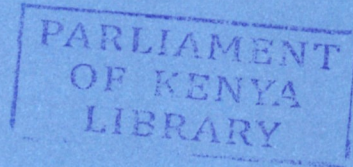


REPUBLIC OF KENYA



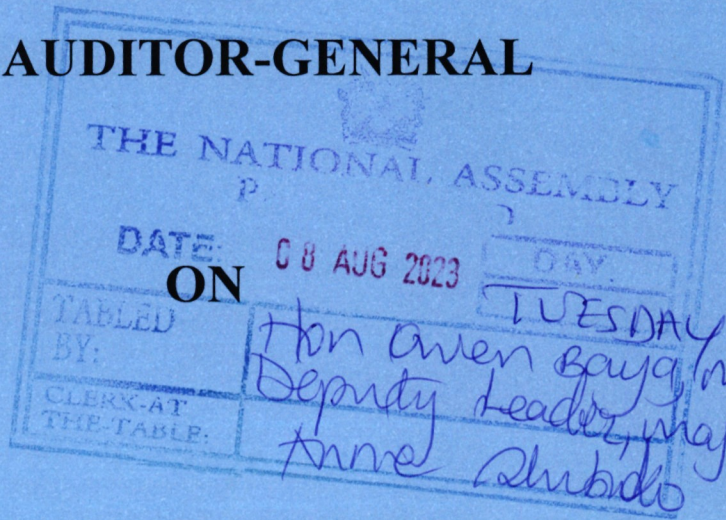
Enhancing Accountability

REPORT



OF

THE AUDITOR-GENERAL



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

**FOR THE YEAR ENDED
30 JUNE, 2022**

OFFICE OF THE ACCOUNTANT GENERAL
P. O. Box 30084 - 00100 NAIROBI
REGISTRY

Revised Template 30th June 2022

10 MAY 2023

RECEIVE



GEM CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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



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I. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

Gem Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2022

- 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

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Mary Mwaki
2.	Sub-County Accountant	Hezron Manduku Ng'ielia
3.	Chairman NGCDFC	Maureen Anyango Omoro
4.	Member NGCDFC	Caroline Opala

(d) Fiduciary Oversight Arrangements

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

P.O. Box P.O. Box 53,
SAWAGONGO
GEMNGCDF Building
LUANDA SIAYA ROAD
WAGAI, KENYA

(f) Gem Constituency NGCDF Contacts

Telephone: (254) GEM
E-mail: cdfgem@ngcdf.go.ke
Website: www.gemcdf.go.ke

Gem Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2022

(g) Gem Constituency NGCDF Bankers

Co-operative Bank

Yala Branch

P.O Box 195

Yala

(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

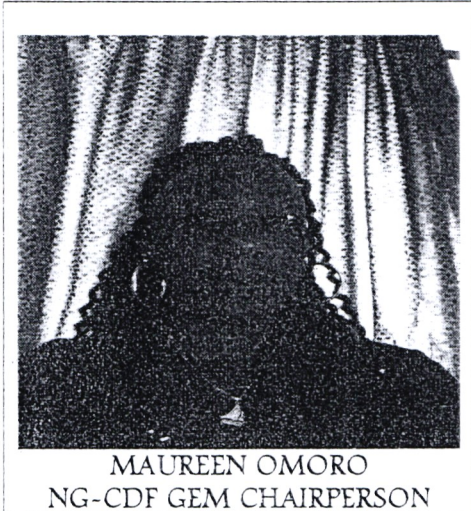
Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

II. NG-CDFC Chairman's Report



In the financial year 2021/2022 the Gem NG-CDF had an original budget of Kshs.137,088,897.00 but the final budget had amounted to Kshs. 172.695,948 because of the balances from the previous years that were later received within the 2021/2022 financial year. In regard to disbursement from the NG-CDF BOARD, our constituency had managed to receive Kshs. 137,088,897.00 by the closure of the financial year which translates to 100% of the 2021/2022 financial year's budget.

Gem Constituency has practiced good financial governance which is prudent in ensuring efficiency, effectiveness, responsiveness and accountability of public funds. Our financial statements are good, but the real benefit of our success is what it means to the constituents we serve. To this, I am incredibly proud of the team that ensured all this is possible and I therefore convey my utmost gratitude to the FAM, the DA and the internal Audit team.

Through our project implementation in the financial year 2021/2022, we have made significant contributions to the constituency. The effect of our multiple projects in the constituency is highly manifested by increase in job creation for the locals (especially youths, women and people with special needs), increase in literacy levels and an amazing reduction in school dropout rates, easy access to basic services through improved infrastructural development and equitable development in the whole constituency. We have also managed to take care of our constituents by distributing sanitizers, soaps and supply of small plastic tanks for hand washing during the period of covid 19 outbreaks.

We have faced a number of challenges during this financial year. The first being over dependency on bursary fund due to high level of poverty and to many orphans within the constituency. The outbreak of covid 19 has also affected the performance of our constituency. These challenges have greatly curtailed successful implementation of our projects. However, despite the challenges we have faced during the financial year, we have managed to execute all the projects in our code list.

Below is the summary of our expenses.

