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REPORT

THE NATIONAL ASSEMBLY	
DATE: 05 JUL 2023	DAY: WED
TABLED BY: Hon Owen Bayart, MP Deputy Leader	Margot
CLERK AT THE TABLE: Enlaye	Munira

OF

THE AUDITOR-GENERAL

ON

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

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



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P.O. Box 95202, MOMBASA
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MALINDI 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;

- 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 Malindi Constituency NG-CDF day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG-CDFB)

ii. National Government Constituency Development Fund Committee (NG-CDFC)

(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	George Juma Onesmus
2.	Sub-County Accountant	Edwin Indase
3.	Chairperson NG-CDFC	Elina Mapenzi Samini
4.	Member NG-CDFC	Phineas Kasuvi

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of Malindi Constituency NG-CDF. The reports and recommendation of ARMC when adopted by the NG-CDF 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) Malindi Constituency NG-CDF Headquarters

P.O. Box 1368-80108,
NG-CDF Building
Opp. DCC's office besides MAWASCO and KPLC offices
Malindi, Kenya

(f) Malindi Constituency NG-CDF Contacts

Telephone: (254) 721-355958
E-mail: www.ngcdfmalindi.go.ke
Website: www.go.ke

Malindi Constituency

National Government Constituencies Development Fund (NGCDF)

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(g) Malindi Constituency NG-CDF Bankers

Equity Bank
A/C No.0450262081943
Malindi Branch
Malindi, Kenya

(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 Chairperson's Report



BACKGROUND INFORMATION

I wish to take this opportunity on behalf of Malindi NG-CDFC to present the Financial Reports and Statements for the period ending June 30 2022.

Malindi constituency is one of the seven constituencies in Kilifi County, Coast Region. The other constituency are Kilifi North, Kilifi South, Kaloleni, Ganze, Rabai and Magarini. The constituency is indicated as 016 according to the IEBC index code. The constituency borders Kilifi North in the South, Ganze constituency in the South West and Magarini in the North. In the west Malindi constituency borders Tsavo East National park.

Area

The constituency covers a total area of 627.20 square kilometres. Out of this total area of 627.2 km², 88% or 546.90km² is occupied by the two rural wards, Jilore and Kakuyuni. This area classified as ASAL (arid and semi-arid lands). Sabaki River passes through these two wards as it enters the Indian Ocean.

Political administration

The constituency is divided into 5 wards namely Jilore, Kakuyuni, Ganda, Malindi town and Shella

Population distribution by ward

IEBC CODE	NAME OF WARD	POPULATION	AREA KM2	CATEGORY
0075	Jilore	17,497	454.90	Rural
0076	Kakuyuni	17,965	92.00	Rural
0077	Ganda	32,562	54.70	Rural-Urban
0078	Malindi Town	51,254	94.40	Urban
0079	Shella	43,434	16.20	Rural-Urban

The constituency is unique in that it has rural and urban wards. The urban wards are more cosmopolitan and have higher population densities than the rural ones. The rural wards are sparsely populated. The urban and semi urban wards are relatively developed with most of the

Malindi Constituency
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basic social infrastructure such as tarmac road, running water, schools being easily accessible and more developed compared to the rural wards infrastructure.

Malindi Constituency has a total population of 162,712 people according to 2009 population census. This population is projected to increase in coming years. Of these 102,906 are males and 112,167 are females.

Economic Activities

The major economic activity for Malindi constituency is tourism and fishing in the Indian Ocean and along river sabaki. There is also thriving horticulture in most parts of Malindi growing of mangoes, pineapples and watermelons especially in the high rainfall areas. Tourism has impacted the economic sectors; even in the rural areas tourism has impact in the type of economic activities.

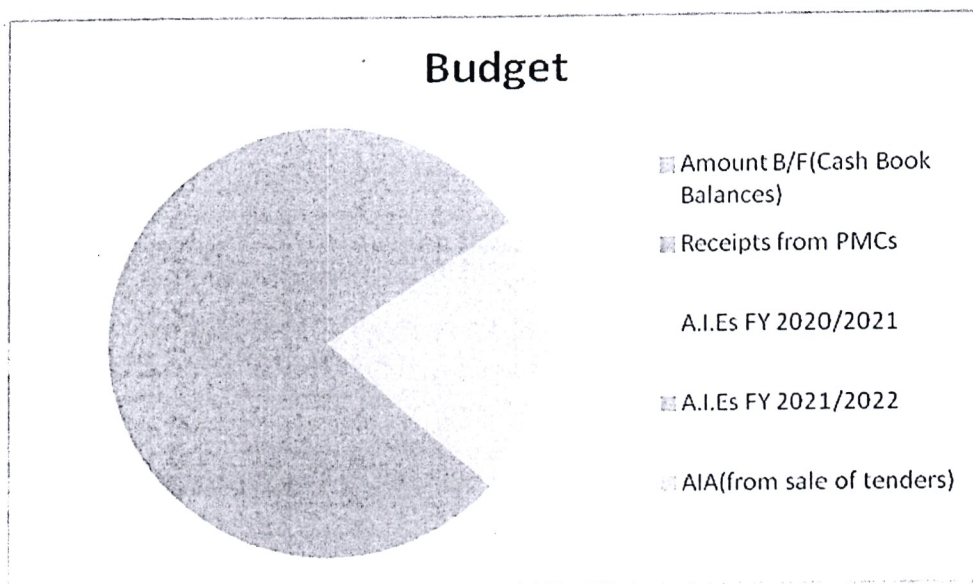
Program Budget

The final budget for the year, which consists of all the funds available for use, was Kshs.

