presented for audit for the year ended 30 June, 2020 contained various omissions and errors in their presentation as highlighted below;

- 1.1 Pages 28 and 64 are blank;
- 1.2 Forward report by the chairman NGCDF committee on page 11 is not signed;
- 1.3 Note referenced in the statement of receipts and payments and the statement of assets and liabilities do not match the actual notes.
- 1.4 Progress on follow-up of auditor recommendations indicates that issues have been resolved on management letter, but the 2018/2019 audit report has not been discussed by the parliament.
- 1.5 The statement of appropriation: recurrent and development combined reflects other grants and transfers final budget of Kshs.65,021,432, other grants and transfers actual amount of Kshs.34,071,885, transfers from NGCDF board budget adjustments of Kshs.63,711,232 and nil budgeted amounts for other payments. While the footnotes for the statement reflect Kshs. 64,676,931, Kshs.35,071,885 Kshs.32,268,232 and Kshs.8,650,000 respectively resulting to unreconciled variances.

Consequently, the annual report as prepared and presented does not comply with the requirements of International Financial Reporting Standards and as prescribed by the Public Sector Accounting Standards Board.

2.0 Unutilized Project Management Committee Bank Balances

Annex 5 to the financial statements reflects Project Management Committee (PMC) bank balances amounting to Kshs.6,153,649 as at 30 June, 2020 out of which funds totaling Kshs.1,168,778 in respect to nine (9) projects were lying idle since the respective projects were complete. The unutilized funds have not been transferred to the Nakuru East Constituency CDF account. This is contrary to section 12(8) of the National Government Constituencies Development Fund Act, 2015 which states that all unutilized funds of the Project Management Committee shall be returned to the Constituency account.

In the circumstances, the Fund Management is in breach of the law.

3.0 Irregular Procurement of Goods and Services

The statement of receipts and payments for the year ended 30 June, 2020 reflects use of goods and services balance of Kshs.9,782,900 as disclosed under Note 5 to the financial statements. The amount includes payments amounting to Kshs.5,268,700 relating to for various components out of which Kshs.435,790 were procured through cash. This is contrary to Section 107(b) of the Public Procurement and Asset Disposal Act, 2015 which states that the estimated value of the goods, works or non-consultancy services being procured are less than or equal to the maximum value per financial year for that low-value procurement procedure as may be prescribed. The Second Schedule sets the maximum level of expenditure at Kshs.30,000 for this method of procurement. In addition, the supporting cash sales receipts lacked ETR receipts and approval from the procuring officer.

To this extent, the Fund was in breach of the law.

4.0 Unsupported Communication, Supplies and Services Expenses

Included under use of goods and services is Kshs.701,630 on communication, supplies and services out which Kshs.291,810 was expenditure on purchase of airtime to members of staff. However, the authority and criteria of allocation of the airtime allowance and the distribution list /acknowledgements by the recipients was not provided for audit verification.

In the circumstances, it was not possible to confirm the regularity of the expenditure of Kshs.291,810 on airtime expenditure.

5.0 Irregular Committee Allowances

Included in the use of goods and services expenses is committee expenses of Kshs.3,213,000. A review of records associated with the expenditure revealed that the committee held thirty-eight (38) meetings contrary to National Government Constituencies Development Act, 2015 Section 43(11) which states that Constituency

Committee shall hold at least six times and not more than twenty-four (24) meetings in a year. This resulted to irregular expenditure of Kshs.1,875,000 on the extra sittings. In addition, a payment of Kshs.469,000 was made to non-committee members.

Under the circumstances, the propriety of the expenditure on committee allowances could not be confirmed.

6.0 Irregular Bursary Payments

The statement of receipts and payments for the year ended 30 June, 2020, reflects other grants and transfers of Kshs.34,071,885 as disclosed under Note 6 to the financial statements. Included in this balance are bursaries to secondary schools amounting to Kshs.15,544,406 and tertiary institutions of Kshs.5,538,090 both totaling to Kshs.21,082,496. However, one-hundred and forty-eight (148) beneficiaries who received Kshs.2,073,725 did not have admission numbers. Further, three-hundred seventy-three (373) beneficiaries received multiple bursaries totaling to Kshs.3,523,993. In addition, twelve (12) beneficiaries from same institution shared registration numbers and were issued with an amount of Kshs.193,516.

Under circumstance, the validity, regularity and completeness of bursary payments of Kshs.4,791,234 to beneficiaries with incomplete details could not be confirmed.

7.0 Irregular Use of Emergency Funds

The statement of receipts and payments for the year ended 30 June, 2020 reflects other grants and transfers amount of Kshs.34,071,885 as disclosed under Note 6 to the financial statements. Included in this amount is Kshs.8,830,000 incurred on emergency projects out of which Kshs.4,330,000 was spent on nine (9) projects which did not meet the set criteria for emergency projects as detailed below;

No	Project Beneficiary and Details	Allocation Amount Kshs.	Observation
1	Ndimu primary school - Repair of Classrooms	400,000	The Project is not of emergency nature
2	Rhino Primary School - Completion of Classrooms	400,000	The Project is not of emergency nature
3	Mirugi Kariuki primary school - Plastering and renovation of classrooms	400,000	The Project is not of emergency nature
4	Nairobi Road primary school - Fixing windowpanes for 13 classrooms	400,000	The Project is not of emergency nature
5	Madaraka primary school - Rehabilitation of	400,000	The Project is not of emergency nature

