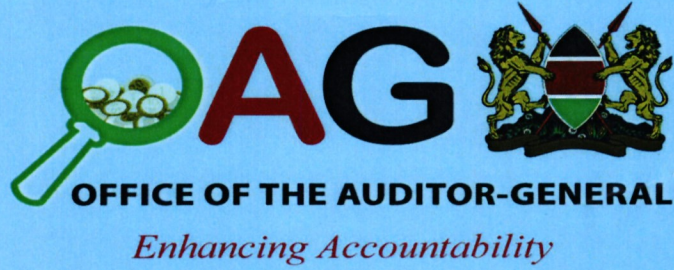


REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

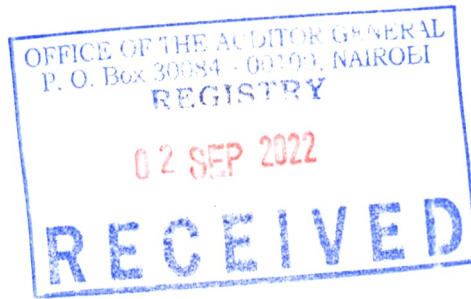
**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – SUNA EAST CONSTITUENCY**

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

PARLIAMENT
OF KENYA
LIBRARY

THE NATIONAL ASSEMBLY	
DATE: 24 NOV 2022	DAY: Thurs
TABLED BY: LOM	
CLERK AT THE TABLE:	E. Nginyo

Revised Template 30th June 2021



SUNA EAST CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

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

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I KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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



**Suna East Constituency
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Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Cynthia Robi
2.	Sub-County Accountant	Fredrick Moraguri
3.	Chairman NGCDFC	Alphonse Ombok
4.	Member NGCDFC	Kennedy Tiengo

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF SUNA EAST CONSTITUENCY Headquarters

P.O. Box 923-40416 Suna Migori
NG-CDF Office Building
Next to IEBC Offices

Suna East Constituency
National Government Constituencies Development Fund (NGCDF)
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(f) NGCDF SUNA EAST CONSTITUENCY Contacts

Telephone: (254) 727 389947
E-mail: ngcdfsunaeast@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF SUNA EAST CONSTITUENCY Bankers

- i. The Cooperative Bank
Branch: Migori
Account Name: Suna East NGCDF
Account Number: 01120481849500
P.o Box 923 Migori
Migori.
- ii. Kenya Commercial Bank
Branch: Migori
Account Name: NG-CDF Suna East
Account Number: 1286487943
P.o Box 923 Migori
Migori.

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

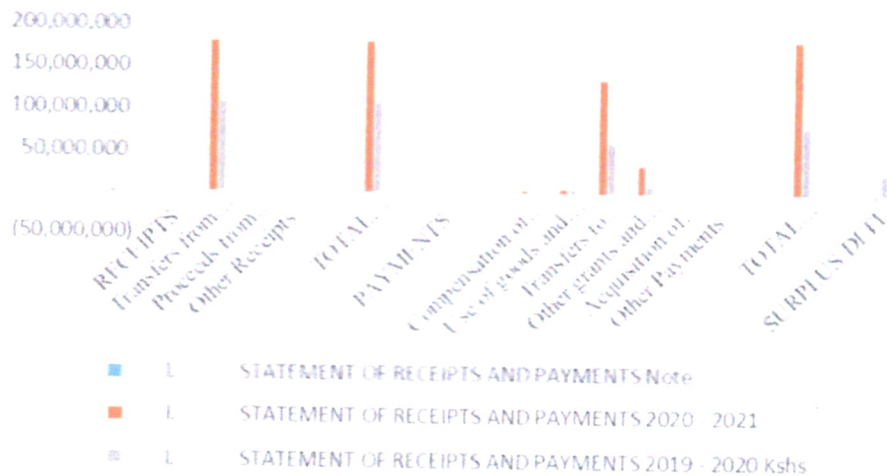
II NG-CDFC CHAIRMAN'S REPORT

Include among others the following:



- The Suna East Constituency was allocated **Ksh. 137,088,879.30** during the year and the below statement of receipts and payments represent the performance for the year of FY 2019/20 in comparative to FY 2020/21.

STATEMENT OF RECEIPTS AND PAYMENTS



In financial year 2020/21 there was here performance than FY 20219/20 in terms of project implementation.

Suna East Constituency
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STATEMENT OF ASSET AND LIABILITY

NET FINANCIAL POSITION					
Prior year adjustments					
REPRESENTED BY					
Gratuity					
FINANCIAL LIABILITIES					
Bank Balances (as per the cash book)					
FINANCIAL ASSETS					
	(5,000,000)	5,000,000	15,000,000	25,000,000	
■ II	STATEMENT OF FINANCIAL ASSETS AND LIABILITIES 2019 - 2020 K-shs				
■ II	STATEMENT OF FINANCIAL ASSETS AND LIABILITIES 2020 - 2021 K-shs				
■ II	STATEMENT OF FINANCIAL ASSETS AND LIABILITIES Note				

We had higher balance in FY 2019/20 than FY 2021 which shows that we implemented more funds as disbursed.

2. Poi4During the Report financial year the constituency implemented several projects in various sector, samples are good projects which implemented well.
3. **EMERGING ISSUES RELATED TO THE ENTITY:**
 - a) Late disbursement of Funds.
 - b) Late Project proposal making due to late circulars
4. **IMPLEMENTATION CHALLENGES**
 - a) There has also been The staff turnover challenge i.e. Fund account managers transfers which results to time consumption in understanding the constituency environment with it operational challenges.
 - b) The bad terrain of the constituency leading to variance in estimated cost by the NGCDF Board and the grassroot figures. Example of Ochieng Orwa primary school and Thidhna Primary school which are on heavy black cotton soil making construction cost very high. While in Wouk Chieng primary school we have a rocky ground which makes the excavation of the ground cost also raise very high unlike other normal ground.