188,881,953.41. This amount was made up of the following:

ITEM	AMOUNT
Amount B/F(Cash Book Balances)	33,856,360.14
Receipts from PMCs	180,253.50
A.I.Es FY 2020/2021	45,588,879.30
A.I.Es FY 2021/2022	137,088,879.00
AIA(from sale of tenders)	23,000.00
Total	182,881,011.80

The following is a graphical presentation of the final budget as depicted above:



Program Implementation Status

Despite the delays the constituency managed to implement a number of projects particularly in the development of school infrastructure. These include construction of multi-purpose/dining hall at Kakoneni Girls Secondary School and a staff house at Kakuyuni Police Station. Under the emergency program the constituency did toilets at Madunguni Secondary School and Gahaleni Primary School. Other projects that have been done include the purchase of office furniture for NG-CDF office.

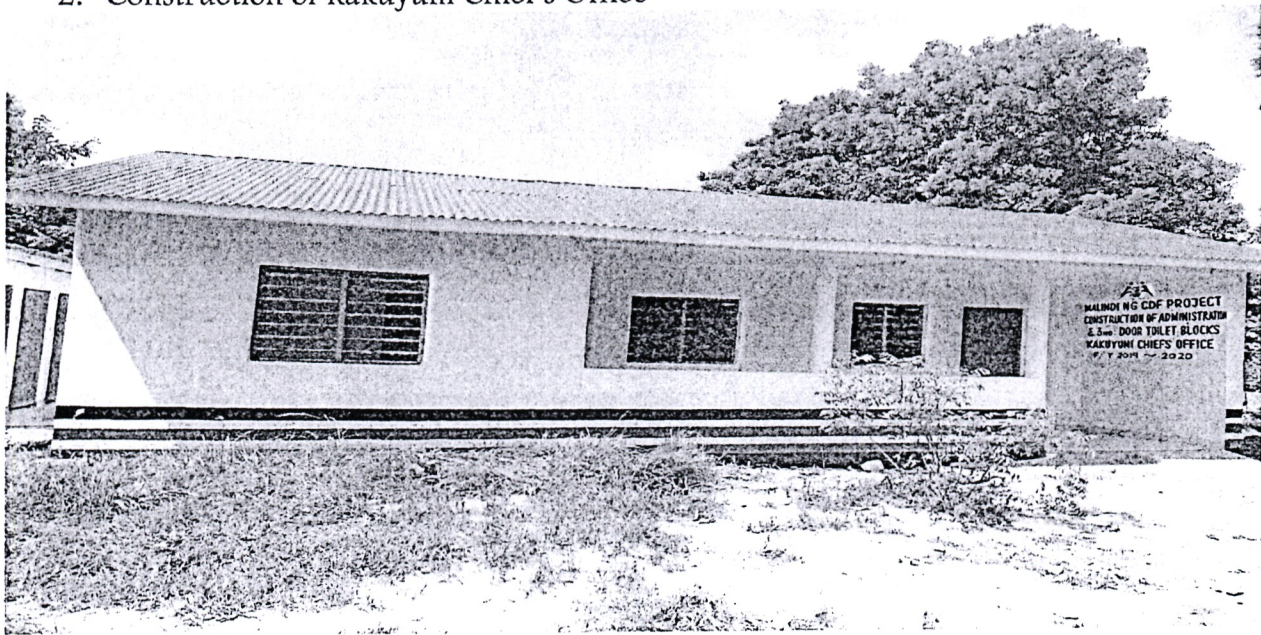
Some of the projects implemented have been sampled below:

1. Renovation of 4No. Classrooms at Kakuyuni Primary School



The project is complete and in use. It has improved the learning condition and also reduced congestion in the school.

