

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 07 AUG 2024

DAY: Afternoon

TABLED BY: Deputy Leader of Majority

CLERK-AT-THE-TABLE: Benson

OF Party of Inzori



**THE AUDITOR-GENERAL**

**ON**

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

**FOR THE YEAR ENDED  
30 JUNE, 2023**



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**RONGO CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2023**

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



ASAS JAYA S S

***Rongo Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023***

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*Rongo Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

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**I. Acronyms and Abbreviations**

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC- Project Management Committee

FY-Financial Year

## **II. 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 2022. 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;

## **Rongo Constituency**

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

#### **Annual Report and Financial Statements for The Year Ended June 30, 2023**

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- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

#### **Vision**

Equitable Socio-economic development countrywide

#### **Mission**

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

#### **Core Values**

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

#### **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 Rongo 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)

### **Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2023 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Enock O. Nyasende
2.	Sub-County Accountant	Felix Emolem
3.	Chairperson NGCDFC	Moureen Auma
4.	Member NGCDFC	Richard Onyango Ochieng

### **(c) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Rongo 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.

### **(d) Rongo Constituency NGCDF Headquarters**

P.O. Box 542-40404  
NG-CDF Building  
Rongo Sub County Headquarters  
Rongo.

### **(e) Rongo Constituency NGCDF Contacts**

Telephone: (254) 723362923  
E-mail: [cdfongo@ngcdf.go.ke](mailto:cdfongo@ngcdf.go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)



**(f) Rongo Constituency NGCDF Bankers**

Kenya Commercial Bank of Kenya  
1121172210  
P.O BOX 266-40404  
Rongo, Kenya

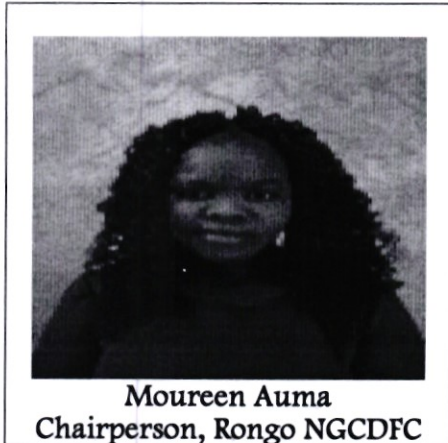
**(g) Independent Auditors**

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

**(h) Principal Legal Adviser**

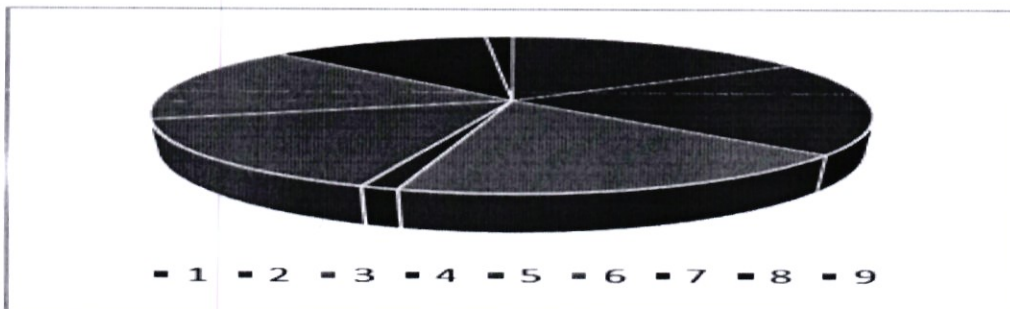
The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

**III. NG-CDFC Chairman’s Report**



Once again it is that time of the year when, as per the law, we present to you the Financial Statements of Rongo NGCDF for the financial year 2022/2023. In the financial year 2022/2023 the Constituency was allocated Kshs.138,215,033.00. Balance brought forward from the previous financial year was Ksh.21,818254.00 making the total budget for the year to be Ksh. 160,033,287. The Constituency spent a total of Ksh.80,493,874.00 out of Ksh87,000,000.00 received, representing 50.1% of the total allocation. The under absorption was occasioned by a delay in receipt of funds from the NGCDF Board and requisite procedures before spending.

The performance per sector was as follows: Compensation of employees was 85.3 % while Use of Goods and Services 100% and Transfer to Other Government Units registered 7.5% absorption rate each. Other grants and other transfers registered an absorption rate of 79.2%, while Acquisition of Assets registered 82.2% absorption. Below is a representation of budget against expenditure in each section.



1. Committee Expenses-100.00%
2. Compensation of Employees 85.3%
3. Use of goods and Services 95.5%
4. Acquisition of Assets 82.20%
5. Other grants and transfers79.2%
6. Oversight Committee Expenses 60.7%
7. Transfers to other Government Units 7.5%
8. Other payments 7.5%



**KITERE PRIMARY SCHOOL-RENOVATION OF 6NO. CLASSROOMS FY 2022/2023**

  
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**Name: Moureen Auma**  
**CHAIRPERSON NGCDF COMMITTEE**

**IV. Statement Of Performance Against Predetermined Objectives for FY2022/23**

**Introduction**

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

The key development objectives of *Rongo Constituency 2017-2022* plan are to:

- a) To improve infrastructural capacity and number of teaching staff of the constituency's educational institutions to enable them provide quality, efficient and effective education and training.
- b) Provide bursaries to needy and deserving students to undertake schooling and various skills - based trainings
- c) To enhance national government coordination, administration, security and promote social norms to facilitate peaceful co-existence among the people and create a conducive environment for development
- d) To improve supply of clean water and sanitation facilities
- e) To harness sporting and creative talents of the youth

**Progress on attainment of Strategic development objectives**

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	a) To improve infrastructural capacity and number of teaching staff of the constituency's educational institutions to enable them provide quality, efficient and effective education and training. b) Provide bursaries to needy	Completed classrooms; laboratories; toilets; and multipurpose halls	- Number of classrooms, admin blocks, and libraries have been built and renovated. - Number of bursary beneficiaries	In FY 22/23 -we have managed to renovate 19 classrooms, construct 3 No Pit Latrines. - Bursary beneficiaries at all levels were as per the attached schedules. 5400 beneficiaries were awarded.