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Figure 1
Construction of the Multipurpose Hall during the FY 2019/20 and 2020/21. Fully funded by NGCDF Suna East.

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Figure 2 a



Figure 2 b
Construction of the Administration block to completion.



Figure 3.

**Rabuor Taya Primary School
Construction of 8 classrooms storey building with Ablution Block Funded in three
financial years.**

Signature



CHAIRMAN NGCDF COMMITTEE

III STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

The key development objectives of *Suna East CONSTITUENCY 2018-2022* plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

- a) To increase the infrastructure classrooms in primary schools by 30% in the next five years
- b) Building and equip laboratories in secondary schools by an increase of 20% in secondary schools.
- c) To Build and equity five one storied building one in every ward by end of five years.
- d) To building and complete a modern Kenya medical training college and put into use by end of the five years.
- e) To building and complete a sub county headquarter in the two sub counties in the constituency.
- f) To building and complete a judiciary court by the end of five years.
- g) To building and equip four ICT infrastructure within the constituency by end of the five years

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	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In FY 20/21 -we increased number of classrooms, dormitories, laboratories etc from 6 to 10 in the following schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules
Security	To enhance	Reduce rate of	Number of usable	

**Suna East Constituency
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	security	crime and insecurity	physical infrastructure build in the area	
Environment	To increase the forest cover.	Increase forest coverage	More tree planted	
Sports	To empower and engage the youths	To give the youth an opportunity to participate in sporting acting and show case there talents	Number of groups participating in the activity and the level of completion.	Organise a successful tournament which attracted a total of 8 teams Organised a constituency sport tournament fy 2020/21
Emergency	To know how to mitigate and control disaster in case	To mitigate on risk measures	Training of staffs and committee's	Conducted training of 8 ngcdfc and 9 ngcdfc staff on disaster.

IV CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Suna East 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 Suna East NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Suna East 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.

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- 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 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

The forest department and the Ngcdf committee recommended to the schools allocated funds to purchase seedlings on the variety to plant and maintain. This has raised the survival rate of the trees and increased forest cover. The challenge experienced was unpredictable climatic change.

3. Employee welfare

We invest in providing the best working environment for our employees. SUNA EAST 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. Suna East 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-

SUNA EAST 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.

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

- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interests

5. Community Engagements-

SUNA EAST 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.

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

V STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF-Suna East 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, 2021. 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-Suna East 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, 2021, and of the entity's financial position as at that date.

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

The Accounting Officer charge of the NGCDF-Suna East 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-Suna East 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 form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- NGCDF-Suna East Constituency financial statements were approved and signed by the Accounting Officer on 25/8/2021 2021



**Chairman NGCDF Committee
Name: Alphonse Ombok**



**Fund Account Manager
Name: Cynthia Robi**

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the National Government Constituency Development Fund - Suna East Constituency set out on pages 16 to 54, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the

statement of 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 - Suna East Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Use of Goods and Services

The statement of receipts and payments reflects expenditure use of goods and services totalling to Kshs.5,574,572 which, as disclosed in Note 5 to the financial statements, includes other committee expenses and committee allowance of Kshs.421,800 and Kshs.1,851,600 respectively. However, the following unsatisfactory matters were noted:

1.1 Misclassification of Expenditure on Committee Allowances

Review of records provided for audit revealed that the committee allowance of Kshs.1,851,600 excludes an amount of Kshs.544,000 that was erroneously accounted for under the office and general supplies and services expenditure of Kshs.1,584,572.

In the circumstances, the accuracy and completeness of the committee allowance and office and general supplies and services expenditure of Kshs.1,851,600 and Kshs.1,584,572 respectively, could not be confirmed.

1.2 Unaccounted for Committee Expenses

The statement of receipts and payments reflects use of goods and services amount of Kshs.5,5574,572 as disclosed in Note 5 to the financial statements. Included in this amount are other committee expenses and committee allowance amounting to Kshs.2,273,400 that were issued in form of temporary imprests for purposes of monitoring and evaluation of projects and committee sitting allowances. However, the imprests were not surrendered or accounted for and no committee meeting minutes and monitoring and evaluation reports were provided for audit in support of the expenditure.

In the circumstances, the accuracy, completeness and propriety of the other committee expenses and committee of Kshs.2,273,400 could not be confirmed.

2. Construction of Suba East Assistant County Commissioner's Office

The statement of receipts and payments reflects other grants and transfers totalling Kshs.36,600,901 which, as disclosed in Note 7 to the financial statements, includes

expenditure on environment projects of Kshs.3,500,000. The latter includes payment of an amount of Kshs.1,000,000, being the final payment on a contract, which was made to a contractor for the construction of Suba East Assistant County Commissioner's office at a contract sum of Kshs.6,997,450. However, audit inspection of the project in April, 2022 revealed that the ceiling finishes provided for in the bill of quantities at a cost of Kshs.441,350 were not done and the septic tank and soak pit were partially done, despite the contractor having been paid in full.

Further, according to the approved code list for the year under review, projects under the County Commissioner's office were categorized as security projects. Therefore, the expenditure of Kshs.1,000,000 should have been classified under security projects and not environment projects.

In the circumstances, the accuracy and completeness of the environment projects and security projects expenditure of Kshs.3,500,000 and Kshs.1,500,000 respectively could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Suna 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 reflects budgeted receipts and actual receipts on comparable basis of Kshs.250,142,137 and Kshs.207,289,827 respectively, resulting to underfunding of Kshs.42,852,310 or 17% of the budget. Similarly, the statement reflects expenditure budget and actual expenditure on comparable basis of Kshs.250,142,137 and Kshs.182,419,593 respectively, resulting to under expenditure of Kshs.67,722,544 or 27% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

2. Unresolved Prior Year Matters

In the audit report of the previous year, a number of issues were raised under the Report on Financial Statements. However, Management has not resolved the issues in the prior year matters as required by the Public Sector Accounting Standards Board templates.