2. Construction of Kakuyuni Chief's Office

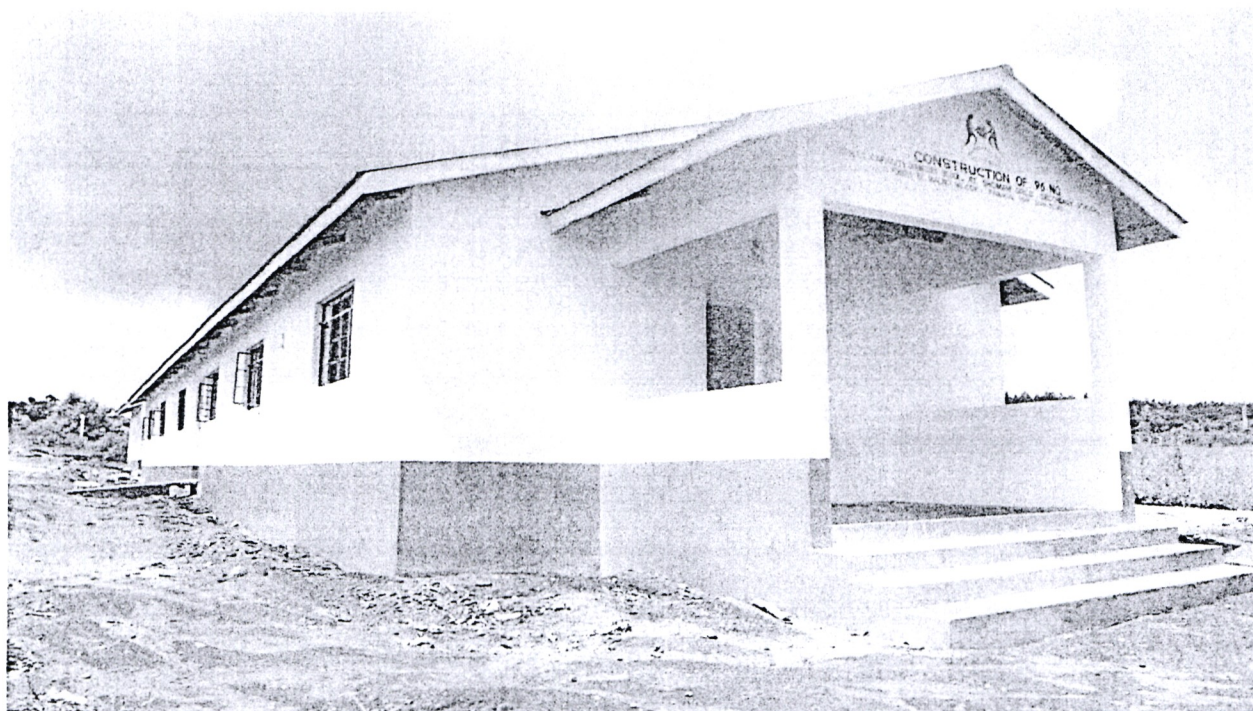


The project is complete and in use. It has improved security to the community around.

3. Construction of 2No. Classroom at Sosoni Primary School



4. Construction of 96 No. Students Capacity Dormitory Block at Shomani Girls Secondary School



Challenges

The only challenge was with regard to delay in disbursement of funds from the NG-CDF Board. Consequently, many activities started late in the middle of the financial year.

Way Forward

There was enormous support from the political office and from government departments which made our work very easy. We will seek to enhance these relations and also appeal to the Government and the NG-CDF Board to sync our program with the financial year so that activities start during the first quarter of the year.

Signature

Elina Mapenzi Samini
CHAIRPERSON NG-CDF 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 *Malindi 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/Program	Objective	Outcome	Indicator	Performance
Education	-To have all children of school going age attending school -To rehabilitate and build school infrastructure so as to create an enabling environment for learning.	-Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	-Number of usable physical infrastructure build in primary, secondary, and tertiary institutions -Number of bursary beneficiaries at all levels	In FY 21/22 -We increased number of classrooms, dormitories, laboratories etc from 535 to 579 in the following schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules
Security	-To improve in residential and commercial areas -To provide infrastructure to ease the process of administering justice, law and order at local level	-Safe and secure environment -Growth and sustainability of economic activities -Decline in number of criminal instances -Existence of peace, justice and	-Number of usable physical infrastructure build in police stations/post, chief's/assistant chief's offices and street lights	In F/Y 21/22 -We increased number of police stations/post, chief's offices and assistant chief's offices etc from 25-28.

Malindi Constituency

National Government Constituencies Development Fund (NGCDF)

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		order.		
Environment	-To promote sustainable utilization of natural resources -To enhance socio-economic empowerment of the youth.	-An increased forest cover. -Sustainable socio-economic development.	-Increased forest cover -Improved climate changes	In F/Y 21/22 -We increased number of schools with supplies with tree seedlings from 22-27.
Sports	-To nurture sporting and artistic talents among the youth. -Sponsoring of various tournaments.	-Increased talents among youths.	-Increased of number of talents among the youth.	In F/Y 21/22 -Increased the number of talented youth who rose to national standards.
Information Communication and Technology (ICT)	-To enhance access to information and technology -To enhance service delivery	-Equip schools and chief's office with ICT equipment	-Increased number of schools and chief's offices with computers and internet connectivity.	-Increased number of ICT users from 0-10 in schools and chief's offices.
Emergency	-To improve infrastructure to reduce unforeseen occurrences	-Improve sanitation and hygiene in schools -Improve learning environment	-Increased number of usable infrastructure both in school and security stations	In F/Y 21/22 -We increased the number usable classrooms and toilets

IV. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Malindi 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; NG-CDF 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

3. Employee welfare

We invest in providing the best working environment for our employees. Malindi constituency recruitment is guided by Employment Act, NG-CDF 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. Malindi 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-

Malindi NG-CDF 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.

NG-CDF 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-

Malindi NG-CDF 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.

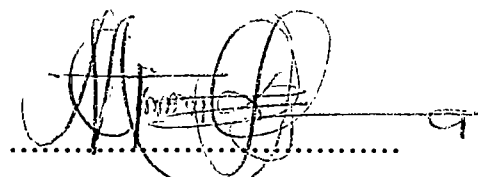
The NG-CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

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

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.

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

A handwritten signature in black ink, appearing to read 'George Juma Onésamus', is written over a horizontal dotted line. The signature is stylized and somewhat illegible.

**George Juma Onésamus
Fund Account Manager**

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 NG-CDF- Malindi 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 NG-CDF-Malindi 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 NG-CDF- Malindi 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.

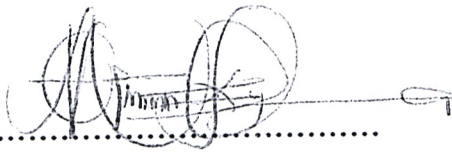
The Accounting Officer in charge of the NG-CDF Malindi Constituency confirms that the constituency has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for 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 NG-CDF- Malindi Constituency financial statements were approved and signed by the Accounting Officer on 21/9 2022.