**Rongo Constituency**

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	and deserving students to undertake schooling and various skills - based trainings			
Security	To enhance national government coordination, administration, security and promote social norms to facilitate peaceful co-existence among the people and create a conducive environment for development	Space for development of new Police Posts Chiefs offices	Number of police stations administrative blocks set up. -Chief's offices constructed	Construction of Administration block for Okumba Police Post
Environment	To improve supply of clean water and sanitation facilities	Planting of trees and construction of toilets	No. of tree seedlings and toilets constructed	Constructed 3 No. Pit Latrines
Sports	To harness sporting and creative talents of the youth	Sponsor sports festivals	One Constituency sports Tournament. Winners rewarded with sports kits.	One Constituency tournament to be conducted .Preliminary preparations done
Emergency	To have interventions in emergency cases	Emergencies attended to.	Attend to emergencies arising in the constituency.	Renovated 250bed capacity dormitory razed down by fire at Kanga High School

**V. Statement of Governance**

- a) This procedure shall start upon receipt of the guidelines on formation of NG CDFC from the NG CDF Board,
- b) The FAM shall write a letter to the DCC and Constituency Office Manager requesting for the nomination of members of the selection panel as per the guidelines and maintain a record confirming receipt
- c) The DCC shall nominate in writing an officer or his/her representative who will be the chairperson to the NG CDFC selection panel.
- d) The Constituency Office Manager shall nominate in writing two persons of either gender to be members of the selection panel.
- e) The chair shall then convene the first selection panel meeting to document criteria for selection of the four members to the NG-CDFC (Male and female adults, male and female youth) and advertise (the applicants shall be given two weeks to submit their applications).
- f) The FAM shall then write to the Constituency Office Manager requesting for the nomination of two persons of either gender as per the guidelines issued by the NG-CDF Board to be members of the NG-CDFC maintain a record confirming receipt
- g) The Constituency Office Manager shall then nominate in writing the two members to the NG-CDFC.
- h) The FAM shall write to a registered group representing people with disabilities in the constituency as per the guidelines as issued by the NG-CDF Board requesting for nomination of one person with disability to sit in the NG-CDF committee and maintain a record confirming receipt
- i) The PWD organization shall nominate in writing a member to the NG-CDFC.
- j) Applications are received at the NG-CDF office and recorded in the application register.
- k) Within one week after the closure of the advertisement, the Selection panel shall convene to shortlist the suitable candidates as per the criteria in the advert. The successful candidates shall then be called for interviews within seven days.
- l) The Selection panel shall hold the interviews of the invited candidates and come up with the final list of qualified nominees to the NG-CDFC.
- m) The FAM shall then submit to the NG-CDF Board the report of the selection panel which includes seven nominees and the Nominee of the Board to the NG-CDFC as per the guidelines within seven days.
- n) The FAM shall ensure that the timelines set out in the regulations are adhered to during the process of selection and appointment of NGCDF Committee

Removal of Members will be done according to provisions of the NG CDF Act 2015 as amended in 2022.

The function of the committee are as stipulated in the NG CDF Act 2015 and the NG CDF regulations 2016. Induction for the committee members was held after inauguration and an annual training/capacity building for the members .

Meeting held during the year were 24. A declaration of conflict of interest is declared in every meeting.

Each member is paid Ksh5,000.00 per meeting gross and the code of conduct for public officers is adhered to.

FAM tables a risk report every quarter in a NG CDFC meeting for consideration.

## **VI. Environmental and Sustainability Reporting**

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

### **1. Sustainability strategy and profile -**

To ensure sustainability of Rongo NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Rongo NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

## **2. Environmental performance**

- NG-CDF supported students carry out environmental conservation activities ,this is done to coincide with the rainy seasons
- Construction of police stations supported NG-CDF in the villages has brought policing to the community level thereby enhancing adherence to the rule of law
- During NG-CDF sponsored sporting activities/tournament. Communities' and participants are sensitized on environmental conservation matters.

## **3. Employee welfare**

We invest in providing the best working environment for our employees. Rongo constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Rongo constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

## **4. Market place practices-**

Rongo NGCDF Constituency is committed to fair and ethical market practises.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from



the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers which is enhanced through organized sensitization forums that relate to the procurement legal framework and ethical subject matters. We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption
- b) Good business practice including cordial Supply chain and supplier relations by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interest

#### **5. Community Engagements-**

Rongo NGCDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

#### **Public Participation in Project Identification and Implementation and Monitoring**

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

**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.

The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

**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.

Rongo NG-CDF has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.



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**Enock O. Nyasende**  
**Fund Account Manager.**

## VII. 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-Rongo 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, 2023. 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-Rongo 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 *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Rongo Constituency further confirms the completeness of the accounting records maintained for the *constituency*, 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 Rongo Constituency confirms that the *constituency* 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 *constituency's* financial statements have been prepared in a


**Rongo Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**


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form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The NGCDF- Rongo Constituency financial statements were approved and signed by the Accounting Officer on 19<sup>th</sup> Sep 2023.

  
.....  
**Name: Moureen Auma**  
**Chairperson – NGCDF Committee**

  
.....  
**Name: Enock O Nyasende**  
**Fund Account Manager**

# REPUBLIC OF KENYA



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HEADQUARTERS  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - RONGO CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

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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 the intended purpose.
- C. Report on the 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 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 - Rongo Constituency set out on pages 1 to 38, which

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*Report of the Auditor-General on National Government Constituencies Development Fund - Rongo Constituency for the year ended 30 June, 2023*

comprise the statement of assets and liabilities as at 30 June, 2023, and the statement receipts and payments, statement of cash flows and 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 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 National Government Constituencies Development Fund - Rongo Constituency as at 30 June, 2023 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 the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in Budget Execution by Sector and Projects**

The summary statement of appropriation reflects final expenditure budget of Kshs.160,524,287 while budget execution by sectors and projects reflects final budget of Kshs.149,669,006 resulting to an unreconciled variance of Kshs.10,855,281.

In the circumstances, the accuracy and completeness of the summary statement of appropriation could not be confirmed.

#### **2. Unsupported Project Management Committee Balances**

Note 18.4 and Annex 3 to the financial statements reflects Project Management Committee (PMC) account balances of Kshs.12,339,664. However, the cash books, bank reconciliation statements and certificates of bank balances for the individual PMC accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs.12,339,664 could not be confirmed.