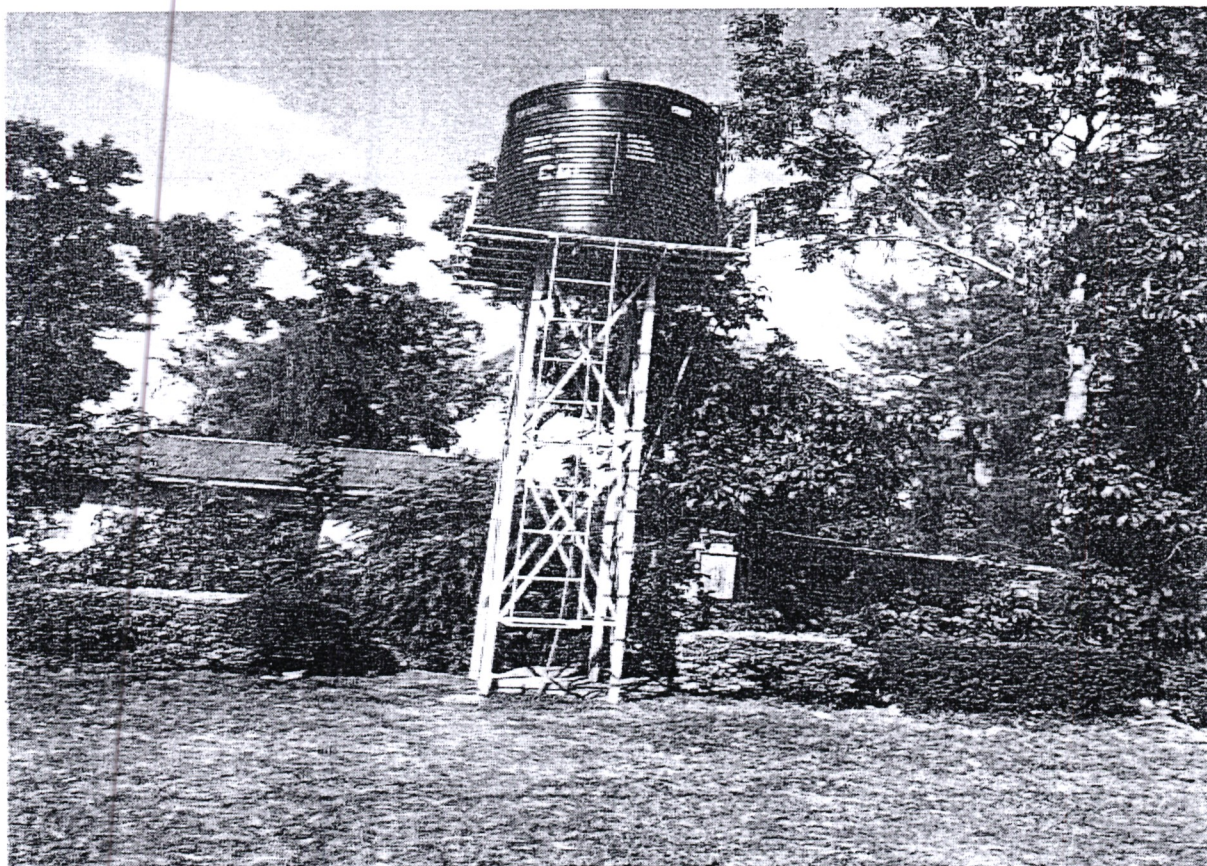
Gem Constituency

National Government Constituencies Development Fund (NGCDF)

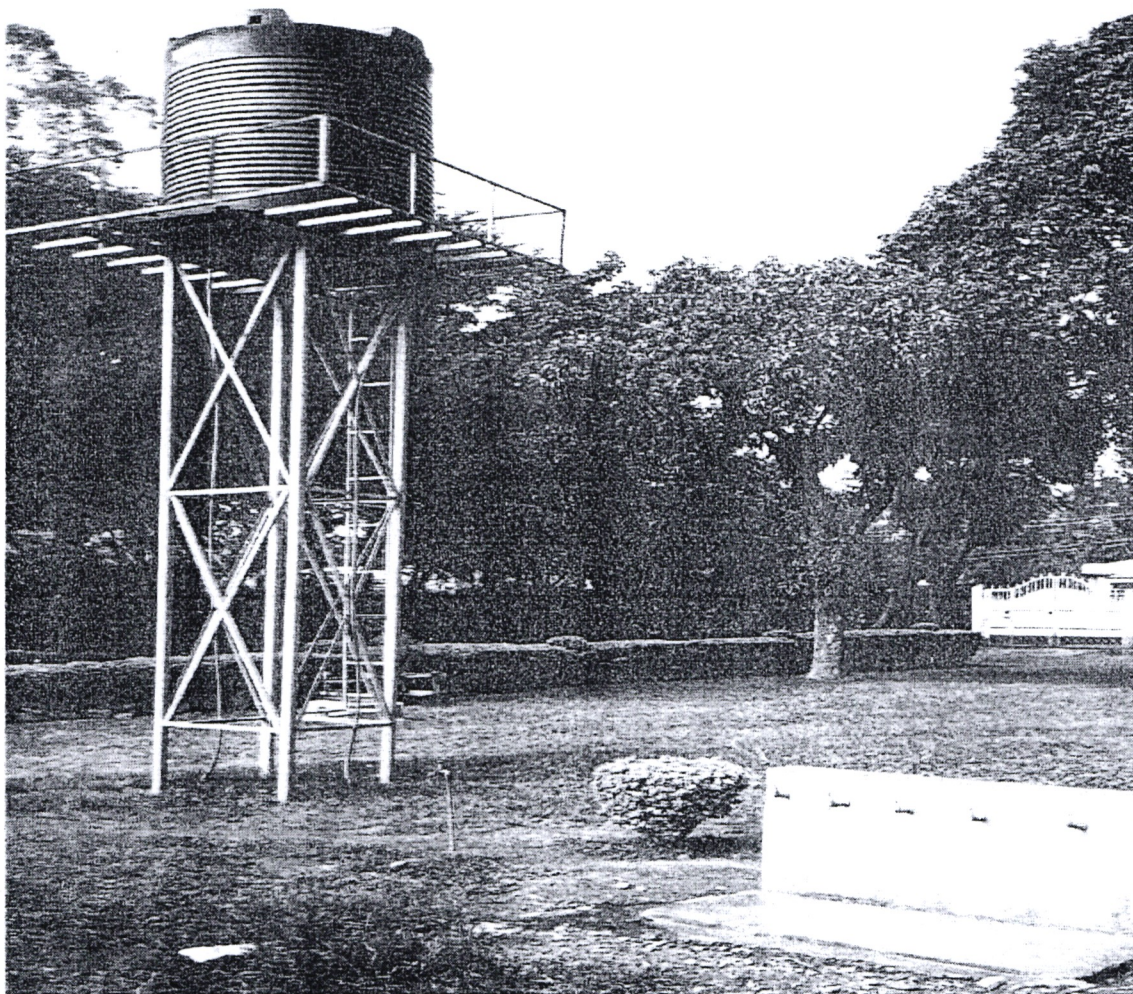
Annual Report and Financial Statements for The Year Ended June 30, 2022

Description	Amount
Compensation of Employees	3,033,557
Use of goods and services	7,843,981
Transfers to Other Government Units	87,126,000
Other grants and transfers	61,892,978
TOTAL	159,896,516

Highlighted below are some of flagship projects that the committee was able to initiate over the past financial year



Kambare Secondary school : Drilling of bore hole, Installation of water pump and piping (Kshs.1,700,000) and construction of concrete water tower and installation of 10,000 litres water tank (kshs. 250,000)



Mutumbu Girls secondary school: Drilling of bore hole, Installation of water pump and piping (Kshs.1,700,000) and construction of concrete water tower and installation of 10,000 litres water tank (kshs. 250,000)

Gem Constituency

National Government Constituencies Development Fund (NGCDF)