.....

Name: Elina Mapenzi Samini
Chairperson – NG-CDF Committee


.....

Name: George Juma Onesmus
Fund Account Manager

REPUBLIC OF KENYA

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Enhancing Accountability

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MALINDI 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, 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

Adverse Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Malindi Constituency set out on pages 1 to 38, which comprise of the statement of assets and liabilities as at 30 June, 2022, and statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of

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

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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly the financial position of National Government Constituencies Development Fund - Malindi Constituency as at 30 June, 2022, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act No.30 of 2015.

Basis for Adverse Opinion

1. Unexplained Variances between the Financial Statements, Ledgers and Notes to the Financial Statements

Review of the reports and financial statements presented for audit revealed the following unexplained variances:

Description	Note	Financial Statements Amount (Kshs.)	Ledger Amount (Kshs.)	Absolute Variance (Kshs.)
Statement of Receipts and Payments				
Transfers to Other Units		106,200,000	103,460,000	2,740,000
Other Grants and Transfers		63,958,113	66,698,113	2,740,000
Description		Budget Execution by Sector and Project Amount (Kshs.)	Notes to the Financial Statements Amount (Kshs.)	Absolute Variance (Kshs.)
Bursary - Primary Schools	7	24,049,416	0	24,049,416
Bursary Secondary Schools	7	11,504,920	24,049,416	12,544,496
Bursary - Tertiary Institutions	7	1,342,000	1,342,000	1,342,000

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2. Unsupported Budget Utilization

The statement of budget execution by sectors and projects reflects a final budget of Kshs.216,737,372 and actual on comparable basis of Kshs.184,763,756 resulting to a

budget utilization difference of Kshs.31,973,616. Review of records revealed the following:

2.1 Compensation of Employees

Included in the total budget execution by sectors and projects was a final budget of Kshs.6,587,152 in respect of compensation of employees and a corresponding actual on comparable basis of Kshs.4,340,304 resulting to unutilized amount of Kshs.2,246,848. However, details of the unutilized amount were not provided for audit verification.

2.2 Unbudgeted Funds

Included in the total budget execution by sectors and projects was a previous year's outstanding disbursements in respect of Ganda Primary School of Kshs.2,000,000. However, the outstanding disbursements of Kshs.2,000,000 as reflected in the statement of budget execution by sectors and projects was not supported with the approved list of unfunded projects and corresponding Authority to Incur Expenditure.

In the circumstances, the accuracy and completeness of the budget execution by sectors and projects could not be confirmed.

3. Unsupported Payments on Emergency Projects

The statement of receipts and payments reflects payments in respect of other grants and other transfers of Kshs.63,958,113, out of which Kshs.4,820,000 was in respect of emergency projects. The schedule in support of the expenditure reflected a transfer of Kshs.2,100,000 to Ganda Primary School for the proposed re-roofing of five (5) classrooms at a contract sum of Kshs.2,101,601. Review of records revealed that as at 30 June, 2022, the total contract price of Kshs.2,101,601 had been made while the Project Management Committee (PMC) bank statements revealed that a total of Kshs.4,100,000 was disbursed during the year under review resulting to unexplained variance of Kshs.1,998,399. However, Management did not provide the bills of quantities for the project. In addition, at the time of project inspection in March, 2023, the building had not been labelled contrary to Regulation 11(1)(cc) of the National Government Constituencies Development Regulations, 2016 which requires that the Constituency Committee ensure projects are labelled in accordance with the guidelines issued by the Board.

In the circumstances, the accuracy, completeness and regularity of emergency projects cost of Kshs.4,820,000 could not be confirmed.

4. Undisclosed and Unsupported Other Receipts Amount

The statement of receipts and payments and Note 3 to the financial statements reflects other receipts totalling to Kshs.203,254 out of which Kshs.23,000 is in respect of sale of tender documents. However, the supporting receipt books provided for review indicated that Kshs.43,000 was receipted, resulting in an unexplained variance of Kshs.20,000. In addition, the other receipts include an amount of Kshs.143,893 indicated as unutilized funds from Project Management Committees. Management indicated that the amount related to a refund for accommodation costs for Constituency Development Committee members who did not participate in the entire training programme. However, no listing of the members, days not attended and credit note issued in support of this receipt were provided for audit review.

In the circumstances, the accuracy and completeness of other receipts amounting to Kshs.166,893 could not be confirmed.

5. Undisclosed Project Management Committee (PMC) Bank Balances

Annex 5 to the financial statements reflects PMC bank balances of Kshs.30,207,552 as at 30 June, 2022. However, twenty-one (21) PMC bank accounts whose projects had been completed were still operational but the bank balances were not disclosed. In addition, PMC bank accounts with closing balances totalling to Kshs.2,069,441 as at 30 June, 2021 reflected Nil opening balances. No report was provided of the accounts closure and refund of the unutilized balances to the Constituency Committee bank account.

In the circumstances, the accuracy and completeness of the PMC bank balances of Kshs.30,207,552 could not be confirmed.

6. Unsupported and Irregular Payments of Security Operations

The statement of receipts and payments and Note 5 to the financial statements reflects payments on use of goods and services totalling to Kshs.10,265,339. Included in this amount are payments for security operations of Kshs.156,000. However, the contract agreement in support of these payments was not provided for the period between 26 September, 2017 and 30 June, 2022.

As a result, the accuracy, completeness and validity of the security operations amount of Kshs.156,000 could not be confirmed.