#### **3. Unsupported Bursary Disbursements**

The statement of receipts and payments reflects other grants and transfers amount of Kshs.61,202,430 and as disclosed in Note 8 to the financial statements which includes bursary payments amounting to Kshs.12,497,189 and Kshs.39,183,640 disbursed to secondary schools and tertiary institutions respectively. However, no acknowledgement letters from beneficiary institutions were provided for audit.

In the circumstances, the accuracy and completeness of bursary disbursements totalling Kshs.51,680,829 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 - Rongo 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.

## **Emphasis of Matter**

### **Budgetary Control and Performance**

The summary statement of appropriation reflects a final receipts budget and actual on comparable basis of Kshs.160,520,287 and Kshs.109,305,254 respectively resulting to an under-funding of Kshs.51,215,033 or 32% of the budget. Similarly, the Fund spent an amount of Kshs.80,493,874 against actual receipts of Kshs.109,309,254 resulting to an under-utilization of Kshs.28,815,380 or 26% of the actual receipts

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

## **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 sections 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 Anomalies in Implementation of Projects**

##### **1.1 Delayed Construction of a Tuition Block at Kitere Secondary School**

Review of the Project Implementation Status Report revealed that the construction of a tuition block at Kitere Secondary School was awarded at a contract sum of Kshs.30,492,259. The contractor had cumulatively been paid an amount of

Kshs.5,000,000. However, physical verification in the month of March, 2024 revealed that the project had not started despite cumulative payment of Kshs.5,000,000. It was noted that Management proposed to reallocate the amount to junior secondary school since Kitere Secondary School was not in existence.

In the circumstances, value for money on the amount of Kshs.5,000,000 spent on the project could not be confirmed.

### **1.2 Failure to Brand Completed Primary School Project**

Review of Project Implementation Status Report revealed that the contract for the construction of a classroom at Paul Arondo Primary School was awarded at a sum of Kshs.1,000,000. However, physical inspection in the month of March, 2024 revealed that the project was complete and in use but not branded. This was contrary to Regulation 11(1)(cc) of the National Government Constituencies Development Regulations, 2016 which states that one of the functions of a Constituency Committee is to ensure projects are labelled in accordance with the guidelines issued by the Board.

In the circumstances, Management was in breach of the law.

### **1.3 Delayed Completion of Borehole Drilling at Kameji Mixed Secondary School**

Review of Project Implementation Status Report revealed that the contract to drill and a borehole at Kameji Mixed Secondary School was awarded at a contract sum of Kshs.1,395,272. However, physical inspection conducted in March, 2024 revealed that the project was not complete.

In the circumstances, value for money on the expenditure of Kshs.1,395,272 for drilling and equipping of a borehole could not be confirmed.

### **1.4 Poor Workmanship in the Construction of Classrooms at St. Jonathan Primary School**

Review of project implementation status report revealed that Management contracted a contractor to complete four(4) classrooms at St. Jonathan Primary School at a contract sum of Kshs.2,194,581. However, physical inspection conducted in March, 2023 revealed that the project was complete and in use, but there were visible cracks on the walls which was an indication of poor workmanship. In addition, the project was not branded in line with Regulation 11(1)(cc) of the National Government Constituencies Development Regulations, 2016 which states that the functions of a Constituency Committee is to ensure projects are labelled in accordance with the guidelines issued by the Board.

In the circumstances, value for Kshs.2,194,581 spent on this project could not be confirmed and Management was in breach of the law.



### **1.5 Delayed Construction of Classrooms, Administration Offices and Toilets at Kanyimach Mixed Secondary School**

Review of project implementation status report revealed that Management contracted a contractor to construct a tuition block at Kanyimach Mixed Secondary School at a contract sum of Kshs.25,327,781. The scope of works entailed construction of a one storey tuition block comprising of eight (8) classrooms, four (4) administration offices and three (3) internal toilets. The contractor had cumulatively been paid an amount of Kshs.8,000,000. However, physical verification in March, 2024 revealed that the project was not complete and the contractor was not on site. The delay in completion was not explained and supported by any documentation.

In the circumstances, value for money on the amount of Kshs.8,000,000 incurred on the construction of classrooms, administration office and toilet could not be confirmed.

### **1.6 Delayed Drilling and Equipping of a Borehole at Lwala Mixed Secondary School**

Review of project implementation status report revealed that Management contracted a contractor to drill and equip one (1) borehole at Lwala Mixed Secondary School at a contract sum of Kshs.1,394,642. However, a physical inspection conducted in March, 2024 revealed that the project was not complete.

In the circumstances, value for money was not achieved in the expenditure of Kshs.1,394,642 incurred on drilling and equipping of the borehole.

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 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 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 sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how 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 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 Management.
- Conclude on the appropriateness of 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 ability of the Fund to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

26 June, 2024


**Rongo Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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**IX. Statement of Receipts and Payments for the Year Ended 30th June 2023**

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	87,000,000	182,177,758
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	4,000	6,000
<b>TOTAL RECEIPTS</b>		<b>87,004,000</b>	<b>182,183,758</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,113,184	3,920,705
Committee expenses	5	2,064,000	4,232,729
Use of goods and services	6	6,507,731	4,027,343
Transfers to Other Government Units	7	4,794,581	94,663,993
Other grants and transfers	8	61,202,430	65,643,718
Acquisition of Assets	9	1,799,973	420,000
Oversight Committee Expenses	10	839,000	-
Other Payments	11	172,975	-
<b>TOTAL PAYMENTS</b>		<b>80,493,874</b>	<b>172,908,488</b>
<b>SURPLUS/DEFICIT</b>		<b>6,510,126</b>	<b>9,275,270</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by the NGCDFC on 19th Sep 2023 and signed by:

  
 Fund Account Manager  
 Name: Enock O Nyasende

  
 National Sub-County  
 Accountant  
 Name: Felix Emolem  
 ICPAK M/No: 11731

  
 Chairperson NG-CDF Committee  
 Name: Moureen Auma


*Rongo Constituency  
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**X. Statement Of Assets and Liabilities As At 30th June, 2023**