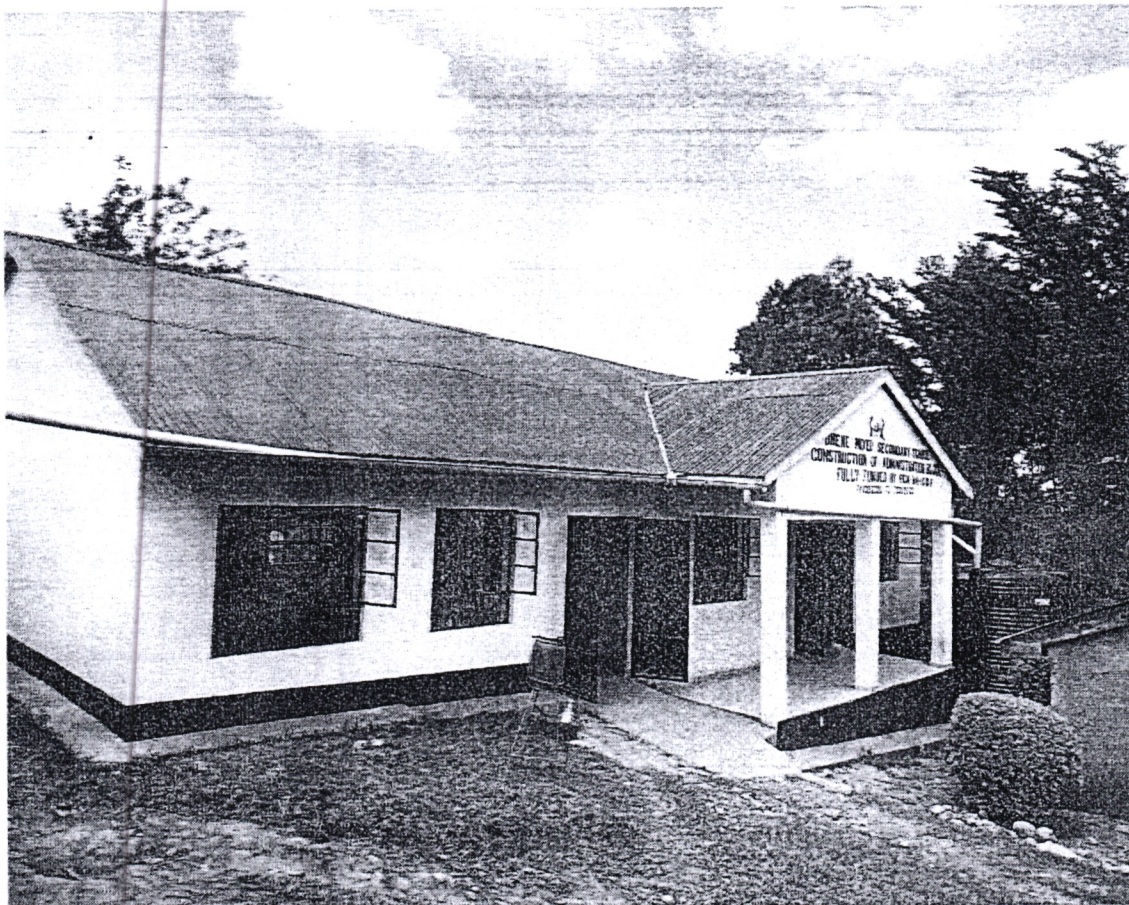
Annual Report and Financial Statements for The Year Ended June 30, 2022



Fencing of 20 acre piece of land at Gamba TTI using concrete posts, bub wire and chain link at Kshs. 8,000,000.00



Gem Yala Sub-county AP Commandant's office constructed at a cost of Kshs. 1,000,000.00



Construction of administration block at Dhene Mixed secondary school at a cost of Kshs. 3,500,000.00

Emerging issues

During the financial year in question, there was an outbreak of covid 19. This greatly affected the budget. inflation also greatly reduced the purchasing power, so the the budget was not sufficient.

Recommendations

Since the effect of the above named issues were bad on the economy, we are recommending that the Board to allow for more allocation for projects since we don't have a provision for supplementary budget for projects at the constituency level.

.....

Name : Maureen Omoro
CHAIRMAN NGCDF COMMITTEE

III. Statement Of Performance Against Predetermined Objectives for FY2021/22

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 *Gem Constituency 2018-2022* plan are to:
 (Enumerate all the objectives of the constituency as per the Strategic Plan)

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 21/22 -we increased number of classrooms from 20 to 25, dormitories from 2 to 4 and laboratories from 2 to 3 . - Bursary of Kshs. 30,000,000 was disbursed.
Security	To enhance security within the constituency by improving public administration and governance	The Gem NG-CDF has constructed many chiefs' offices, and police post	The number of security institutions funded by Gem NG-CDF in	The organization funded 8 security institutions in 2021/2022 amounting to K.sh. 6,000,000.

Gem Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2022

Environment	To provide conducive environment with enough water, air and food	Our constituents are able to access water easily since plastic water tanks can collect more water. We have also been experiencing more rains due to plantation of more trees.	The number of institutions where trees were planted and the water tanks purchased.	The constituency has installed 10 ,000 litres plastic water tanks in 10 schools. We have also planted tree seedlings in 15 schools..
Sports	To nurture and develop identified sport and culture talents in the constituency.	<ol style="list-style-type: none"> 1. Establish Gem sport and culture kitty. 2. Issuing of sports and culture award to winners. 	The number of teams sponsored by NG-CDF	We undertook a sport tournament and bought equipment for various teams in Gem
Emergency	Allocating emergency funds every year to cater for unforeseen circumstances.	The office has been in a position to assist the affected schools.	The number of institutions sponsored by NG-CDF emergency fund	We Constructed 10 four doors pit latrines ,renovation of administration block at Onding primary school and construction of Yala assistant chief's office.

IV. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Gem 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

- *Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar*
- *Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*
- *NG-CDF staff Have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.*

3. Employee welfare

We invest in providing the best working environment for our employees. Gem 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. Gem 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-

Gem 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-

Gem 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.

Gem Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2022

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.

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



Name: Maureen Omoro
CHAIRMAN NGCDF COMMITTEE

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Security	To enhance security within the constituency by improving public administration and governance	The Gem NG-CDF has constructed many chiefs' offices, and police post	The number of security institutions funded by Gem NG-CDF in	The organization funded 8 security institutions in 2021/2022

Gem Constituency

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Annual Report and Financial Statements for The Year Ended June 30, 2022

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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. Gem 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.

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Gem Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2022

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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.

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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.

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



Name: Mary Mwaki

FAM

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-Gem 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, 2022. 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-Gem 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, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Gem 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.

gem Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

The Accounting Officer in charge of the NGCDF Gem 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- Gem Constituency financial statements were approved and signed by the Accounting Officer on 5th September 2022.