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. Irregular Procurement of Goods and Services

The statement of receipts and payments reflects use of goods and services amount of Kshs.5,5574,572 as disclosed in Note 5 to the financial statements. Included in this amount is an expenditure of Kshs.2,291,600 in respect of goods and services procured using direct procurement method. However, the Management did not provide evidence to indicate that the conditions for use of this method, under Section 103(2) of the Public Procurement and Asset Disposal Act, 2015, were met.

In the circumstances, the regularity of the expenditure of Kshs.2,291,600 could not be confirmed.

2. Purchase of School Bus Without Proper Specifications

The statement of receipts and payments reflects transfers to other government entities amount of Kshs.136,087,597 as disclosed in Note 6 to the financial statements. These amount include transfers to secondary schools of Kshs.37,200,000 which in turn includes an amount of Kshs.7,000,000 disbursed to Osingo Secondary School for supply and delivery of a branded school bus. However, technical specifications for the bus were not included in the tender document.

In the circumstance, the propriety, and value for money of the expenditure amount of Kshs.7,000,000 could not be confirmed.

3. Construction of Storm Water and Water Drainage at Thidhna Primary School

The statement of receipts and payments reflects other grants and transfers amount of Kshs.36,600,901 as disclosed in Note 7 to the financial statements. These transfers include expenditure on environment projects totalling to Kshs.3,500,000 which in turn includes an amount of Kshs.2,500,000 paid to Thidhna Primary School Project Management Committee (PMC) for the construction of storm water, surface water and sub-surface water drainage and purchase of a 10,000 litres water tank. However the dug trenches within the school compound were filled with water which posed a risk of accidents and other hazards to the pupils. Physical inspection revealed that the 10,000 litres tank was not on site, the project had stalled and the contractor was not on site.

In the circumstances, value for money on the expenditure of Kshs.2,500,000 could not be confirmed.

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 processes and systems of internal controls, 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 the International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls 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 controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability of the Fund to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how 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 controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls 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 controls 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 controls may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the 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 controls.
- 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 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 controls 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


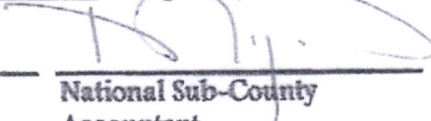
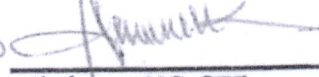
21 September, 2022

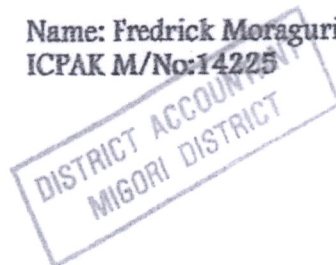
Suna East Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for Year Ended June 30, 2021

VII STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	179,604,294	107,040,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	62,000	-
TOTAL RECEIPTS		179,666,294	107,040,876
PAYMENTS			
Compensation of employees	4	4,106,523	4,303,636
Use of goods and services	5	5,574,572	5,160,365
Transfers to Other Government Units	6	136,087,597	61,600,470
Other grants and transfers	7	36,600,901	10,291,000
Acquisition of Assets	8	50,000	-
Other Payments	9	-	-
TOTAL PAYMENTS		182,419,593	81,355,471
SURPLUS/(DEFICIT)		<u>(2,753,299)</u>	<u>25,685,405</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- NGCDF-Suna East Constituency financial statements were approved on 25/8 2021 and signed by:

		
Fund Account Manager	National Sub-County Accountant	Chairman NG-CDF Committee
Name: Cynthia Robi	Name: Fredrick Moraguri ICPAK M/No:14225	Name: Alphonse Ombok




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

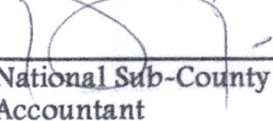
VIII STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	25,432,375	27,623,533
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		25,432,375	27,623,533
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		25,432,375	27,623,533
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		<u>25,432,375</u>	<u>27,623,533</u>
REPRESENTED BY			
Fund balance b/fwd		27,623,533	1,938,128
Prior year adjustments	14	562,141	-
Surplus/Deficit for the year		(2,753,299)	25,685,405
NET FINANCIAL POSITION		<u>25,432,375</u>	<u>27,623,533</u>

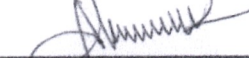
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- NGCDF-Suna East Constituency financial statements were approved on 25/8/2021 and signed by:


Fund Account Manager

Name: Cynthia Robi


National Sub-County
Accountant

Name: Fredrick Moraguri
ICPAK M/No: 14225


Chairman NG-CDF
Committee

Name: Alphonse Ombok

DISTRICT ACCOUNTANT
MIGOTI DISTRICT

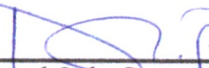
Suna East Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

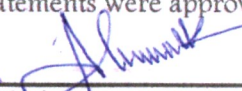
IX STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2021

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	179,604,294	107,040,876
Other Receipts	3	62,000	-
Total receipts		179,666,294	107,040,876
Payments for operating activities			
Compensation of Employees	4	4,106,523	4,303,636
Use of goods and services	5	5,574,572	5,160,365
Transfers to Other Government Units	6	136,087,597	61,600,470
Other grants and transfers	7	36,600,901	10,291,000
Other Payments	9	-	-
Total payments		182,369,593	81,355,471
Total Receipts Less Total Payments		(2,141,158)	
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	1,938,128
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	321,829
Prior year adjustments	14	562,141	2,259,957
Net cash flow from operating activities		(2,141,158)	25,685,405
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	50,000	-
Net cash flows from Investing Activities		(50,000)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(2,191,158)	25,685,405
Cash and cash equivalent at BEGINNING of the year	10	27,623,533	1,938,128
Cash and cash equivalent at END of the year		<u>25,432,375</u>	<u>27,623,533</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Suna East Constituency financial statements were approved on 25/8/2021 and signed by:


Fund Account Manager


National Sub-County Accountant


Chairman NG-CDF Committee

Name: Cynthia Robi

Name: Fredrick Moraguri
ICPAK M/No: 14225

Name: Alphonse Ombok

DISTRICT ACCOUNTANT
 MIGORI DISTRICT 18

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

X SUMMARY STATEMENT OF APPROPRIATION FOR THE YEAR ENDED 30 JUNE 2021

Receipts/Payments	Original Budget		Adjustments		Final Budget		Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
	a	b	B	c=a+b	d	e=c-d			
RECEIPTS	2020/2021		Opening Balance (C/Bk) and AIA	2020/2021	30/06/2021				
	Kshs	Previous Years' Outstanding Disbursements	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	27,623,533	85,367,724	250,080,137	207,227,827	42,852,310	82.9%		
Proceeds from Sale of Assets	0	0	0	0	-	-	0.0%		
Other Receipts	0	62000	0	62,000	62,000	-	100.0%		
TOTALS	137,088,879	27,685,533	85,367,724	250,142,137	207,289,827	42,852,310	82.9%		
PAYMENTS				0					
Compensation of Employees	4,800,000	0	971,500	5,771,500	4,106,523	664,977	71.2%		
Use of goods and services	7,537,999	2,181,533	39,336	9,758,868	5,574,572	4,184,296	57.1%		
Transfers to Other Government Units	68,456,000	20,000,000	54,527,027	142,983,027	136,087,597	6,895,430	95.2%		
Other grants and transfers	38,294,880	5,392,000	29,829,861	73,516,742	36,600,901	36,915,840.57	49.8%		
Acquisition of Assets	0	50,000	0	50,000	50,000	-	100.0%		
Other Payments	0	0	0	0	-	-	0.0%		
Funds pending approval**	18,000,000			18,000,000	-	18,000,000	0.0%		
TOTALS	137,088,879	27,685,533	85,367,725	250,142,137	182,419,593	67,722,544	72.9%		

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

BUDGET NOTES

(a) The AIA items in the statements are the sale of tender funds deposited in the main bank account

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

- i. Under Receipts 72% which is indication of funds pending for disbarment Ksh. 42,000,000
- ii. Underutilization of compensation of Employees 73% is because the late disbarment of funds from the NGCDF Board.
- iii. Underutilization of Goods and services 52% was also affected by the late disbursement of funds
- iv. Other Grants and transfers 47% is majorly bursary which we were waiting for the start of the Academic year which was affect by Covid 19 hence it starts in July instead of January which we had issued another bursary for the previous years

The changes between the original and final budget are a result of late disbursement of the previous financial year allocation with 2 projects pending for conditional approval.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	67,722,544
Less undisbursed funds receivable from the Board as at 30 th June 2021	(42,852,310)
	24,870,234
Add Accounts payable	0
Less Accounts Receivable	(0)
Add/Less Prior Year Adjustments	562,141
Cash and Cash Equivalents at the end of the FY 2020/2021	25,432,375

The NGCDF-Suna East Constituency financial statements were approved on 25/8/ 2021 and signed by:



Fund Account Manager
Name: Cynthia Robi



National Sub-County
Accountant
Name: Fredrick Moraguri
ICPAK M/No: 14225



Chairman NG-CDF Committee
Name: Alphonse Ombok

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

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS FOR THE YEAR ENDED 30TH JUNE 2021

Programme/Sub-programme	Original Budget(a) 2020/2021 Kshs	Adjustments(b)		Final Budget c = (a+b) 2020/2021 Kshs	Actual on comparable basis(d) 30/06/2021 Kshs	Budget utilization difference (e = c-d) Kshs	% of Utilisation(f =d/c %)
		Opening Balance (C/BK) and AIA	Previous years Outstanding Disbursements Kshs				
1.0 Administration and Recurrent							
1.1 Compensation of employees	4,800,000	-	971,500	5,771,500	4,106,523	1,664,977	71
1.2 Committee allowances	2,425,333	15,422	-	2,440,754	1,716,600	724,154	70
1.3 Use of goods and services	1,000,000	1,288,643	39,336	2,327,979	1,584,572	743,407	68
Total	8,225,333	1,304,065	1,010,836	10,540,234	7,407,695	3,132,539	70
2.0 Monitoring and evaluation							
2.1 Capacity building	2,000,000	182,500	0	2,182,500	1,224,660	957,840	56
2.2 Committee allowances	750,000	218,000	-	968,000	546,740	421,260	56
2.3 Use of goods and services	1,362,666	476,968		1,839,635	502,000	1,337,635	27
Total	4,112,666	877,468	-	4,990,135	2,273,400	2,716,735	46
3.0 Emergency	7,192,207	-	5,998,241	13,190,448	12,547,951	643,097	95
LICHOTA KOJWANG PRIMARY	-	200,000	-	200,000	200,000		100
COLLANG GENERAL CONTR.	-				860,380		

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

COMMISSIONER OF DOMESTIC TAX	-							1,401			
NSSF DEC 2020	-							20,700			
NSSF-NOV 2020	-							20,700			
NSSF-DEC 2020	-							20,700			
KAKRAO SECONDARY SCHOOL	-							1,060,000			
ALPHONCE OUMA OMBOK	-							142,000			
FAM- Bank Charges	-							1,522,502			
AFONDI&CO. ADVOCATES	-							50,000			
GOT KACHOLA SECONDARY	-							1,250,000			
OMBO PRIMARY SCHOOL	-							1,000,000			
MAGINA SEC SCHOOL	-							1,800,000			
MAPERA SEC SCHOOL	-							900,000.			
Total	7,192,207	200,000	5,998,241	13,390,448	12,547,351	643,097	107				
4.0 Bursary and Social Security											
4.1 Secondary Schools	15,000,000	92,000	9,979,620.00	25,071,620	10,954,000	14,117,620	229				
4.2 Tertiary Institutions	10,000,000	5,100,000	9,352,000	24,452,000	6,456,000	17,996,000	379				
4.3 Social Security	0	-	-	-	143,550	-					
4.4 Special Needs	600,000	-	1,500,000	2,100,000	-	-					
Total	25,600,000	5,192,000	20,831,620	51,623,620	17,553,550	34,832,211	294				
5.0 Sports											
5.1	2,002,673	-	1,500,000	3,502,673	1,500,000	2,002,673	43				