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	12A	29,542,381	22,611,225
Cash Balances (cash at hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>29,542,381</b>	<b>22,611,225</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>29,542,381</b>	<b>22,611,225</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	89,999	-
Gratuity	14B	637,002	305,971
<b>NET FINANCIAL SSETS</b>		<b>28,815,380</b>	<b>22,305,254</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	15	22,305,254	13,029,984
Prior year adjustments	16	-	-
Surplus/Defict for the year		6,510,126	9,275,270
<b>NET FINANCIAL POSITION</b>		<b>28,815,381</b>	<b>22,305,254</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 19<sup>th</sup> Sep 2023 and signed by:

  
Fund Account Manager  
Name: *Enock O Nyasende*

  
National Sub-County  
Accountant  
Name: *Felix Emolem*  
ICPAK M/No: 11731

  
Chairperson NG-CDF Committee  
Name: *Moureen Auma*

**Rongo Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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**XI. Statement Of Cash Flows for The Year Ended 30th June 2023**

		2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	87,000,000	182,177,758
Other Receipts	3	4,000	6,000
		<b>87,004,000</b>	<b>182,183,758</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	3,113,184	3,920,705
Committee expenses	5	2,064,000	4,232,729
Use of goods and services	6	6,507,731	4,027,343
Transfers to Other Government Units	7	4,794,581	94,663,993
Other grants and transfers	8	61,202,430	65,643,718
Oversight Committee Expenses	10	839,000	-
Other Payments	11	172,975	-
		<b>78,693,901</b>	<b>172,488,488</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	421,030	103,869
Prior year Adjustments	16	-	-
<b>Net Adjustments</b>		421,030	103,869
<b>Net cash flow from operating activities</b>		<b>8,731,129</b>	<b>9,799,139</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(1,799,973)	(420,000)
<b>Net cash flows from Investing Activities</b>		<b>(1,799,973)</b>	<b>(420,000)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>6,931,156</b>	<b>9,379,139</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>12</b>	<b>22,611,225</b>	<b>13,232,086</b>
<b>Cash and cash equivalent at END of the year</b>		<b>29,542,381</b>	<b>22,611,225</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 19<sup>th</sup> Sep 2023 and signed by:

  
**Fund Account Manager**  
**Name: Enock O Nyasende**

  
**National Sub-County Accountant**  
**Name: Felix Emolem**  
**ICPAK M/No: 11731**

  
**Chairperson NG-CDF Committee**  
**Name: Moureen Auma**

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National Government Constituencies Development Fund (NGCDF)  
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**XII. Summary Statement of Appropriation for The Year Ended 30<sup>th</sup> June 2023**

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 %
<b>RECEIPTS</b>		<b>Opening Balance (C/Bk) and AIA</b>	<b>Previous years Outstanding Disbursements</b>				
Transfers from NG-CDF Board	138,215,033	22,305,254		160,520,287	109,305,254	51,215,033	
Proceeds from Sale of Assets				-	-	-	0.0%
Other Receipts		4,000		4,000	4,000	-	100.0%
<b>TOTAL RECEIPTS</b>	<b>138,219,033</b>	<b>22,309,254</b>		<b>160,524,287</b>	<b>109,309,254</b>	<b>51,215,033</b>	<b>68.2%</b>
<b>PAYMENTS</b>							
Compensation of Employees	3,251,668	399,024		3,650,692	3,113,184	537,508	85.3%
Committee expenses	2,064,000	-		2,064,000	2,064,000	-	100.0%
Use of goods and services	6,811,685	627		6,812,312	6,507,731	304,582	95.5%
Transfers to Other Government Units	64,338,738	7,579		64,346,317	4,794,581	59,551,736	7.5%
Other grants and transfers	55,864,791	21,411,024		77,275,815	61,202,430	16,073,385	79.2%
Acquisition of Assets	2,190,000	-		2,190,000	1,799,973	390,027	82.2%
Oversight Committee Expenses	1,382,150	-		1,382,150	839,000	543,150	60.7%
Other Payments	2,312,000	-		2,312,000	172,975	2,139,025	7.5%
Unallocated (AIA)		491,000		491,000	-	491,000	0.0%
<b>TOTAL</b>	<b>138,215,033</b>	<b>22,309,254</b>		<b>160,524,287</b>	<b>80,493,874</b>	<b>80,030,413</b>	<b>50.1%</b>



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*\*\*Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.*


**Explanatory Notes.**


(a) *The underutilization in the compensation of employees, acquisition of assets, other grants and other transfers, oversight committee expenses, transfer to other government units, and other payments was due to pending disbursements from the NG-CDF Board.*


*(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.*

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	80,030,413
Less undisbursed funds receivable from the Board as at 30th June 2023	51,215,033
	28,815,380
Add Accounts payable	727,000.64
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2022/2023	<b>29,542,381</b>

The Constituency financial statements were approved by NG CDFC on 19<sup>th</sup> Sep 2023 and signed by:

  
**Fund Account Manager**  
**Name: Enock O Nyasende**

  
**National Sub-County**  
**Accountant**  
**Name: Felix Emolem**  
**ICPAK M/No: 11731**

  
**Chairperson NG-CDF Committee**  
**Name: Moureen Auma**

*Rongo Constituency  
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**XIII. Budget Execution By Sectors And Projects For The Year Ended 30<sup>th</sup> June 2023**

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)	% of Utilisation (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023			
	Kshs		Kshs	Kshs	Kshs	Kshs	
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of employees	3,251,668	399,024	-	3,650,692	3,113,184	537,508	85.3%
1.2 Committee allowances	1,344,000	-	-	1,344,000	1,344,000	-	100.0%
1.3 Use of goods and services	3,385,234	627		3,385,861	3,162,056	223,806	93.4%
<b>Total</b>	<b>7,980,902</b>	<b>399,651</b>	<b>-</b>	<b>8,380,553</b>	<b>7,619,240</b>	<b>761,313</b>	<b>90.9%</b>
<b>2.0 Monitoring and evaluation</b>						-	
2.1 Capacity building	1,002,000			1,002,000	1,002,000	-	100.0%
2.2 Committee allowances	720,000			720,000	720,000	-	100.0%
2.3 Use of goods and services	2,424,451			2,424,451	2,343,675	80,776	96.7%
<b>Total</b>	<b>4,146,451</b>		<b>-</b>	<b>4,146,451</b>	<b>4,065,675</b>	<b>80,776</b>	<b>98.1%</b>
<b>3.0 Emergency</b>							
3.1 Primary Schools				-		-	
3.2 Secondary schools	7,136,190			7,136,190	6,668,601	467,589	93.4%
3.3 Tertiary institutions							