.....
Name: Maurine Omoro
Chairman – NGCDF Committee



.....
Name: Mary Mwaki
Finance Account Manager

REPUBLIC OF KENYA

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Enhancing Accountability

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - GEM CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022

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 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 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 - Gem Constituency set out on pages 1 to 38, which

Report of the Auditor-General on National Government Constituencies Development Fund - Gem Constituency for the year ended 30 June, 2022

comprise of the statement of assets and liabilities as at 30 June, 2022, 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund-Gem Constituency as at 30 June, 2022, 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 National Government Constituencies Development Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Cash and cash equivalents

The statement of financial position and Note 10 to the financial statements reflects cash and cash equivalents balance of Kshs.17,874,661 as at 30 June, 2022. However, cheques totalling Kshs.1,419,769 were drawn but were not issued to the intended recipients. The cheque and became stale and had not been reinstated in the cash book.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.17,874,661 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 - Gem 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 final receipts budget and actual on a comparable basis of Kshs.189,184,828 and Kshs.170,488,879 respectively resulting to an underfunding of Kshs.18,695,949 or 10% of the budget. Similarly, the Fund expended

Kshs.159,917,920 against an approved budget of Kshs.189,184,828 resulting to an under expenditure of Kshs.29,266,908 or 15% of the budget.

The underfunding and under-expenditure constrained implementation of the planned activities and may have affected negatively service delivery to the public.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several matters were raised under the Report on Financial Statements, Report on lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Control and Risk Management and Governance. However, Management had not resolved and disclosed the status of all the prior year matters as prescribed in the reporting requirements set by the Public Sector Accounting Standards Board. The Management has also not provided satisfactory explanation for the delay in resolving the issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Uneconomical Motorcycles

Included in the asset register provided for audit, were five (5) motorcycles valued at Kshs.598,000. However, physical verification and mechanical report indicated that they

were uneconomical to repair and the Fund Management had not taken measures to dispose them.

In the circumstances, the effectiveness of internal controls could not be confirmed.

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 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

The 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 controls, risk management and governance.

In preparing the financial statements, the Management is responsible for assessing the Fund's ability 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.

The 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, the Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how 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 was 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 considered 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 controls 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 controls 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 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 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 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 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


06 July, 2023

VIII. Statement Of Receipts and Payments for the Year Ended 30th June 2022


	Note	2021 – 2022	2020 – 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	170,488,879	168,867,725
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	480,000
Total Receipts		170,488,879	169,347,725
Payments			
Compensation Of Employees	4	3,086,960	5,257,518
Use Of Goods and Services	5	7,403,981	8,272,117
Transfers To Other Government Units	6	87,126,000	127,922,775
Other Grants and Transfers	7	62,300,979	28,256,868
Acquisition Of Assets	8		
Other Payments	9		
Total Payments		159,917,920	169,709,278
Surplus/(Deficit)		10,570,959	(361,553)

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

The Constituency financial statements were approved on 5th September 2022 and signed by:


Fund Account Manager

Name: Mary Mwaki


National Sub-County
Accountant

Name: Hezron Ngiela Manduki
ICPAK M/No:


Chairman NG-CDF Committee

Name: Maureen Omoro

IX. Statement of Assets and Liabilities As At 30th June, 2022

	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	17,874,661	6,607,070
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		17,874,661	6,607,070
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		17,874,661	6,607,070
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	1,480,560	783,928
Total Financial Liabilities			
Net Financial Assets		16,394,101	5,823,142
Represented By			
Fund Balance B/Fwd	13	5,823,142	6,184,695
Prior Year Adjustments	14	-	
Surplus/Deficit for The Year		10,570,959	
Net Financial Position		16,394,101	5,823,142

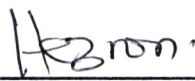
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 5th September 2022 and signed by:



Fund Account Manager

Name: Mary Mwaki



National Sub-County
Accountant

Name: Hezron Ngiela Manduku
ICPAK M/No:



Chairman NG-CDF Committee

Name: Maureen Omoro

X.Statement of Cash Flows for the Year Ended 30th June 2022

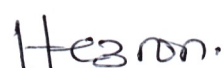
	Notes	2021 - 2021 Kshs	2021 - 2021 Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	170,488,879	168,867,725
Other Receipts	3	-	480,000
Total Receipts		170,488,879	169,347,725
Payments			
Compensation Of Employees	4	3,086,960	5,257,518
Use Of Goods and Services	5	7,403,981	8,272,117
Transfers To Other Government Units	6	87,126,000	127,922,775
Other Grants and Transfers	7	62,300,979	28,256,868
Other Payments	9	-	-
Total Payments		159,917,920	169,709,278
Total Receipts Less Total Payments			
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15		
Increase/(Decrease) In Accounts Payable	16	696,632	783,928
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		11,267,591	422,375
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	-	-
Net Cash Flows from Investing Activities		-	-
Net Increase In Cash And Cash Equivalent		11,267,591	422,375
Cash & Cash Equivalent At Start Of The Year	10	6,607,070	6,184,695
Cash & Cash Equivalent At End Of The Year	10	17,874,661	6,607,070

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

The Constituency financial statements were approved on 5th September 2022 and signed by:


Fund Account Manager

Name: Mary Mwaki


National Sub-County
Accountant

Name: Hezron Ngiela Manduki
ICPAK M/No:


Chairman NG-CDF Committee

Name: Maureen Omoro

*Gem Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

XI. Summary Statement of Appropriation for the Year Ended 30th June 2022

Receipts/Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
	A	2021/2022	b	Previous Years' Outstanding disbursements				
Receipts								
Transfers From NGCDF Board		Kshs	Opening Balance (C/Bk) and AIA	Kshs	Kshs	Kshs	Kshs	
Proceeds From Sale of Assets								
Other Receipts								
Totals		137,088,879	6,607,070	45,488,879	189,184,828	170,488,879	18,695,949	90.1%
Payments								
Compensation Of Employees		4,768,945	2,312,478	2,091,036	9,172,459	3,086,960	6,085,499	33.7%
Use Of Goods and Services		7,482,727	-	4,036,254	11,518,982	7,403,981	4,115,001	64.3%
Transfers To Other Government Units		82,326,000	1,300,000	14,841,606	98,467,606	87,126,000	11,341,606	88.5%
Other Grants and Transfers		42,511,207	2,994,592	24,519,983	70,025,782	62,300,979	7,724,803	89.0%
Acquisition Of Assets		-	-	-	-	-	-	
Other Payments		-	-	-	-	-	-	
Funds Pending Approval**		-	-	-	-	-	-	
Totals		137,088,879	6,607,070	45,488,879	189,184,828	159,917,920	29,266,908	84.5%

Explanatory Notes .