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

Total		2,002,673	-	1,500,000	3,502,673	1,500,000	2,002,673	
6.0 Environment								
Suba East ACC Office		-	-	1,000,000	1,000,000	1,000,000	-	100
6.1 Thidhna Primary School		2,500,000			2,500,000	2,500,000	-	100
Total		2,500,000	-	1,000,000	3,500,000	3,500,000	-	100
7.0 Primary Schools Projects								
Rabuor Taya Primary School		600,000	0	20,000,000	20,600,000	19,836,570	763,430	96
Radienya Primary School		1,500,000	-	-	1,500,000	1,500,000	-	100
Ogwendhi Primary School		1,800,000	-	-	1,800,000	1,800,000	-	100
Wuoth Ogik Primary School		2,000,000	-	-	2,000,000	2,000,000	-	100
Thidhna Primary School		2,324,000		5,427,027	7,751,027	7,751,027	-	100
Lwanda Asande Primary School		1,800,000	-	-	1,800,000	1,800,000	-	100
Kwa Hills Primary School		1,800,000	-	-	1,800,000	1,800,000	-	100
Got Kachola Primary School		500,000	-	1,500,000	2,000,000	2,000,000	-	100
Wuok Chieng Primary School		1,800,000	-	1,500,000	3,300,000	3,300,000	-	100
Nyaduong Primary School		1,000,000	-	-	1,000,000	1,000,000	-	100
Kowiti Primary School		2,500,000	-	-	2,500,000	2,500,000	-	100
Wasio Primary School		2,100,000	-	-	2,100,000	2,100,000	-	100

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

Osingo Primary School	1,800,000	-	-	1,800,000	1,800,000	-	100
Adugo Primary School	2,600,000	-	-	2,600,000	2,600,000	-	100
Anganga Primary School	1,800,000	-	-	1,800,000	1,800,000	-	100
Midoti Primary School	1,500,000	-	2,000,000	3,500,000	3,500,000	-	100
Nyamware Primary School	500,000	-	1,500,000	2,000,000	2,000,000	-	100
Kadika Primary School	1,500,000	-	2,000,000	3,500,000	3,500,000	-	100
Onyalo Primary School	3,000,000	8,000,000	-	11,000,000	11,000,000	-	100
Muslim Primary School	3,000,000	8,000,000	0	11,000,000	11,000,000	-	100
Mapera Primary School	900,000	-	0	900,000	900,000	-	100
Kakrao Primary School	500,000	-	0	500,000	500,000	-	100
Pundo Apuoche Primary School	600,000	1,500,000	0	2,100,000	2,100,000	-	100
Nyarongi Primary School	2,000,000	-	0	2,000,000	2,000,000	-	100
Kanyadera Primary School	500,000	-	0	500,000	500,000	-	100
Kasembo Primary School	1,800,000	-	0	1,800,000	1,800,000	-	100
Nyakonya Primary School	1,200,000	0	0	1,200,000	1,200,000	-	100
Nyamanga Primary School.	1,500,000	2,000,000	0	3,500,000	3,500,000	-	100
Sagegi Primary School	500,000	-	-	500,000	-	500,000	-
Rabuor Taya Primary School	532,000	-	-	532,000	-	532,000	-

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

Anganga Primary School	250,000	-	-	250,000	-	250,000	-	250,000	-
Ochieng Orwa Primary School	250,000	-	-	250,000	-	250,000	-	250,000	-
Kikoma Primary School	500,000	-	-	500,000	-	500,000	-	500,000	-
Korwa Primary School	250,000	-	-	250,000	-	250,000	-	250,000	-
Nyasare Primary School	250,000	-	400,000	650,000	400,000	250,000	400,000	250,000	62
Magina Primary School	250,000	-	-	250,000	-	250,000	-	250,000	-
Nyabisawa Primary School	250,000	-	-	250,000	-	250,000	-	250,000	-
Kokach Pri School	0	-	500,000	500,000	500,000	500,000	500,000	-	100
Lichota Kojwang Pri school	0	400,000	-	400,000	400,000	400,000	400,000	-	100
Andingo Kodit Pri School	0	-	600,000	600,000	600,000	600,000	-	600,000	-
Otacho Pri School	0	100,000	-	100,000	100,000	100,000	100,000	-	100
Ngege Primary School	0	-	400,000	400,000	400,000	400,000	400,000	-	100
Total	47,456,000	20,000,000	35,827,027	103,283,027	98,887,597	4,395,430	96		
8.0 Secondary Schools Projects									
Radienya Girls Secondary School	1,500,000	-	3,500,000	5,000,000	5,000,000	5,000,000	5,000,000	-	100
Nyamongo Secondary School	500,000	-	-	500,000	500,000	500,000	500,000	-	100
Remo Secondary School	1,000,000	-	-	1,000,000	1,000,000	1,000,000	1,000,000	-	100
Nyaduung Secondary School	1,000,000	-	1,500,000	2,500,000	1,500,000	1,000,000	1,500,000	1,000,000	60