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				-		-	
3.4 Security projects	500,000		-	500,000	500,000	-	100.0%
3.5 Unutilised		878,424		878,424	600,000	278,424	68.3%
<b>Total</b>	<b>7,636,190</b>	<b>878,424</b>		<b>8,514,614</b>	<b>7,768,601</b>	<b>746,013</b>	<b>91.2%</b>
<b>4.0 Bursary and Social Security</b>							
4.1 Secondary Schools	12,500,000			12,500,000	12,497,189	2,811	100.0%
4.2 Tertiary Institutions	22,000,000	17,186,600		39,186,600	39,183,640	2,960	100.0%
4.3 Social Security	6,000,000	3,346,000		9,346,000		9,346,000	0.0%
4.4 Special Needs	400,000			400,000	400,000	-	100.0%
<b>Total</b>	<b>40,900,000</b>	<b>20,532,600</b>		<b>61,432,600</b>	<b>52,080,829</b>	<b>9,351,771</b>	<b>84.8%</b>
<b>5.0 Sports</b>							
5.1 Constituency Sports	2,414,301			2,414,301	153,000	2,261,301	6.3%
5.2 Regional Sports	350,000			350,000	-	350,000	0.0%
<b>Total</b>	<b>2,764,301</b>			<b>2,764,301</b>	<b>153,000</b>	<b>2,611,301</b>	<b>5.5%</b>
<b>6.0 Environment</b>							
6.1 Primary Schools	1,164,301			1,164,301	400,000	764,301	34.4%
6.1 Secondary Schools	1,600,000			1,600,000	800,000	800,000	50.0%
				-		-	
<b>Total</b>	<b>2,764,301</b>			<b>2,764,301</b>	<b>1,200,000</b>	<b>1,564,301</b>	<b>43.4%</b>
<b>7.0 Primary Schools Projects</b>							
Kameji Prim School		7,579		7,579		7,579	0.0%

**Rongo Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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Kamgundho Prim school	539,900			539,900		539,900	0.0%
Kanga Prim Sch	200,000			200,000		200,000	0.0%
Nyakwere Prim Sch	1,397,845			1,397,845		1,397,845	0.0%
Nyamaroka Prim Sch	1,396,952			1,396,952		1,396,952	0.0%
Kudho Prim Sch	1,396,322			1,396,322		1,396,322	0.0%
St Jonathan Prim Sch	2,194,581			2,194,581	2,194,581	-	100.0%
Kamondi Prim Sch	1,398,475			1,398,475		1,398,475	0.0%
Marera Prim Sch	1,850,000			1,850,000		1,850,000	0.0%
Dago Kowuor Pri Sch	1,850,000			1,850,000		1,850,000	0.0%
Sumba Prim Sch	1,850,000			1,850,000		1,850,000	0.0%
Paul Arondo Prim Sch	1,000,000			1,000,000	1,000,000	-	100.0%
Kitere Prim Sch	2,600,000			2,600,000	1,600,000	1,000,000	61.5%
<b>Total</b>	<b>17,674,075</b>	<b>7,579</b>	<b>-</b>	<b>17,681,654</b>	<b>4,794,581</b>	<b>12,887,073</b>	<b>27.1%</b>
<b>8.0 Secondary Schools Projects</b>							
Kamagambo Sec Sch	1,395,272			1,395,272		1,395,272	0.0%
St Albert Miyare Sec Sch	1,396,322			1,396,322		1,396,322	0.0%
Lwala Kameji Sec Sch	1,394,642			1,394,642		1,394,642	0.0%
St Peters Kuna M. Sec Sch	1,397,845			1,397,845		1,397,845	0.0%
Nyamuga Mixed Sec Sch	1,395,692			1,395,692		1,395,692	0.0%
Kameji M. Sec Sch	1,395,272			1,395,272		1,395,272	0.0%

**Rongo Constituency**  
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St Peters Of Wanga M. Sec Sch	3,500,000			3,500,000		3,500,000	0.0%
Kanyimach M. Sec Sch	8,000,000			8,000,000		8,000,000	0.0%
Kamagambo Day Sec Sch	4,000,000			4,000,000		4,000,000	0.0%
Kitere Sec Sch	5,000,000			5,000,000		5,000,000	0.0%
Kosodo Mixed Sec Sch	6,938,337			6,938,337		6,938,337	0.0%
Rongo M. Day	10,851,281			10,851,281		10,851,281	0.0%
<b>Total</b>	<b>46,664,663</b>	<b>-</b>	<b>-</b>	<b>35,813,382</b>	<b>-</b>	<b>46,664,663</b>	<b>0.0%</b>
<b>9.0 Tertiary institutions Projects</b>							
<b>Total</b>							
<b>10.0 Security Projects</b>							
Okumba Police Post	1,800,000			1,800,000	-	1,800,000	0.0%
<b>Total</b>	<b>1,800,000</b>	<b>-</b>	<b>-</b>	<b>1,800,000</b>	<b>-</b>	<b>1,800,000</b>	<b>0.0%</b>
<b>11.0 Acquisition of assets</b>							
Refurbishment of building	1,800,000	-		1,800,000	1,799,973	27	100.0%
Purchase of ICT Equipment, Software	250,000	-	-	250,000	-	250,000	0.0%
Office furniture & fittings	140,000	-	-	140,000	-	140,000	0.0%
<b>Total</b>	<b>2,190,000</b>	<b>-</b>	<b>-</b>	<b>2,190,000</b>	<b>1,799,973</b>	<b>390,027</b>	<b>82.2%</b>