No	Project Beneficiary and Details	Allocation Amount Kshs.	Observation
	classrooms and fixing windowpanes		
6	Nakuru Central Secondary School – one classroom	1,000,000	The funds allocated for emergency were utilized but the project was not of emergency in nature and undertaken without approvals from the board. The project file was not provided to confirm procurement process and payment details. The project was not labelled contrary to National Government Constituencies Development Regulations, 2016 Section 11 (1)(cc) which requires the constituency committee to ensure all projects are labelled.
7	Saham assurance Company Kenya Limited - Purchase of Insurance cover for St. Xaviers Primary	250,000	The Project is not of emergency nature
8	St. Xaviers primary school - Construction of a parking shade/garage for the bus	300,000	The Project is not of emergency nature
9	Accounts office - Renovation of ACC's offices	780,000	The funds allocated for emergency were utilized but the project was not of emergency in nature and undertaken without approvals from the board. The project file was not provided to confirm procurement process and payment details.
	Total	4,330,000	

This is contrary to Section 8(3) of National Government Constituencies Development Fund Act, 2015 which states that "Emergency" shall be construed to mean an' urgent, unforeseen need for expenditure for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of the constituents.

To this extent, the Fund Management is in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit 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 overall 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 going concern basis of accounting unless the management is aware of 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 financial reporting process, reviewing the effectiveness of how the Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall 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 overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on 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

11 February, 2022

APPENDIX 1

No.	Project Beneficiary and Details	Allocation Kshs.	Observation
1	Primary Schools desks and lockers project.	8,800,000	The funds were for purchase of lockers and chairs. However, only Kshs.5,100,000 was acknowledged as received by the schools resulting to Kshs.3,700,000 not acknowledged. In addition, details of how the desks and lockers were procured, received, inspected and paid were not availed for audit.
2	Racetrack Primary School - Construction of 2 storeyed classrooms to completion	1,600,000	The project is incomplete with pending works of plastering, window and door panes, flooring, and painting.
3	Mirugi Kariuki Primary School - Construction of 1 classroom to completion	800,000	The project is complete and in use but not branded/labelled
4	Lionhill Primary School - Construction of 1 classroom to completion	800,000	The project received funding on 7 May 2020. At the time of physical verification, the allocation had been exhausted and the project was incomplete with pending works of wiring, painting, fitting windowpanes and branding/labeling.
5	Mburu Gichua Primary School - Construction of 1 classroom to completion	800,000	The project is complete and in use but not branded/labelled
6	Lakeview Primary School - Construction of 1 classroom to completion	800,000	The project is complete and in use but not branded/labelled
7	Kimathi Primary School - Renovation of 5 classrooms (flooring@400,000.00, windowpanes@150,000, painting @250,000.00)	800,000	Physical verification revealed complete renovations works and classrooms were in use
8	Lenana Primary School - Construction of 6 door ablution block to completion	1,200,000	The project is complete but not in use awaiting water connection. The project was also not branded/labelled
9	Ngala Special Primary School - Construction of 2 classrooms	1,200,000	The project received funding on 29 May, 2020. Physical verification revealed that only 1 classroom was complete and in use. The other remained unattended.

No.	Project Beneficiary and Details	Allocation Kshs.	Observation
10	Nairobi Road Primary School - Completion of Kitchen and staff hall, cold-room, changing room, working area and dry store	800,000	The project is complete and in use but not branded/labelled
11	Naka Primary School - Construction of 2 classrooms to completion	1,600,000	The project has not started off and Fund management attributed this to unresolved land dispute in the school. The PMC bank statements were not provided for audit to verify the receipt and utilization of the funds and therefore, we could not confirm the authenticity of the transfer
12	Rhino Primary School - Construction of 1 classroom to completion	800,000	The entire allocation had been exhausted and physical verification revealed that classroom is incomplete but in use. Pending works includes fixing windowpanes, wiring, painting and branding.
13	Maria Veronica - Construction of one classroom @ 1,000,000.00 and purchasing of 40 pieces of desks and lockers @5000	4,200,000	Physical verification revealed that the school received Kshs.1,200,000 resulting under receipt of Kshs.3,000,000. Also, Kshs.1,000,000 allocated for construction of one (1) classroom was diverted to completion of staff quarters without the approval of the board. The delivered desks and lockers were in use but not branded
14	Kimathi Secondary School - Construction of twin laboratory two classrooms	2,000,000	The project is complete and in use but not branded/labelled.
15	Kivumbini Secondary School - Construction of Multipurpose Complex and 2 classrooms	2,000,000	The project is incomplete with pending works of painting and tiling. Labour based contracting was used without evidence of quotation being sent to prequalified contractors, evaluations and award.
16	Nakuru East Mixed Secondary School - Renovation of 9 classrooms	2,000,000	The project is complete and in use but not branded/labelled
17	Kimathi Secondary School - Construction of 1 laboratory to completion.	1,450,000	The project was verified to be ongoing but pending works included painting, plumbing, electrical work, flooring and equipping the laboratory.
18	Muguga Chief's Office - Construction of a perimeter wall	1,000,000	The project is incomplete with pending works in construction and fixing of the gate, front grill and plastering. The project file and PMC bank statements were not availed for audit, we could

No.	Project Beneficiary and Details	Allocation Kshs.	Observation
			therefore not verify the procurement process used identifying, evaluating and awarding of the construction works.
19	Free area Chief's ground - Construction of 15 door toilet and one toilet for persons with disability	1,400,000	The project is complete but not in use and not labelled. Also, project file and PMC bank statements were not provided to confirm the procurement process and payment details.
20	CDF office - Repair and renovation of septic tank	400,000	There was no evidence of any works in the septic tank. Also, the project file was not provided to confirm procurement process and payment details.
	Total	34,450,000	