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Kilimanjaro Secondary School	1,500,000	-	-	1,500,000	1,500,000	1,500,000	-	100
Got Kachola Secondary School	1,000,000	-	1,500,000	2,500,000	1,500,000	1,500,000	1,000,000	60
Onyalo Secondary School	1,500,000	-	2,000,000	3,500,000	3,500,000	3,500,000	-	100
Migori Boys Secondary School	4,000,000	-	4,000,000	8,000,000	8,000,000	8,000,000	-	100
Witharaga Secondary School.	1,500,000	-	-	1,500,000	1,500,000	1,500,000	-	100
Nyikendo Secondary School .	500,000	-	1,000,000	1,500,000	1,000,000	1,000,000	500,000	67
Osingo Secondary School	7,000,000	-	-	7,000,000	7,000,000	7,000,000	-	100
Kikoma Secondary School	0	-	1,900,000	1,900,000	1,900,000	1,900,000	-	
Kwa Secondary School	0	-	1,000,000	1,000,000	1,000,000	1,000,000	-	
Tingna Secondary School	0	-	1,300,000	1,300,000	1,300,000	1,300,000	-	
Mwache Secondary School	0	-	1,000,000	1,000,000	1,000,000	1,000,000	-	
Total	21,000,000		18,700,000	39,700,000	37,200,000	37,200,000	2,500,000	94
9.0 Tertiary institutions Projects	-							
Total								
10.0 Security Projects								
Suna Upper Chief's Office	1,000,000	-	500,000	1,500,000	1,500,000	1,500,000	-	100

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Total	1,000,000	-	500,000	1,500,000	1,500,000	-	100
11.0 Acquisition of assets							
11.1 Motor Vehicles	-						
11.2 Construction of CDF office	-	50,000		50,000	50,000		
11.3 Purchase of furniture and equipment	-						
11.4 Purchase of computers	-						
Total	-	50,000	-	50,000	50,000	-	
12.0 Other payments							
SUNA EAST NGCDF OFFICE	-						
Total	-						
13.0 unallocated fund							
Unapproved projects							
Kakrao Technical Training Institute	7,500,000	-		7,500,000	-	7,500,000	-
Pundo Apuoche Primary	5,500,000	-		5,500,000	-	5,500,000	-
Adugo Primary School	5,000,000	-		5,000,000	-	5,000,000	-
AIA		62,000		62,000		62,000	
PMC savings	-						
Total	18,000,000	62,000	-	18,062,000	-	18,062,000	-
	137,088,879	27,685,533	85,367,725	250,142,137	182,419,593	68,284,685	906

***Suna East Constituency
National Government Constituencies Development Fund (NGCDF)
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(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)

XII SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits (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-Suna East Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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.

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, Deposits (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.

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 15th June 2020 for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

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

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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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
B096644	04/01/2020		10,000,000
B104486	20/03/2020		19,000,000
B104152	25/02/2020		15,000,000
B047820	30/01/2020		20,000,000
B041427	19/12/2019		2,066,038
B041215	13/11/2019		4,000,000
B041066	07/04/2019		36,974,838
B104898	27/10/2020	61,367,724	
B124668	27/01/2021	9,000,000	
B119653	10/03/2021	10,000,000	
B124813	08/03/2021	16,000,000	
B124873	08/03/2021	7,236,570	
B128285	23/03/2021	6,900,000	
B128042	19/03/2021	13,000,000	
B132045	29/03/2021	6,000,000	
B132339	06/04/2021	6,000,000	
B126008	23/04/2021	13,000,000	
B126300	06/05/2021	6,100,000	
B105095	21/05/2021	10,000,000	
B140739	16/06/2021	15,000,000	
TOTAL		179,604,294	107,040,875

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	62,000	-
Total	62,000	-

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	4,279,910	3,848,236
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	-
Employer Contributions Compulsory national social security schemes	246,240	455,400
Total	4,526,150	4,303,636

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	-	-
Utilities, supplies and services	-	842,000
Communication, supplies and services	-	-
Domestic travel and subsistence	-	1,150,000
Printing, advertising and information supplies & services	-	546,300
Rentals of produced assets	-	-
Training expenses	1,716,600	240,065
Hospitality supplies and services	0	175,000
Other committee expenses	421,800	0
Committee allowance	1,851,600	1,304,000
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	1,584,572	903,000
Other operating expenses	-	-
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	-
Total	5,574,572	5,160,365

Suna East Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	98,887,597	20,300,000
Transfers to secondary schools (see attached list)	37,200,000	41,300,470
Transfers to tertiary institutions (see attached list)	-	-
TOTAL	136,087,597	61,600,470

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	10,954,000	501,000
Bursary – tertiary institutions (see attached list)	6,456,000	1,224,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	143,550	-
Security projects (see attached list)	1,500,000	4,000,000
Sports projects (see attached list)	1,500,000	1,566,000
Environment projects (see attached list)	3,500,000	-
Emergency projects (see attached list)	12,547,351	-
Other capital grants and transfer		3,000,000
Total	36,600,901	10,291,000

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	50,000.00	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	50,000.00	0

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE
10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Kenya Commercial Bank, Migori Branch. NG-CDF Suna East-Kshs. A/C NO. 1256487943</i>	21,070,937	-
<i>Cooperative Bank, Migori Branch. Suna East NG-CDF-Kshs, A/C NO. 01120481849500</i>	4,361,438	27,623,533
	-	-
Total	25,432,375	27,623,533
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-

NOTE: The statement of Cash flow shows 26,007,234 instead of 25,685,405 due to the FY 2021/20 prior year adjustment of 321,829 which increased the cash balance from 1,616,299 to 1,938,128.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	-	-

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	25,432,375	27,623,533
Cash in hand	-	-
Imprest	-	-
Total	25,432,375	27,623,533

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2020/2021
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	27,623,533	562,141	28,185,674
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
TOTAL	27,623,533	562,141	28,185,674

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	0	0
Imprest issued during the year (B)	0	0
Imprest surrendered during the Year (C)	0	0
closing accounts in account receivables D= A+B-C	0	0

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	0	0
Deposit and Retentions held during the year (B)	0	0
Deposit and Retentions paid during the Year (C)	0	0
closing account payables D= A+B-C	0	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	2,774,148	2,950,408
Use of goods and services	5,366,030	5,950,869
Amounts due to other Government entities (see attached list)	6,532,000	52,850,000
Amounts due to other grants and other transfers (see attached list)	33,756,564	34,790,241
Acquisition of assets	34,042,000	34,790,241.38
Others (<i>specify</i>)	-	-
Funds pending approval	18,763,430	-
	67,192,172	96,541,518