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<b>12.0 Oversight Committee Expenses (itemize)</b>							
C.O.C Allowances	300,000	-	-	300,000	300,000	-	100.0%
Use of Goods & Services	1,082,150	-	-	1,082,150	539,000	543,150	49.8%
<b>Total</b>	<b>1,382,150</b>			<b>1,382,150</b>	<b>839,000</b>	<b>543,150</b>	<b>60.7%</b>
<b>13.0 Other payments</b>							
Strategic Plan	2,120,000	-	-	2,120,000	-	2,120,000	0.0%
ICT Hubs	192,000	-	-	192,000	172,975	19,025	90.1%
				-			
<b>Total</b>	<b>2,312,000</b>	<b>-</b>	<b>-</b>	<b>2,312,000</b>	<b>172,975</b>	<b>2,139,025</b>	<b>7.5%</b>
<b>14.0 unallocated fund</b>							
Unapproved projects						-	
AIA				487,000		487,000	
PMC savings							
<b>Total</b>			<b>-</b>	<b>487,000</b>		<b>487,000</b>	
<b>TOTAL</b>	<b>138,215,033</b>	<b>21,818,254</b>		<b>149,669,006</b>	<b>80,493,874</b>	<b>80,026,413</b>	<b>53.8%</b>

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

#### **XIV. Significant Accounting Policies**

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

##### **1. Statement of Compliance and Basis of Preparation**

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

##### **2. Reporting Entity**

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

##### **3. Reporting Currency**

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

##### **4. Significant Accounting Policies**

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

###### **a) Recognition of Receipts**

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

*Significant Accounting Policies continued*

**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.



*Significant Accounting Policies continued*

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. 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.

*Significant Accounting Policies continued*

**6. Cash and Cash Equivalent.**

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.

*Significant Accounting Policies continued*

**7. Accounts Receivable**

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

**8. Accounts Payable**

For the purposes of these financial statements, Deposits (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.

*Significant Accounting Policies continued*

**9. Pending Bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they 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.

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest 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<sup>th</sup> June 2022 for the period 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023 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.

**12. Comparative Figures**

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

*Significant Accounting Policies Continued*

**13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2023.

**14. Errors**

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.

**15. 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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XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

	2022-2023	2021-2022
	Kshs	Kshs
B105269		33,000,000.00
B105550		44,000,000.00
B105916		22,000,000.00
B128683		5,000,000.00
B128994		12,000,000.00
B154189		12,000,000.00
B154413		18,000,000.00
B154471		18,088,879.00
B089083		12,088,879.30
A895021		6,000,000.00
B185234	7,000,000.00	
B185765	15,000,000.00	
B185409	6,000,000.00	
B206085	5,000,000.00	
B205582	12,000,000.00	
B205877	12,000,000.00	
B207640	15,000,000.00	
B207999	15,000,000.00	
<b>TOTAL</b>	<b>87,000,000.00</b>	<b>182,177,758</b>

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**2. Proceeds From Sale of Assets**

	2022-2023	2021-2022
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment		
Receipts from sale of office and general equipment		
Receipts from the Sale Plant Machinery and Equipment		
Others (specify)		
<b>Total</b>		

**3. Other Receipts**

	2022-2023	2021-2022
	Kshs	Kshs
Interest Received		
Rents		
Receipts from sale of tender documents	4,000	4,000
Hire of plant/equipment/facilities		2,000
Other Receipts Not Classified Elsewhere		
<b>Total</b>	<b>4,000</b>	<b>6,000</b>

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*Notes To the Financial Statements (Continued)*

**4. Compensation Of Employees**

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,056,460	3,500,370
Casual Labour	126,900	
<b>Personal allowances paid as part of salary</b>		
House allowance	25,200	-
Transport allowance	24,000	-
Leave allowance	37,000	-
Gratuity-contractual employees	655,684	47,135
Employer Contributions Compulsory national social security schemes	187,940	373,200
<b>TOTAL</b>	<b>3,113,184</b>	<b>3,920,705</b>

**5. Committee Expenses**

Description	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	1,848,000	3,800,000
Other committee expenses	216,000	432,729
<b>TOTAL</b>	<b>2,064,000</b>	<b>4,232,729</b>

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6. Use of Goods and services

Description	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	292,000	91,560
Communication, supplies and services	317,040	2,760
Domestic travel and subsistence	1,073,000	576,000
Printing, advertising and information supplies & services	1,036,000	-
Rentals of produced assets	92,000	-
Training expenses	1,002,000	1,500,000
Hospitality supplies and services	330,000	58,325
Insurance costs	-	-
Specialised materials and services	39,000	-
Office and general supplies and services	1,214,200	824,000
Fuel , oil & lubricants	497,450	142,924
Other operating expenses	-	503,688
Bank Charges	212,027	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	278,221	328,086
Routine maintenance- other assets	124,793	-
<b>TOTAL</b>	<b>6,507,731</b>	<b>4,027,343</b>



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**Notes To The Financial Statements (Continued)**

**7. Transfer To Other Government Units**

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers to Primary Schools	4,794,581	39,344,118
Transfers to Secondary Schools	-	55,319,875
Transfers to Tertiary Institutions	-	
<b>TOTAL</b>	<b>4,794,581</b>	<b>94,663,993</b>

**8. Other Grants and Other transfers**

Description	2022-2023	2021-2022
	Kshs	Kshs
Bursary - Secondary ( see attached list)	12,497,189	21,547,619
Bursary -Tertiary ( see attached list)	39,183,640	25,110,737
Bursary- Special Schools	400,000	-
Mocks & CAT ( see attached list)	-	-
Social Security programmes (NHIF)	-	6,254,000
Security Projects ( see attached list)	-	-
Sports Projects ( see attached list)	153,000	2,741,777
Environment Projects ( see attached list)	1,200,000	2,742,257
Emergency Projects ( see attached list)	7,768,601	7,247,328
Roads Projects	-	-
<b>TOTAL</b>	<b>61,202,430</b>	<b>65,643,718</b>

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**Notes To the Financial Statements (Continued)**

**9. Acquisition Of Assets**

<b>Non Financial Assets</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	-	-
Construction of Buildings	1,799,973	-
Refurbishment of Buildings	-	-
Purchase of Vehicles Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and and General Equipment	-	100,000
Purchase of ICT Equipment, Software and Other ICT Assets	-	320,000
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets		
<b>TOTAL</b>	<b>1,799,973</b>	<b>420,000</b>