7. Unbudgeted and Unsupported Payments on Security Projects

The statement of receipts and payments reflects payments in respect of other grants and other transfers of Kshs.63,958,113. Included in the payments is Kshs.16,900,000 for security projects, out of which payments totalling to Kshs.4,250,000 relates to projects which were not budgeted for contrary to Regulation 25(2) of the National Government Constituencies Development Fund Regulations, 2016 which provides that a Constituency Committee shall not incur expenditure unless such expenditure is supported by an approved work plan, a procurement plan and a budget. In addition, included in the payments on security projects was a payment in respect of purchase of twenty-two (22) motorcycles for Chiefs and Assistant Chiefs at a total cost of Kshs.3,960,000. However, the expenditure was not supported with invoices, delivery notes, distribution list, committee minutes approving the project and PMC bank statements. Further, only sixteen (16) of the motor cycles had log books but which had not been transferred to the Fund. Log books for the remaining six (6) motor cycles were not provided for audit review.

In the circumstances, the accuracy and propriety of the payments in respect of security projects totalling Kshs.16,900,000 could not be confirmed.

8. Un-vouched Payments on Bursary to Secondary Schools

The statement of receipts and payments reflects payments totalling to Kshs.63,958,113. Included in these payments is Kshs.24,049,416 in respect of payments for bursary disbursements to Secondary Schools. However, payment vouchers in support of bursary payments totalling to Kshs.13,020,416 were not provided for audit review.

As a result, the accuracy, completeness and regularity of the bursary payments to Secondary Schools of Kshs.24,049,416 could not be confirmed.

9. Unconfirmed Payments on Transfers to Tertiary Institutions

The statement of receipts and payments reflects payments in respect of transfers to tertiary institutions of Kshs.15,000,000. Review of the supporting payment vouchers and bank statements revealed two (2) transfers to the PMC of Malindi Kenya Medical Training College. However, the project was not implemented and a re-allocation of the funds was approved by the National Constituencies Development Fund Board through letter reference dated 15 August, 2022. However, no evidence was provided to confirm that the funds were transmitted back to the to the Constituency Committee bank account. In addition, the College bank statements were not provided for audit review.

In the circumstances, the accuracy and completeness of the payments in respect of transfers to tertiary institutions of Kshs.15,000,000 could not be confirmed.

10. Unsupported Payments on Sports Projects

The statement of receipts and payments reflects payments on other grants and other transfers of Kshs.63,958,113 which includes Kshs.5,341,777 is in respect of two (2) sports projects. However, the projects were not supported with the project management committee minutes, procurement documents, payment documents, implementation reports and evidence that the participants or the receivers of the sports items received the same or the events occurred. In addition, , the PMC comprised of one (1) Constituency Committee member and two (2) Fund employees, contrary to Regulation 15(6) of National Government Constituencies Development Fund Regulations, 2016 which prohibits a Constituency Committee from converting itself into a project management committee.

In the circumstances, the accuracy, completeness and regularity of the payments on sports projects amounting to Kshs.5,341,777 could not be confirmed.

11. Unsupported Bursary Payments

The statement of receipts and payments reflects payments in respect of other grants and transfers of Kshs.63,958,113 which includes payments of bursary to Secondary Schools of Kshs.24,049,416, Tertiary institutions of Kshs.11,504,920 and Special Schools of Kshs.1,342,000. However, the Constituency Committee and Sub Committee minutes approving the bursaries, selection and award criteria, and reports on the application and criteria for the award of the bursaries and how the bursary amount per beneficiary was determined were not provided for audit as well as payment vouchers in support of bursary totalling Kshs1,342,000 in respect of Tertiary institutions. In addition, Management did not provide the procedure and criteria used in identifying and allocating funds to the beneficiaries.

As a result, the accuracy and propriety of bursary payments totalling to Kshs.36,896,336 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 - Malindi 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 adverse opinion.

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.216,737,372. In addition, the Fund made payments totalling to Kshs.184,763,756 against an approved budget of Kshs.216,737,373, resulting to an under-expenditure of Kshs.31,973,617 or 15% of the budget.

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

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

Unresolved Prior Year Matters

In the audit report of the previous year, several paragraphs were raised. However, Management has 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. Management has 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section and Lawfulness and Effectiveness in use of Public Resources sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Irregular Recruitment of Staff

The statement of receipts and payments and Note 4 to the financial statements reflects payments in respect of compensation of employees totalling to Kshs.4,340,304 which includes payments totalling to Kshs.2,496,636 in respect of basic staff salaries out of which Kshs.70,000 was in respect of a newly recruited Clerk of Works. Review of the records revealed that the vacancy for the position was not advertised contrary to Regulation 18(1) of the National Government Constituency Development Fund

Regulations, 2016 which provides that a Constituency Committee may engage staff in accordance with section 45 of the Act through a transparent and competitive process.

As a result, Management was in breach of the law.

2. Irregular Payment of Committee Allowances

The statement of receipts and payments and Note 5 to the financial statements reflects payments totalling to Kshs.10,265,339 in respect of use of goods and services which includes committee allowances of Kshs.5,550,000 out of which Kshs.850,000 is in respect of imprests issued to the Constituency Committee members for benchmarking, monitoring and evaluation exercises. However, imprests totalling to Kshs.445,000 for which the supporting imprest warrants were not provided for audit review, contrary to Regulation 91(2) of the Public Finance Management (National Government) Regulations, 2015 which requires the officer authorized to hold and operate an imprest to make formal application for the imprest through an imprest warrant while the imprest was not recorded in the imprest register contrary to Regulation 93(4) which provides that before issuing temporary imprests, the accounting officer shall ensure that the applicant has been recorded in the imprest register including the amount applied for. In addition, the Constituency Committee members were paid two times for the same sitting allowances amounting to Kshs.104,000.