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	70,227,702	718,436
	70,227,702	718,436

**XXX Constituency
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
	Sub-Total			
	Grand Total			

**Suna East Constituency
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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance		Comments
		2020/21	2019/20	
Compensation of employees		2,774,148	2,950,408	
Use of goods & services		1,993,851	5,950,869	
Committee Allowances		3,372,178		
Sub-Total		8,140,177.59	8,901,277	
Amounts due to other Government entities				
	Primary Schools	3,032,000	52850000	
	Sagegi Primary School	500,000	0	Purchase of pupils desks
	Rabuor Taya Primary School	532,000	0	Purchase of pupils desks
	Anganga Primary School	250,000	0	Purchase of pupils desks
	Ochieng Orwa Primary School	250,000	0	Purchase of pupils desks
	Kikoma Primary School	500,000	0	Purchase of pupils desks
	Korwa Primary School	250,000	0	Purchase of pupils desks
	Nyasare Primary School	250,000	0	Purchase of pupils desks
	Magina Primary School	250,000	0	Purchase of pupils desks
	Nyabisawa Primary School	250,000	0	Purchase of pupils desks
	Secondary Schools	2,500,000		
	Nyaduung Secondary School	1,000,000	1,500,000	Completion of admin block
	Got Kachola Secondary School	1,000,000	1,500,000	Construction 1 classroom
	Nyikendo Secondary School .	500,000	1,000,000	Completion of admin block
Sub-Total		5,532,000	52,850,000	

**Suna East Constituency
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Amounts due to other grants and other transfers					
	Bursaries		32,142,000		34,790,241
	Sports		2,002,673		-
	Emergency		711,891		-
Sub-Total			34,856,564		34,790,241
Acquisition of assets					
Others (specify)					
Sub-Total					
Funds pending approval					
	Kakrao TTI Funds		7,500,000		
	Access Roads to Pri Sch		10,500,000		
	Rabuor Taya Pri		763,430		
Sub-Total			18,763,430		
Grand Total			67,192,172		96,541,518

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f		Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost	
	(Kshs)				(Kshs)	
	2019/20	2020/21			2020/21	
Land	-	-	-	-	-	-
Buildings and structures	5,450,000	50,000	-	-	5,500,000	
Transport equipment	4,538,169	-	-	-	4,538,169	
Office equipment, furniture and fittings	7,056,355	-	-	-	7,056,355	
ICT Equipment, Software and Other ICT Assets	210,000	-	-	-	210,000	
Other Machinery and Equipment	-	-	-	-	-	
Heritage and cultural assets	-	-	-	-	-	
Intangible assets	0	0	0	0	-	
Total	17,254,524	50,000	50,000	-	17,304,524	

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

	PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
1.	SANGLA PRIMARY SCHOOL	COOP	1141204805200	1,436	1,436
2.	KIKOMA PRIMARY SCHOOL	COOP	1141482624700	7,143	7,143
3.	WUOTH OGIK PRIMARY SCHOOL	COOP	1141056296400	1,473	1,472
4.	OSINGO PRIMARY SCHOOL	COOP	1141750139300	4,410	4,410
5.	GOD-JOPE PRIMARY SCHOOL	COOP	1141750153900	8,310	352,310
6.	WUOK CHIENG PRIMARY SCHOOL	COOP	1141751618900	3,075	-
7.	KOWITI PRIMARY SCHOOL	COOP	1141482172900	6,888	6,888
8.	PUNDO APUOCHE PRIMARY SCHOOL	COOP	1139202670600	21,270	4,150
9.	TINGNA PRIMARY SCHOOL	COOP	1141750154800	5,735	5,736
10.	LICHOTA KOJWANG PRIMARY SCHOOL	COOP	1141202181100	3,975	-
11.	TINGNA MIXED SECONDARY SCHOOL	COOP	1141482597800	7,571	5,736
12.	REMO MIXED SECONDARY SCHOOL	COOP	1141751559300	3,855	-
13.	ONYALO PRIMARY SCHOOL	COOP	1141750159700	7,601	7,601
14.	NYAKONYA PRIMARY SCHOOL	COOP	1141204685900	5,683	5,683
15.	NYADUONG PRIMARY SCHOOL	COOP	1141204740800	5,985	5,985
16.	GOT KACHOLA PRIMARY SCHOOL	COOP	1141481967500	107,453	353
17.	NYAMWARE PRIMARY	COOP	1139056288500	110,860	-

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	SCHOOL					
18.	NYANGO MIXED SECONDARY SCHOOL	COOP	1141048672100	156,579	156,579	
19.	NYIKENDO PRIMARY SCHOOL	COOP	1141482177500	3,150	3,150	
20.	OPASI PRIMARY SCHOOL	COOP	1141481968000	4,683	4,682	
21.	CDF OFFICE PMC	COOP	1134204460900	365,140	-	
22.	MIDOTI PRIMARY SCHOOL	COOP	1141202330700	111,888	4,488	
23.	SUNA UPPER CHIEFS OFFICE	COOP			118,975	
24.	RABUOR TAYA PRIMARY SCHOOL	COOP			-	
25.	RADIENYA PRIMARY SCHOOL	KCB	1256413682	4,784	5,975	
26.	WI-AROT PRIMARY SCHOOL	KCB	1257907166	232	1,423	
27.	KORWA SECONDARY SCHOOL	KCB	1260395014	1,204	2,395	
28.	ST PIUS ADUGO PRIMARY SCHOOL	KCB	1272059227	3,984	5,175	
29.	OTACHO PRIMARY SCHOOL	KCB	1259237478	3,428	2,745	
30.	KODILA PRIMARY SCHOOL	KCB	1258418312	784	1,975	
31.	NGEGE PRIMARY SCHOOL	KCB	1257817183	2,784	1,975	
32.	Ogwedhi Pri school	EQUITY	1160280815495	99,430	-	
33.	Radienya Girls Sec School	EQUITY	1160280815111	249,773	-	
34.	Punda Apuoche Pri School	EQUITY	1160280818217	178,671	-	
35.	Got Kachola Pri School	EQUITY	1160280896887	80,370	-	
36.	Kadika Pri School	EQUITY	1160280778951	374,937	-	
37.	Onyalo Mixed Sec School	EQUITY	1160280915612	1,500,550	-	
38.	Nyamanga Pri School	EQUITY	1160280823430	396,057	-	