**10. Oversight Committee Expenses**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
COC Members allowance	300,000	-
Other COC expenses	539,000	-
<b>TOTAL</b>	<b>839,000</b>	<b>-</b>

**11. Other Payments**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Ksh</b>	<b>Ksh</b>
Strategic Plan	-	-
ICT Hubs	172,975	-
		-
<b>TOTAL</b>	<b>172,975</b>	<b>-</b>

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**12. Cash Book Bank Balance**

Name of Bank, Account No. & currency	2022-2023 Kshs (30/6/2023)	2021-2022 Kshs (30/6/2022)
Kenya Commercial Bank, Rongo Branch . Rongo NG-CDF A/C No 1121172210	29,542,381	22,611,225
Kenya Commercial Bank,A/C no. Branch . (deposit account)	-	-
	-	-
<b>TOTAL</b>	<b>29,542,381</b>	<b>22,611,225</b>
<b>12B: CASH IN HAND)</b>		
	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
	<b>(30/6/2023)</b>	<b>(30/6/2022)</b>
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**13. Outstanding Imprests**

Name of Officer or Institution	Date Imprest Taken	Amount Taken Kshs	Amount Surrendered Kshs	Balance Kshs
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>

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

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*Notes to the Financial Statement Continued*

**14. A Retention and Gratuity**

	2022-2023	2021-2022
	KShs	KShs
Retention as at 1st July (A)	-	
Retention held during the year (B)	179,997	
Retention paid during the Year (C)	89,999	-
Closing Retention as at 30th June D= A+B-C	<b>89,999</b>	-

14 B. Gratuity	2022-2023	2021-2022
	KShs	KShs
Gratuity as at 1 <sup>st</sup> July (A)	315,398	202,102
Gratuity held during the year (B)	655,684	103,869
Gratuity paid during the Year (C)	334,080	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	<b>637,002</b>	<b>305,971</b>

**15. Fund Balance B/F**

	2022-2023	2021-2022
	Kshs (1/7/2022)	Kshs (1/7/2021)
Bank accounts	22,611,225	13,232,086
Cash in hand	9,427	
Imprest		
<b>TOTAL</b>	<b>22,620,652</b>	<b>13,232,086</b>

**16. Prior Year Adjustments**

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

\*\* The adjusted balances are not carried down on the face of the financial statement.  
 (Entity to provide disclosure on the adjusted amounts)

**17. Changes In Accounts Receivable – Outstanding Imprests**

	2022-2023	2021-2022
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)		
Imprest issued during the year (B)		
Imprest surrendered during the Year (C)		
closing accounts in account receivables D= A+B-C		
<b>Net changes in accounts Receivables D - A</b>	-	-

**18. Changes In Accounts Payable – Deposits and Retentions**

	2022-2023	2021-2022
	Kshs	Kshs
Deposits and Retention as a t 1st July (A)	305,971	202,102
Deposits and Retention held during the year (B)	845,108	103,869
Deposits and Retention paid during the year (C)	424,079	-
Closing accounts payable at 30th June (D=A+B-C)	<b>727,001</b>	<b>305,971</b>
<b>Net changes in accounts payables D-A</b>	<b>421,030</b>	<b>103,869</b>

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**Notes To the Financial Statements (Continued)**

**19. Other Important Disclosures**

**19.1: Pending Accounts Payable (See Annex 1)**

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings		
Construction of civil works		
Supply of goods		
Supply of services		
<b>Total</b>	-	-

**19.2: Pending Staff Payables (See Annex 2)**

	2022-2023	2021-2022
	Kshs	Kshs
NGCDFC Staff		
Others ( <i>specify</i> )		
<b>Total</b>	-	-

**19.3: Unutilized Fund (See Annex 3)**

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	537,508	399,024
Use of goods and services	304,582	173
Amounts due to other Government entities (see attached list)	59,551,736	7,590
Amounts due to other grants and other transfers (see attached list)	16,073,850	21,411,467
Acquisition of assets	390,027	
Oversight Committee Expenses	543,150	
Others ( <i>specify</i> )	2,139,025	-
Funds pending approval	491,000	487,000
<b>Total</b>	<b>80,030,878</b>	<b>22,305,254</b>

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18.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	12,339,664	9,297,152
Total	12,339,664	10,872,208

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XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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



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**Annex 2 - Analysis of Pending Staff Payables**

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 20xx	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Compensation of employees	Compensation of employees	537,508	399,024	
Use of goods & services	Use of goods & services	304,582	173	
Amounts due to other Government entities	Transfers Government entities:			
	<b>Primary Schools-</b>			
	Kameji Primary School	7,579.00	7,579.00	
	-Kamgundho Primary School	539,900.00		
	-Kanga Primary School	200,000.00		
	Nyakwere Primary School	1,397,845.00		
	Nyamaroka Primary School	1,396,952.00		
	Kudho Primary School	1,396,322.00		
	Kamondi Primary School	1,398,475.00		
	Marera Primary School	1,850,000.00		
	Dago Kowuor Primary School	1,850,000.00		
	Sumba Primary School	1,850,000.00		
	Kitere Primary School	1,000,000.00		
	<b>Secondary Schools-</b>			
	Kamagambo Secondary School	1,395,272.00		
	St Albert Miyare Secondary School	1,396,322.00		
	Lwala Kameji Secondary School	1,394,642.00		
	St Peters Kuna Mixed Secondary School	1,397,845.00		
	Nyamuga Mixed Secondary	1,395,692.00		
	Kameji Mixed Secondary	1,395,272.00		
	St Peters Ofwanga Secondary	3,500,000.00		