In the circumstances, the propriety of the payments could not be confirmed and Management was in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, because of the significance of the matters in the Basis for Adverse Opinion and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

Un-updated Fixed Assets Register

As disclosed in Annex 4 to the financial statements, the summary of the fixed assets register reflects a balance of Kshs.59,725,424. However, review of the register revealed the following anomalies:

- i. Some assets including land did not have monetary values attached to them, yet they were still in use by the Fund.
- ii. The register did not show serial numbers, makes and models of the grader, tractor, vehicles and motor cycles, source of funds and users.
- iii. Assets valued at Kshs.23,409,182 included a grader, a tractor, and a tractor-trailer worth Kshs.22,750,000 which are obsolete, thus overstating the value of assets by the amount.
- iv. Ownership documents for land, a grader, a tractor, and a motor vehicle were not provided for review.
- v. Assets valued at Kshs.59,725,424 reflected in the Annex varied with the value indicated in the fixed assets register of Kshs.25,326,966 by Kshs.34,398,458 that was not explained or reconciled.

In the circumstances, the ownership and safety of the fixed assets balance of Kshs.59,725,424 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

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 overall governance.

In preparing the financial statements, 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.

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 overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal 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 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 Fund's policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability 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 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

31 May, 2023

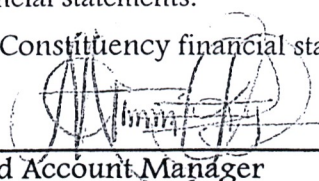
*Malindi Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

VII. Statement of Receipts and Payments for the Year Ended 30th June 2022


	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers From NG-CDF Board	1	182,677,758	161,367,724
Proceeds From Sale of Assets	2	-	00
Other Receipts	3	<u>203,254</u>	<u>00</u>
Total Receipts		182,881,012	161,367,724
Payments			
Compensation Of Employees	4	4,340,304	2,243,541
Use Of Goods and Services	5	10,265,339	6,945,749
Transfers To Other Government Units	6	106,200,000	93,276,000
Other Grants and Transfers	7	63,958,113	36,260,322
Acquisition Of Assets	8	00	2,730,000
Other Payments	9	<u>00</u>	<u>00</u>
Total Payments		184,763,756	141,455,612
Surplus/(Deficit)		<u>(1,882,744)</u>	<u>(19,912,112)</u>

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 21/09/2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairperson NG-CDF
Committee

Name: George Juma Onesmus

Name: Edwin Indase
ICPAK M/No: 20457

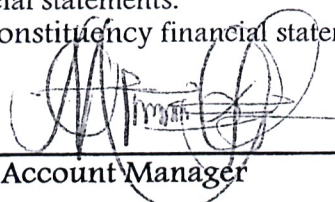
Name: Elina Mapenzi Samini

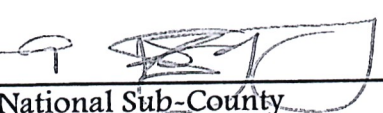
VIII. Statement of Assets and Liabilities As At 30th June, 2022


	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	31,973,616	33,856,360
Cash Balances (Cash at Hand)	10B	00	00
Total Cash and Cash Equivalents		31,973,616	33,856,360
Accounts Receivable			
Outstanding Imprests	11	00	00
Total Financial Assets		31,973,616	33,856,360
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	00	00
Gratuity	12B	00	00
Total Financial Liabilities		00	00
Net Financial Assets		<u>31,973,616</u>	<u>33,856,360</u>
Represented By			
Fund Balance B/Fwd	13	33,856,360	13,944,248
Prior Year Adjustments	14	00	00
Surplus/Deficit for The Year		(1,882,744)	19,912,112
Net Financial Position		<u>31,973,616</u>	<u>33,856,360</u>

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 21/09/2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairperson NG-CDF
Committee

Name: George Juma Onesmus

Name: Edwin Indase
ICPAK M/No: 20457

Name: Elina Mapenzi Samini

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

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

	Notes	2021 - 2022	2020 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NG-CDF Board	1	182,677,758	161,367,724
Other Receipts	3	<u>203,254</u>	<u>0</u>
Total Receipts		182,881,012	161,367,724
Payments			
Compensation Of Employees	4	4,340,304	2,243,541
Use Of Goods and Services	5	10,265,339	6,945,749
Transfers To Other Government Units	6	106,200,000	93,276,000
Other Grants and Transfers	7	63,958,113	36,260,322
Other Payments	9	00	00
Total Payments		184,763,756	138,725,612
Total Receipts Less Total Payments		(1,882,744)	(22,642,112)
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	00	00
Increase/(Decrease) In Accounts Payable	16	00	00
Prior Year Adjustments	14	00	00
Net Cash Flow from Operating Activities		(1,882,744)	(22,642,112)
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	00	00
Acquisition Of Assets	8	00	(2,730,000)
Net Cash Flows from Investing Activities		00	(2,760,000)
Net Increase In Cash And Cash Equivalent		(1,882,744)	(19,912,112)
Cash & Cash Equivalent At Start Of The Year	13	33,856,360	13,944,248
Cash & Cash Equivalent At End Of The Year	10	<u>31,973,616</u>	<u>33,856,360</u>