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39.	Got Kachola Sec School	EQUITY	1160280937908	450,430	-
40.	Kasembo Pri School	EQUITY	1160280898231	1,799,550	-
41.	Onyalo Pri School	EQUITY	1160280626843	10,999,550	-
42.	Osingo Mixed Sec Schoolo	EQUITY	1160280965095	7,000,000	-
43.	Nyamongo Sec School	EQUITY	1160280966166	500,000	-
44.	Migori Sec School	EQUITY	1160280729161	7,999,550	-
45.	Osingo Pri School	EQUITY	1160280725358	190	-
46.	Rabuor Taya Pri School	EQUITY	1160280574113	9,117,019	-
47.	Kokach Mixed Sec School	EQUITY	1160280739887	5,430	-
48.	Wasio Pri School	EQUITY	1160280961705	1,200,430	-
49.	Witharaga Sec School	EQUITY	1160280965918	1,500,000	-
50.	Suna Upper Chiefs Office	EQUITY	1141751555600		-
51.	Migori Muslim Pri School	EQUITY	1160280584760	11,000,550	-
52.	Thidhna Pri School	EQUITY	1160280545284	5,051,422	-
53.	Wuok Chieng Pri School	EQUITY	1160280539912	5,190	-
54.	Nyaduung Pri School	EQUITY	1160280553156	2,310	-
55.	Wouth Ogik Pri School	EQUITY	1160280795795	399,310	-
56.	Nyakonya Pri School	EQUITY	1160280811503	1,600	-
57.	Lwanda Asante Pri School	EQUITY	1160280814276	1,799,550	-
58.	Mapera Pri School	EQUITY	1160280894332	199,070	-
59.	Nyarongi Pri school	EQUITY	1160280821906	2,000,000	-
60.	Kanyadera Pri School	EQUITY	1160280789479	1,310	-

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61.	Radienya Pri School	EQUITY	1160280778436	9,310	-
62.	Ombo Pri School	EQUITY	1160280958796	199,430	-
63.	Nyamware Pri School	EQUITY	1160280769204	102,114	-
64.	Kakrao Pri School	EQUITY	1160280769171	2,310	-
65.	Kowiti Pri School	EQUITY	1160280769438	2,070	-
66.	Kwa Hills Pri School	EQUITY	1160280789638	1,023,380	-
67.	Anganga Pri School	EQUITY	1160280768147	4,190	-
68.	Adugo Pri School	EQUITY	1160280765175	2,190	-
69.	Kilimanjaro Sec School	EQUITY	1160280797155	1,500,000	-
70.	Midoti Pri School	EQUITY	1160280221119	1,500,000	-
71.	Remo Secondary School	EQUITY	1160280964522	999,100	-
	Total			70,227,702	718,436

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)
1.0	Compensation of Employees Observations Note 2 to the financial statements under receipts and payments for the	Response I wish to state that the recommendation highlighted by the auditors will be	Resolved on Certificate	5days

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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>year ended 30th June 2020 reflects compensation of employees Kshs. 4,303,636. A review of employment records and transactions revealed Suna East NGCDF office continued to engage thirty two (32) contractual employees far above the seven (7) as provided for in section 15(1) NG-CDF Act 2015. There was no human resource management policy to guide the Fund on the roles and responsibilities of the staff.</p>	<p>implemented immediately the staff contracts become due this financial year. The recommendation has been agreed and adopted by the Ngcdfc.</p>		
2.0	<p>Cash and Bank Observations Included in note 9 as annexures is a figure of ksh. 2,436,395 been bank balances project management committees (PMCs) Account balances as at 30th June 2020. However no cashbook records were availed in support of the cash and bank balances. In the circumstance, the accuracy, completeness and adequacy of the PMCs account</p>	<p>Response I wish to state that the figure in annex 9 of Ksh 2,436,395 relates to PMC bank balances as at 30th June 2020. Cash book page and PMC bank statements have been attached in support of the payment.</p>	Resolved on Certificate	5days

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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)
	balances of KSH. 2,436,395.			
3.0	<p>Budget performance</p> <p>Observation Suna East Constituency approved budget for the year 2019/2020 amounted to Ksh. 175,958,861 with actual expenditure ksh 81,355,471 or 46.2% absorption rate. Management have not disclosed reason for underutilization of all approved budget in the financial statement as required by IPSAS 24</p> <p>Response The underutilization in the approved budget of 46.2% is because of delay in the release of funds from the Board.</p>	<p>Response The underutilization in the approved budget of 46.2% is because of delay in the release of funds from the Board.</p>	Resolved on Certificate	5days
4.0	<p>Transfer to other Government Entities 3.1 Rabuur Taya Primary School</p> <p>Observation Note 4 to the financial statement reflects transfer to other</p>	<p>Response I wish to state that the project was allocated additional funds for completing the remaining phase in the financial year 2019/20 but funds delayed</p>	Resolved on Certificate	5days

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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>Government unit of Ksh. 61,600,470 for the year 30th June 2020. Ksh 9,500,000 was disbursed to Rabur Taya Primary School for construction of two storied building with 12 classrooms. The contract was awarded to M/S Willing Kenya at contract cost of ksh. 30,033,450 during 2017/18 financial year. The last certificate of payment indicates that ksh. 12,646,000 had been accounting to 42% of contract sum, however physical verification at the time of audit revealed the project had stalled at 1st slab level and the contractor had abandoned the site.</p>	<p>from the Board.</p>		