The funds previously allocated to Apuoyo TTC (Kshs. 4,000,000) were reallocated to bursary secondary schools because of the delay in the registration process of the TTC. Consequently there was Kshs200,000 previously allocated to Odok Rera primary school for fencing which was reallocated to bursary secondary schools.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	29,266,907
Less undisbursed funds receivable from the Board as at 30 th June 2022	18,696,059
	10,570,848
Add Accounts payable	1480560
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	12,051,408

The Constituency financial statements were approved on 5th September 2022 and signed by:



Fund Account Manager

Name: Mary Mwaki



National Sub-County Accountant

Name: Hezron Ngila Manduki
ICPAK M/No:



Chairman NG-CDF Committee

Name: Maureen Omoro

X. Budget Execution by Sectors and Projects for the Year Ended 30th June 2022

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration And Recurrent						
1.1 Compensation Of Employees	4,768,945	2,312,478	2,091,036	9,172,459	3,086,960	6,085,499
1.2 Committee Allowances	1,460,220			1,460,220	1,404,000	56,220
1.3 Use Of Goods And Services	1,909,841		651,755	2,561,596	2,525,461	36,135
Total	8,139,006	2,312,478	2,742,791	13,194,274	7,016,421	6,177,853
2.0 Monitoring And Evaluation						
2.1 Capacity Building	1,412,666		984,500	2,397,166	736,800	1,660,366
2.2 Committee Allowances	1,700,000		1,000,000	2,700,000	2,138,725	561,275
2.3 Use Of Goods And Services	1,000,000		1,400,000	2,400,000	598,995	1,801,005
Total	4,112,666	-	3,384,500	7,497,166	3,474,520	4,022,646
3.0 Emergency						
3.1 Primary Schools	4,800,000			4,800,000	4,800,000	-
3.2 Secondary Schools	450,500			450,500	450,500	-
3.3 Tertiary Institutions	399,880			399,880	399,880	-
3.4 Security Projects	1,066,000		-	1,066,000	1,066,000	-
3.5 Unutilised	475,827			475,827		475,827
Total	7,192,207	-	-	7,192,207	6,716,380	475,827
4.0 Bursary And Social Security						
4.1 Secondary Schools	13,400,000	659,592	15,554,483	29,614,075	26,835,099	2,778,976

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.2 Tertiary Institutions	8,000,000	200,000	3,600,000	11,800,000	11,920,000	(120,000)
4.3 Social Security	3,600,000		3,600,000	7,200,000	3,600,000	3,600,000
4.4 Special Needs			945,000	945,000		945,000
Total	25,000,000	859,592	23,699,483	49,559,075	42,355,099	7,203,976
5.0 Sports	2,000,000	2,135,000	-	4,135,000	4,090,000	45,000
Total	2,000,000	2,135,000	-	4,135,000	4,090,000	45,000
6.0 Environment						
Nango Primary School	70,000	-		70,000	70,000	-
Onding Primary School	70,000	-		70,000	70,000	-
Omindo Primary School	70,000	-		70,000	70,000	-
Ndegwe Primary School	70,000	-		70,000	70,000	-
Onyinyore Primary School	70,000	-		70,000	70,000	-
Uthanya Primary	70,000	-		70,000	70,000	-
Dhene Primary School	70,000	-		70,000	70,000	-
Bar-Kawandu Primary	70,000	-		70,000	70,000	-
Ginga Valley Primary	70,000	-		70,000	70,000	-
Yala Township Primary	70,000	-		70,000	70,000	-
Malunga Primary	70,000	-		70,000	70,000	-
Miro Primary School	70,000	-		70,000	70,000	-

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
God Kokwiri	70,000	-	-	70,000	70,000	-
Rawalo Primary	70,000	-	-	70,000	70,000	-
Kanyuto Primary	70,000	-	-	70,000	70,000	-
Aluor Primary	141,000	-	-	141,000	141,000	-
Apuyo Mixed Secondary	141,000	-	-	141,000	141,000	-
Gongo Primary	141,000	-	-	141,000	141,000	-
Masinde Primary	141,000	-	-	141,000	141,000	-
Ndegwe Secondary	141,000	-	-	141,000	141,000	-
Onding Secondary	141,000	-	-	141,000	141,000	-
Rachare Primary	141,000	-	-	141,000	141,000	-
St.Oda School For The Blind	141,000	-	-	141,000	141,000	-
St.Pauls Siriwo Mixed	141,000	-	-	141,000	141,000	-
Total	2,319,000	-	-	2,319,000	2,319,000	-
7.0 Primary Schools Projects						
Pala Valley Pri	-	600,000	-	600,000	600,000	-
Pala Valley Pri	-	500,000	-	500,000	500,000	-
Odok Rera Pri	-	200,000	-	200,000		200,000
Nyagondo Pri	-	-	900,000	900,000	900,000	-
Alour Girls Pri	-	-	900,000	900,000	900,000	-
Ulamba	-	-	800,000	800,000	800,000	-
Ulamba Pri	-	-	300,000	300,000	300,000	-

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
St Annes Marenyo	-	-	500,000	500,000	500,000	-
Asayi Pri	-	-	200,000	200,000	200,000	-
Wang Bith Pri Sch	-	-	500,000	500,000	500,000	-
Wang Bith Pri Sch	-	-	600,000	600,000	600,000	-
Wangoji Primary	1,000,000	-	-	1,000,000	1,000,000	-
Regca Primary	1,200,000	-	-	1,200,000	1,200,000	-
Odendo Primary	1,200,000	-	-	1,200,000	1,200,000	-
Sidada Primary	1,200,000	-	-	1,200,000	1,200,000	-
Barkalare Primary	2,100,000	-	-	2,100,000	2,100,000	-
Kudho Primary	1,200,000	-	-	1,200,000	1,200,000	-
Uganga Primary	1,200,000	-	-	1,200,000	1,200,000	-
Kaumeri Primary	2,400,000	-	-	2,400,000	2,400,000	-
Mingao Primary	1,000,000	-	-	1,000,000	1,000,000	-
Gogo Primary	1,000,000	-	-	1,000,000	1,000,000	-
Nyamunia Primari	250,000	-	-	250,000	250,000	-
Nyapiedho Primary	1,800,000	-	-	1,800,000	1,800,000	-
Sirembe Primary	300,000	-	-	300,000	300,000	-
Nyagondo Primary	350,000	-	-	350,000	350,000	-
Simaga Primary	584,000	-	-	584,000	584,000	-
Ojwaya Primary	150,000	-	-	150,000	150,000	-
Kagilo Primary	700,000	-	-	700,000	700,000	-