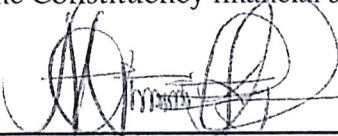
Malindi Constituency

National Government Constituencies Development Fund (NGCDF)

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


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 24/06/2022 and signed by:




Fund Account-Manager

Name: George Juma Onesmus



National Sub-County
Accountant

Name: Edwin Indase
ICPAK M/No: 20457



Chairperson NG-CDF
Committee

Name: Elina Mapenzi Samini

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

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

Receipts/Payments	Original Budget a	Adjustments b		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements				
Receipts	2021/2022			2021/2022	30/06/2022		
Transfers From NGCDF Board	Kshs 137,088,879	Kshs 33,856,360	Kshs 45,588,879	Kshs 216,534,118	Kshs 216,534,118	Kshs 00	100.0
Proceeds From Sale of Assets	00		00	0	00	00	00
Other Receipts	00	203,254	00	203,254	203,254	00	100.0
Totals	137,088,879	33,059,614	45,588,879	216,737,372	216,737,372	00	100.0
Payments							
Compensation Of Employees	4,725,324	1,592,828	269,000	6,587,152	4,340,304	2,246,848	65.9
Use Of Goods and Services	7,612,676	2,825,983	4,734,900	15,173,559	10,265,339	4,908,219	67.7
Transfers To Other Government Units	70,190,000	17,920,000	24,250,000	112,360,000	103,460,000	8,900,000	92.1
Other Grants and Transfers	54,560,880	11,517,549	16,334,980	82,413,409	66,698,113	15,715,296	80.9
Acquisition Of Assets	00		00	00	00	00	00
Other Payments	00		00	00	00	00	00
Funds Pending Approval**	00	203,254	00	203,254	00	00	00
Totals	137,088,879	34,059,614	45,588,880	216,737,373	184,763,756	31,973,616	85.2

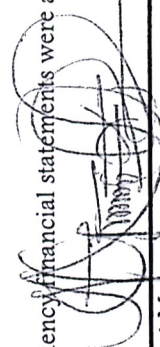
(a) The total receipts of kshs. 182,881,011.80 were all receipts of disbursement from NG-CDF Board.

(b) The under-utilization of funds below 85.2% in the sector is attributed by delay in disbursement of fund by the NG-CDF Board.

**National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for 1st Year Ended June 30, 2022**

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	31,973,617
Less undisbursed funds receivable from the Board as at 30 th June 2022	(0)
	31,973,617
Add Accounts payable	00
Less Accounts Receivable	(00)
Add/Less Prior Year Adjustments	00
Cash and Cash Equivalents at the end of the FY 2021/2022	31,973,617

The Constituency financial statements were approved on 21/09/2022 and signed by:


Fund Account Manager

Name: George Juma Onesmus


National Sub-County Accountant

Name: Edwin Indase
ICPAK M/No: 20457


Chairperson NG-CDF Committee

Name: Elina Mapenzi Samini

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

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

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			
	Kshs		Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent							
1.1 Compensation of employees	4,725,324.00		1,592,828.00	269,000.00	6,587,152.00	4,340,304.00	2,246,848.00
1.2 Committee allowances	1,732,009.00		271,051.00	656,000.00	2,659,060.00	1,309,000.00	1,350,060.00
1.3 Use of goods and services	1,768,000.00		1,774,931.54	348,900.00	3,891,832.00	2,675,605.00	1,216,227.00
Total	8,225,333.00		3,638,811.00	1,273,900.00	13,138,043	8,324,909.00	4,813,134.00
2.0 Monitoring and evaluation							
2.1 Capacity building	1,600,000.00		00	1,030,000.00	1,030,000.00	2,630,000.00	1,430,000.00
2.2 Committee allowances	1,612,666.00		00	1,200,000.00	1,200,000.00	2,812,666.00	2,212,000.00
2.3 Use of goods and services	500,000.00		00	1,500,000.00	1,500,000.00	3,180,000.00	2,638,734.00
Total	4,112,666.00		780,0000	3,730,000.00	3,730,000.00	8,622,666.00	6,280,734.00
3.0 Emergency							
3.1 Primary Schools	7,192,207.00		00	00	7,192,20700	00	7,192,207.00
3.1 Maziwani Primary School	00		00	720,000.00	720,000.00	720,000.00	
3.2 Ganda Primary School	00		2,211,199.00	00	2,211,199.00.	2,100,000.00	111,199.00
3.2 Karima Primary School	00		2,200,000.00	00	2,200,000.00	2,000,000.00	200,000.00
3.2 Secondary schools							
3.3 Tertiary institutions							
3.4 Security projects							
Total	7,192,207.00		4,411,199.00	720,000.00	12,323,406.00	4,820,000.00	7,503,406.00