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
	Kanyimach Mixed Secondary	8,000,000.00		
	Kanagambo Day Secondary School	4,000,000.00		
	Kitere Secondary School	5,000,000.00		
	Kosodo Mixed Secondary School	6,938,337.00		
	<b>Sub total</b>	<b>48,700,455.0</b>	<b>7,579.00</b>	
<b>Sub-Total</b>		<b>49,542,545</b>	<b>406,787</b>	
Amounts due to other grants and other transfers	grants and other transfers			
	Bursary Secondary Schools	2,811	360	
	Bursary Tertiary Institutions	2,960	17,186,600	
	NG CDPC Social Programmes	9,346,000	3,346,000	
	Sports-Constituency	2,261,301	1	
	Sports - Regional	350,000	0	
	Environment-Primary Schools	764,301	78	
	Environment –Secondary Schools	800,000	0	
	Emergency Projects	746,013	878,424	
	Security Projects	1,800,000	3	
<b>Sub-Total</b>		<b>16,073385</b>	<b>21,411,467</b>	
Acquisition of assets	Acquisition of assets	390,027	-	
Oversight Committee Expenses (itemize )	Oversight Committee Expenses	543,150	-	
Others ( <i>specify</i> )	Strategic Plan & ICT Hubs	2,139,025	-	

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Sub-Total		3,072,202		
Funds pending approval		491,000	487,000	
Grand Total		69,179,132	22,305,254	

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**Annex 4 – Summary of Fixed Asset Register**

<b>Asset class</b>	<b>Historical Cost b/f 2021/2022 (Kshs)</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) At Year End 2022/2023</b>
Land	-	-	-	-
Buildings and structures	19,473,941	1,799,973	-	21,273,914
Transport equipment	11,098,843	-	-	11,098,843
Office equipment, furniture and fittings	2,580,000	-	-	2,580,000
ICT Equipment, Software and Other ICT Assets	886,000	-	-	886,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>34,038,784</b>	<b>-</b>	<b>-</b>	<b>35,838,757</b>

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**Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2023**

PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
Siala Primary School	KCB	1269446819	2,0411.00	
Kamgundho Primary School	KCB	1259244075	17,339.00	36,326
Kitere Primary School	KCB	1256597554	1,236,275.00	26,718
Paul Arundo Primary School	KCB	1311850236	535,889.00	
Nyangao Primary School	KCB	1144244242	401,554.00	
Dago Kowuor Primary School	KCB	1317205545	2,109.25	
Marera Primary School	KCB	1285673336	311,973.00	
Sumba Primary School	KCB	1172182973	504.50	
Kanga Primary School	KCB	1132328462	10,838.00	67,243
Nyakwere Primary School	KCB	1148848665	1,914,004.20	
Nyamaroka Primary School	KCB	1167486463	1,915,106.00	549,219
Kudho Primary School	KCB	1119702097	1,909,439.00	549,309
St Jonathan Primary School	KCB	1272131556	8,447.00	102,421
Kamondi Primary School	KCB	1143717082	513,940.40	2,600,715
ST. Pauls Lwala Mixed Secondary School	KCB	1272338789	824.00	155,212
Rongo Mixed Day Mixed Secondary School	KCB	1257103679	790.99	710
Kanyimach Mixed Secondary School	KCB	1297616545	954,621.00	3,050,824
Kitere Secondary School	KCB	1272988171	688.00	51,683
St. Peters Of Wanga Mixed Secondary School	KCB	1131555392	11,313	
Kosodo Mixed Secondary School	KCB	1253282323	2,147.65	3,213
Kamagambo Secondary School	KCB	1294014110	403,367.00	434,432

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
St Albert Miyare Mixed Secondary School	KCB	1252642822	545,651.00	546,842
St Peters Kuna Mixed Secondary School	KCB	1232630241	538,111.20	575,176
Nyamuga Mixed Secondary School	KCB	1254454497	539,261.30	
Kameji Mixed Secondary School	KCB	1292219807	545,060.00	547,109
Nyamuga Mixed Sec. School	KCB	1254454497		576,326
St Augustine Arundo Mixed Sec School	KCB	1124015787		546
Banda Mixed Secondary School	KCB	1170052029		154,048
Siala TTI	KCB	1203829221		1,086
Kamagambo Police Station(CIFU)	KCB	1272907864		19,676
Rawaro Mixed Sec School	KCB	1172268568		69,425
Ngodhe Mixed Sec School	KCB	1254260129		4,258
Kameji Primary School	KCB	1115723553		88,689
Kanyimach Primary School	KCB	1134866887		498
Ndonyo Primary School	KCB	1137031921		54,588
Apondo Primary School	KCB	1132318580		1,233
St. Dalmas Primary School	KCB	1123902836		51,459
Nyakwere Primary School	KCB	1148848665		553,224
<b>Total</b>			<b>12,339,664.49</b>	<b>10,872,208.00</b>

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**Annex 6: Progress On Follow Up of Auditor Recommendations**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor and subsequent progress made on the resolution of the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Cash and Cash Equivalents- Unpresented Cheques</p> <p>The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.22,611,225. However, bank reconciliation statement as at 30 June, 2022 reflects payments in the cash book not yet recorded in the bank statement (unpresented cheques) amounting to Kshs.7,365,248, some dating as far back as June, 2021 and majority of them relate to bursaries for school fees to various learning institutions. It is not clear why the cheques remained unpresented given that the beneficiaries were needy students. In addition, no bank statement was provided to confirm when the unpresented cheques were cleared. In the circumstances, the accuracy and completeness of</p>		Resolved	Resolved



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	cash and cash equivalents of Kshs.22,611,225 could not be confirmed.			
	<p>Purchase of Laboratory Equipment at Osodo Mixed Secondary School</p> <p>The transfers to secondary schools' expenditure of Kshs.55,319,875 includes Kshs.2,500,000 spent on purchase of laboratory equipment at Osodo Mixed Secondary School. However, audit inspection in March, 2023 revealed that the School had no laboratory for the equipment.</p> <p>In the circumstances, value for Kshs.2,500,000 spent on supply of laboratory equipment could not be confirmed.</p>		Resolved	Resolved
	<p>2.2 Incomplete Environment Projects</p> <p>Included other grants and other transfers amount of Kshs.65,643,718 is expenditure on environment projects of Ksh.2,742,257 out of which, Ksh.685,444 was spent on four</p>		Resolved	Resolved

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>(4) schools for installation of tanks. However, audit inspection carried out in March, 2023 revealed that the tanks were installed but no gutters were installed to make them operational.</p> <p>In the circumstances, value for Kshs,685,444 spent on these projects could not be confirmed.</p>			

*Enock D. Nyasende*  
 Name  
 Fund Account Manager.