Programme/Sub-programme	Original Budget		Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
	2021/2022		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Jim Rembe Primary	1,200,000		-	-	1,200,000	1,200,000	-
Opal Primary	1,950,000		-	-	1,950,000	1,950,000	-
Regea Primary	292,000		-	-	292,000	292,000	-
Uyonga Primary	500,000		-	-	500,000	500,000	-
Muhanda Primary	900,000		-	-	900,000	900,000	-
Migosi Primary	900,000		-	-	900,000	900,000	-
Mutumbu Primary	1,800,000		-	-	1,800,000	1,800,000	-
Wangu Primary	1,200,000		-	-	1,200,000	1,200,000	-
Barkalare Primary	1,200,000		-	-	1,200,000	1,200,000	-
Nyangulu Primary	1,000,000		-	-	1,000,000	1,000,000	-
Wagai Primary	1,200,000		-	-	1,200,000	1,200,000	-
Lundha Primary	1,200,000		-	-	1,200,000	1,200,000	-
Mwadi Primary	1,200,000		-	-	1,200,000	1,200,000	-
Malira Primary	1,200,000		-	-	1,200,000	1,200,000	-
Sirandtu Primary	900,000		-	-	900,000	900,000	-
Olengo Primary School	900,000		-	-	900,000	900,000	-
Kambare Primary School	1,200,000		-	-	1,200,000	1,200,000	-
Malele Primary School	900,000		-	-	900,000	900,000	-
Bar Sauri Primary School	1,200,000		-	-	1,200,000	1,200,000	-
Bar Turo Primary School	600,000		-	-	600,000	600,000	-
Opal Primary School	500,000		-	-	500,000	500,000	-

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kanyadet Primary School	1,200,000	-	-	1,200,000	1,200,000	-
Uhonya Primary School	500,000	-	-	500,000	500,000	-
St.Terezas Yala	400,000	-	-	400,000	400,000	-
Total	41,676,000	1,300,000	4,700,000	47,676,000	47,476,000	200,000
8.0 Secondary Schools Projects						
Kambare Sec	1,950,000	-	-	1,950,000	1,950,000	-
Mutumbu Sec	1,950,000	-	-	1,950,000	1,950,000	-
Luri Sec	1,950,000	-	-	1,950,000	1,950,000	-
Siriwo Mixed Sec	1,900,000	-	-	1,900,000	1,900,000	-
Nyasidhi Sec	1,000,000	-	-	1,000,000	1,000,000	-
Kaudha Mixed	1,000,000	-	-	1,000,000	1,000,000	-
Sawagongo High	1,500,000	-	-	1,500,000	1,500,000	-
Dhene Mixed	1,000,000	-	-	1,000,000	1,000,000	-
Ndere Mixed Sec	800,000	-	-	800,000	800,000	-
Argwings Kodhek Secondary School	1,000,000	-	-	1,000,000	1,000,000	-
Mutumbu Girls Secondary	1,000,000	-	-	1,000,000	1,000,000	-
Ndori Secondary School	800,000	-	-	800,000	800,000	-
Malele Mixed Secondary School	1,000,000	-	-	1,000,000	1,000,000	-
Ndere Mixed Secondary School	700,000	-	-	700,000	700,000	-
Nyawara Girls Secondary School	600,000	-	-	600,000	600,000	-
Sinaga Girls Secondary School	1,000,000	-	-	1,000,000	1,000,000	-

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Malunga Mixed Secondary	1,000,000	-	-	1,000,000	1,000,000	-
Nyangulu Secondary School	1,500,000	-	7,141,606	8,641,606	1,500,000	7,141,606
Horace Ongili Sec	3,100,000	-	-	3,100,000	3,100,000	-
Ojola Mixed Sec	1,500,000	-	-	1,500,000	1,500,000	-
St.Pauls Jina Sec	1,200,000	-	-	1,200,000	1,200,000	-
Nyapicdho Primary	1,200,000	-	-	1,200,000	1,200,000	-
Total	28,650,000	-	7,141,606	35,791,606	28,650,000	7,141,606
9.0 Tertiary Institutions Projects						
Gamba Tti	-	-	900,000	900,000	900,000	-
Gamba Tti	-	-	800,000	800,000	800,000	-
Gamba Tti	-	-	800,000	800,000	800,000	-
Rera Kinte	-	-	500,000	500,000	500,000	-
Apuoyo Ite	4,000,000	-	-	4,000,000	-	4,000,000
Gamba Tti	4,000,000	-	-	4,000,000	4,000,000	-
Gamba Tti	4,000,000	-	-	4,000,000	4,000,000	-
Total	12,000,000	-	3,000,000	15,000,000	11,000,000	4,000,000
10.0 Security Projects						
Malunga Assistant Chief's Office	800,000	-	-	800,000	800,000	-
Deio Office Yala	350,000	-	-	350,000	350,000	-
Ramula Assistant Chief	800,000	-	-	800,000	800,000	-
Nguge Ass. Chief Office	250,000	-	-	250,000	250,000	-

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 90/06/2022	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
Nyandiwa Assistant Chief	250,000	-	-	250,000	250,000	-
Kaudha West Ass. Chief	800,000	-	-	800,000	800,000	-
Lundha Ass. Chief	350,000	-	-	350,000	350,000	-
Nguge Ass Chief	-	-	750,000	750,000	750,000	-
Malanga Ass Chief Office	-	-	70,500	70,500	70,500	-
Gongo Ass.Chief Office	800,000	-	-	800,000	800,000	-
Gem Yala Ap Sub-County	1,000,000	-	-	1,000,000	1,000,000	-
Kambare Police Post	600,000	-	-	600,000	600,000	-
Total	6,000,000	-	820,500	6,820,500	6,820,500	-
11.0 Acquisition Of Assets						
Total						
12.0 Other Payments						
Total						
13.0 Unallocated Fund						
Unapproved Projects						
Aia						
PMC Savings						
Total						

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	137,088,879	6,607,070	45,488,879	189,184,828	159,917,920	29,266,908

(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

XI. 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-Gem 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 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.

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 xx June 20xx for the period 1st July 2021 to 30th June 2022 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 2022.

Significant Accounting Policies continued

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.

XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
A823513		35,367,725
B124700		8,000,000
B09648		15,000,000
B104598		19,000,000
B104598		7,500,000
B124939		8,500,000
B119794		12,000,000
B128084		6,900,000
B128394		7,000,000
B132138		6,000,000
B138807		12,000,000
B126392		12,600,000
B126103		7,000,000
A823513		12,000,000
B140887	33,000,000	
B105765	24,000,000	
B105678	10,000,000	
B105625	34,000,000	
B132499	5,000,000	
B164451	18,000,000	
B128810	12,000,000	
B154008	12,000,000	
B155813	10,088,879	
A888996	400,000	
A888525	12,000,000	
TOTAL	170,488,879	168,867,725

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Notes To the Financial Statements (Continued)

2. Proceeds From Sale of Assets

	2021-2022	2020-2021
	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)		
Total	-	-

3. Other Receipts

	2021-2022	2020-2021
	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	-	480,000
Total		480,000

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,119,578	2,779,339
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	90,950	1,499,331
Gratuity to contractual employees	696,632	783,928
Employer Contributions Compulsory national social security schemes	179,800	194,920
Total	3,086,960	5,257,518

5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	-	-
Utilities, supplies and services	1,880,661	798,000
Communication, supplies and services	-	-
Domestic travel and subsistence	-	133,800
Printing, advertising and information supplies & services	-	580,500
Rentals of produced assets	-	-
Training expenses	736,800	1,831,600
Hospitality supplies and services	-	-
Other committee expenses	2,138,725	1,437,100
Committee allowance	1,404,000	2,649,450
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	349,300	-
Other operating expenses	231,783	233,267
Routine maintenance – vehicles and other transport equipment	295,500	-
Equipment	367,212	80,792
Routine maintenance – other assets	-	218,300
Total	7,403,981	8,272,117

6. Transfer To Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	47,476,000	67,739,640
Transfers To Secondary Schools (See Attached List)	28,650,000	46,115,590
Transfers To Tertiary Institutions (See Attached List)	11,000,000	14,067,545
Total	87,126,000	127,922,775

Gem Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2022

Notes To The Financial Statements (Continued)

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	26,835,099	3,685,000
Bursary – tertiary institutions (see attached list)	11,920,000	2,088,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	3,600,000	
Security projects (see attached list)	6,820,500	9,816,160
Sports projects (see attached list)	4,090,000	2,075,208
Environment projects (see attached list)	2,319,000	3,790,000
Emergency projects (see attached list)	6,716,380	6,802,500
Total	62,300,979	28,256,868

8. Acquisition Of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase 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	-	-
Acquisition of Land	-	-
Total	-	-

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

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 Notes To The Financial Statements (Continued)

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)	17,874,661	6,607,070
Name Of Bank, Account No. Co-operative Yala 1141256320000	-	-
Total	17,874,661	6,607,070
10 B: Cash on Hand	-	-
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (Specify)	-	-
Total		

11: Outstanding Imprests

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Total				

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

Notes to the Financial Statement Continued

12A. Retention

	2021-2022	2020-2021
	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	-	-

[Provide short appropriate explanations as necessary.]

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	783,928	-
Gratuity held during the year (B)	696,632	783,928
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	1,480,560	783,928

[Provide short appropriate explanations as necessary]

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	5,823,142	6,184,695
Cash in hand		
Imprest		
Total	5,823,142	6,184,695

[Provide short appropriate explanations as necessary]

14. Prior Year Adjustments

Description of the error	Balance b/f FY 2020/2021 as per Audited Financial statements Kshs	Adjustments Kshs	Adjusted Balance** b/f FY 2021/2022 Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
Total			

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

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022 KShs	2020-2021 KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Changes in Account Receivables E= D-A		

16. Changes in Accounts Payable – Deposits and Retentions

	2021 – 2022 KShs	2020 – 2021 KShs
Deposit and Retentions as at 1 st July (A)	783,928	-
Deposit and Retentions held during the year (B)	696,632	783,928
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	1,480,560	783,928
Changes in Accounts Payable E= D-E	696,632	783,928

Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	696,632	783,928
Others (<i>specify</i>)	-	-
Total	696,632	783,928

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	6,085,498	1,741,036
Use of goods and services	4,115,001	651,764
Amounts due to other Government entities (see attached list)	11,341,606	37,536,460
Amounts due to other grants and other transfers (see attached list)	7,724,803	10,453,119
Acquisition of assets	-	449,640
Funds pending approval	-	480,000
Total	29,266,907	51,312,019

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)		
Total	6,487,772.47	4,486,733.45

Gem Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2022

Annexes

Annexes: 1 Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	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					

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees	Payment of staff salaries	6,085,498	1,789,421	
Use of goods & services	Purchase of goods and services	56,220	9,478	
Committee allowances	To carter for CDFC allowances	36,135	-	
Sub Total		6,177,853	1,798,899	
Amounts due to other Government entities			22,926,901	
Primary school				
Odok Rera primary school	Fencing of school compound	200,000	24,725,800	
Sub-Total			24,725,800	
Secondary school				
Nyangulu secondary school	Purchase of school bus	7,141,606		
Tertiary institutions				
Apuoyo TTC	Purchase of land	4,000,000		
Sub-total		11,341,606	24,725,800	
Monitoring and evaluation				
2.1 Capacity building	Payment for training expenses	1,660,366	-	
2.2 Committee allowances	Payment of committee field allowances	561,275	-	
2.3 Use of goods and services	Payment for purchase of goods and services used in the office.	1,801,005	-	
Sub total		4,022,646	0	
Amounts due to other grants and other transfers				
Emergency	Payment for emergency projects	475,827	-	
Bursary tertiary institutions	Payment of bursary to needy students in secondary schools	2,778,976	-	

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Bursary Secondary	Payment of bursary to needy students in tertiary institutions	(120,000)	-	
Social security	Payment of NHIF to vulnerable individuals in the constituency.	3,600,000	-	
Special need	Payment of bursary to student in special schools	945,000	-	
Sport	Organizing for sport tournaments	45,000		
Sub total		7,203,976	-	
Funds pending approval		-	-	
Grand Total		29,266,907	24,725,800	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	0			0
Buildings and structures	5,653,100			5,653,100
Transport equipment	7,737,095			7,737,095
Office equipment, furniture and fittings	297,824			297,824
ICT Equipment, Software and Other ICT Assets	310,000			310,000
Other Machinery and Equipment				
Heritage and cultural assets	0			0
Intangible assets	0			0
Total	13,998,091			13,998,091

Annex 5 –PMC Bank Balances As At 30th June 2022

PMC	Bank	Account number		Bank Balance 2021/22	Bank Balance 2020/21
Nyagondo Primary	Equity Luanda	1120277345753	12/3/2017	25,800.50	9,330
Kagilo Primary School	Equity Luanda	1120277585372	3/4/2018	23,456	99,982
Uthanya Secondary School	Equity Luanda	1120277396264	5/3/2018	257.25	21,257
Kanyadet Primary school	Equity Luanda	1120280050957	7/6/2020	627.5	628
Gem NG-CDF Sports PMC	Equity Luanda	1120277537532	25/4/2018	50,857.65	1,858
Malele Primary	Equity Luanda	1120277585348	02/05/2019	1205	865
Bar-Sauri Primary	Equity Luanda	1120279143485	03/08/2019	2,227	2,227
Mutumbu Primay School	Co-operative Yala	1141517725400	12/10/2016	2,061.50	201,232
Mwadi Primary School	Co-operative Yala	1141517994400	19/02/2018	2,627.50	528
Uganga Primary School	Co-operative Yala	1141517913200	06/09/2019	27,067.50	213,217
Migosi Primary	Co-operative Yala	114174454800	23/04/2018	3,692	1,545
Gongo Primary	Co-operative Yala	1141256395100	07/09/2018	3,378	72,378
Maliera Primary school	Co-operative Yala	1141740146400	23/01/2020	21,526	666,006
Ndegwe Primary	Co-operative Yala	1141256402600	14/11/2018	34,860	33,860
Sawagongo AP Camp	Co-operative Yala	1141740474400	06/06/2018	325	325
Got Kokwiri Primary	Co-operative Yala	1141740066900	11/05/2015	1,134.50	2,010
Nyawara Primary	Co-operative Yala	1141740104500	12/02/2019	43,447	585,605
Onding Primary	Equity Luanda	1120279174021	10/12/2017	1,538	1,538
Nyasidhi Primary	Equity Luanda	1120279058561	01/02/2020	53,260	121,260
Nyangulu Mixed	Equity Luanda	1120279063818	20/01/2021	23,560	39,017
Nyangulu Primary	Equity Luanda	1120279063818	23/04/2014	32,399	39,017
Kaumeri Primary	Equity Luanda	1120278837137	14/08/2021	24,000	1,000
Ulamba Ass. Chief	Equity Luanda	1120279063437	19/03/2019	1,349.00	849
Ming'awo Primary	Equity Luanda	1120279064126	23/02/2018	19,762	19,760

PMC	Bank	Account number		Bank Balance 2021/22	Bank Balance 2020/21
Odendo Primary	Equity Luanda	1120279075798	12/12/2018	57,093.00	35,213
Oseno Primary	Equity Luanda	1120278863471	17/17/2017	3,993	2,053
Olengo Primary	Equity Luanda	1120279170588	13/12/2019	3,000	2,000
Mutumbu Girls Secondary	Equity Luanda	1120277679937	11/06/2019	600,095	703
Ramula Primary	Equity Luanda	1120277559139	10/02/2018	1,345	1,590
Kaudha Primary	Equity Luanda	1120277585418	16/06/2017	39,730	39,350
Musembe Primary	Co-operative Yala	1141740060500	18/11/2018	1,293.50	639,891
Nyapiedho Primary	Co-operative Yala	114151798500	15/04/2019	3,412.50	350
St Teresas Yala	Co-operative Yala	1141740687700	20/02/2020	511,986.90	648,975
Sirandu Primary	Co-operative Yala	1141517735300	19/01/2012	4,101.50	2,843
Yala Police Station	Equity Luanda	1120279246729	10/07/2021	7,086.65	2,139
St. Bonface Aluor Mixed primary School	Equity Luanda	1120280088997	18/07/2013	2,760.00	6,880
Dhene secondary school	KCB Luanda	1111958076	09/12/2018	2,880.10	43,806
Horace Ongili secondary school	KCB Luanda	1111442932	12/12/2019	32,795	20,489
Malunga Mixed Secondary school	Equity Siaya	1120262520110	04/02/2020	45,340	2356
Kaudha West assistant chiefs office	Equity Siaya	970282861530	12/06/2022	21,564	0
Bar Turo Primary school	Co-op Yala	1141517871000	23/07/2012	605,267.55	4,567
Ndere Mixed Secondary school	Co-op Yala	1141740880000	16/06/2020	759,479.87	5241
Lundha Assistant Chief's project	Co-op Yala	1120280210460	04/09/2020	252,548	2,413
Uhonya Primary school	Equity Siaya	970299772983	15/07/2015	488,799.45	488,799.45
St. Paul's siriwo mixed secondary school	Co-op Yala	1141517948500	11/08/2013	36,920.50	3,567
Gamba TTI PMC	Equity Luanda	1120280187887	20/10/2020	927,856	2455
Nguge Assistant Chief's Office	Equity Siaya	970281038340	20/08/2020	261,005	2,100
Dhene Primary school	Equity Luanda	1120262520110	02/02/2019	5,980.50	3,560

PMC	Bank	Account number		Bank Balance 2021/22	Bank Balance 2020/21
Kambare Secondary school	Co-op Bondo	1141624731800	09/09/2018	6,421.15	21,647
Opal Primary school	Equity Siaya	0970294435345	04/06/2017	852,521.00	349,521
Sirembe Primary school	Co-op Yala	1141015026300	09/04/2018	1,342	3,452
Wangu Primary school	Equity Luanda	1120282237163	10/10/2021	21,530	0
Sidada Primary school	Co-op Yala	1141517724600	20/07/2018	5,942.50	2,180
Bar-Kalare Primary school	KCB Luanda	1129926737	20/05/2019	2,285	0
Muhanda Primary school	Equity Luanda	1120279468184	19/05/2018	1,247	1,247
Wagai Primary school	Co-op Yala	1141256343100	30/11/2018	2,265	3,567
Nyasidhi Mixed secondary school	KCB Siaya	117842584	05/03/2015	2,311	2,567
Uyonga Primary school	Co-op Yala	1139013518700	20/03/2015	503,573	3,573
Kaudha mixed secondary school	Co-op Bondo	1141624654700	30/09/2018	11,584.40	2,345
Total				6,487,772.47	4,486,733.45

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>1 Audit Query Number: ISS.9 Title of Query: Emergency related payments</p>	<p>Included in other grants and transfers balance of Kshs. 25,091,446 is an expenditure on emergency projects amounting to Kshs. 2,102,500. According to the NG CDF regulations, 2016 an emergency shall be construed to mean an urgent, unforeseen need for expenditure for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of the constituency. However, there were no minutes or request from Project Management Committees (PMCs) stating urgency of the projects.</p>	<p>The management has noted the observations made by the auditor and it is true that there were some minutes and request letters from five institutions that were not availed for verification during auditing; they had been misfiled hence they could not be traced by that time. However, the documents have been traced and are now available. Kindly see the attached documents for verification Details in appendix 1</p>	<p>FAM</p>	<p>RESOLVED</p>

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)

MARY MWAKI

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 Name
 Fund Account Manager.