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

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			
4.0 Bursary and Social Security				0		
4.1 Primary Schools	16,000,000.00	3,180,000.00	7,869,416.00	27,049,416.00	24,049,416.00	3,000,000.00
4.2 Secondary Schools	12,000,000.00	967,678.00	3,503,787.00	16,471,465.00	11,504,920.00	4,966,545.00
4.3 Tertiary Institutions	00	00	00	00	00	00
4.4 Universities	00	00	00	00	00	00
4.5 Social Security	00	00	00	00	00	00
4.6 Special Needs	1,378,673.00	200,000.00	00	1,578,673.00	1,342,000.00	236,673.00
Total	29,378,673.00	4,347,678.00	11,373,203.00	45,099,554.00	36,896,336.00	8,203,218.00
5.0 Sports						
5.1 Sports	2,600,000.00	00	00	2,600,000.00	2,600,000.00	00
5.2 Sports	00	8,672.00	2,741,777.00	2,750,449.00	2,741,777.00	8,672.00
Total	2,600,000.00	8,672.00	2,741,777.00	5,350,449.00	5,341,777.00	8,672.00
6.0 Environment						
6.1 Majivuni Primary School	520,000.00	00	00	520,000.00	520,000.00	00
6.2 Airport Primary School	1,700,000.00	00	00	1,700,000.00	1,700,000.00	00
6.3 Sir Ali Special School	520,000.00	00	00	520,000.00	520,000.00	00
Total	2,740,000.00	00	00	2,740,000.00	2,740,000.00	00
7.0 Primary Schools Projects (List all the Projects)						
7.1 Fishimwenga Primary School	3,900,000.00	-	-	3,900,000	3,900,000	-
7.2 Kakoneni Primary School	3,300,000.00	-	-			-

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

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			
			-	3,300,000	3,300,000	
7.3 Kakuyuni Primary School	3,900,000.00	-	0.00	3,900,000	3,900,000	-
7.4 Mkondoni Primary School	1,700,000	-	0.00	1,700,000	1,700,000	-
7.5 Mongotini Primary School	600,000	-	0.00	600,000	600,000	-
7.6 Mmangani Primary School	600,000	-	0.00	600,000	600,000	-
7.7 Upweoni Primary School	2,790,000	-	0.00	2,790,000	2,790,000	-
7.8 Mkaomoto Primary School	600,000	-	0.00	600,000	-	600,000
7.9 Kwaupanga Primary School	3,900,000	-	-	3,900,000	3,900,000	-
7.10 Mshamba Primary School	1,800,000	-	0.00	1,800,000	1,800,000	-
7.11 Kijiwetanga Primary School	1,700,000	-	0.00	1,700,000	1,700,000	-
7.12 Gahaleni Primary School	1,600,000	-	0.00	1,600,000	1,600,000	-
7.13 Karima Primary School	500,000	-	0.00	500,000	500,000	-
7.14 HGM Primary School	3,900,000	-	0.00	3,900,000	3,900,000	-
7.15 Majivuni Primary School	3,400,000	-	0.00	3,400,000	3,400,000	-
7.16 Kasimbiji Primary School	3,600,000	-	0.00	3,600,000	3,600,000	-
7.17 Ganda Primary School	600,000	-	0.00	600,000	100,000	500,000

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

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			
7.18 Sir Ali Primary School	1,200,000	-	0.00	1,200,000	1,200,000	-
7.19 Bagu Primary School	-	1,200,000.00	200,000.00	1,400,000	1,400,000	-
7.20 Goshi Primary School	-	1,300,000.00	400,000.00	1,700,000	1,700,000	-
7.21 Kasimbiji Primary School	-	1,020,000.00	0.00	1,020,000	1,020,000	-
7.22 St. Andrews Primary School	-	-	1,200,000.00	1,200,000	1,200,000	-
7.23 Maziwani Primary School	-	-	1,650,000.00	1,650,000	1,650,000	-
7.24 Sosobora Primary School	-	1,300,000.00	400,000.00	1,700,000	1,700,000	-
7.25 Mashamba Primary School	-	-	3,300,000.00	3,300,000	3,300,000	-
7.26 Malindi Primary School	-	-	1,300,000.00	1,300,000	1,300,000	-
7.27 Ganda Primary School	-	-	900,000.00	900,000	900,000	-
7.28 Sir Ali Special School	-	1,500,000.00	1,800,000.00	3,300,000	3,300,000	-
7.29 Mkunguni Primary School	-	1,300,000.00	400,000.00	1,700,000	1,700,000	-
7.30 Ganda Primary School	-	-	1,100,000.00	1,100,000	1,100,000	-
7.31 Malindi Primary School	-	1,300,000.00	1,100,000.00	2,400,000	2,400,000	-
7.32 Mashamba Primary School	-	1,400,000.00	400,000.00	1,800,000	1,800,000	-
Total	39,590,000.00	10,320,000.00	14,150,000.00	64,060,000.00	62,960,000.00	1,100,000.00

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

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			
8.0 Secondary Schools Projects (List all the Projects)						
8.1 Kakoneri Girls Secondary School	4,000,000	-	-	4,000,000	4,000,000	-
8.2 Langobaya Secondary School	1,700,000	-	-	1,700,000	1,700,000	-
8.3 Shomani Girls Secondary School	3,500,000	-	-	3,500,000	3,500,000	-
8.4 Malindi High School	2,900,000	-	-	2,900,000	2,900,000	-
8.5 Majivuni Secondary School	1,700,000	-	-	1,700,000	1,700,000	-
8.6 Barani Secondary School	7,800,000	-	-	7,800,000	-	7,800,000
8.7 Bishop Baldachino Secondary School	-	1,300,000.00	400,000	1,700,000	1,700,000	-
8.8 Kakuyuni Boys Secondary School	-	1,600,000.00	900,000	2,500,000	2,500,000	-
8.9 Bishop Kalu Secondary School	-	1,500,000.00	1,800,000	3,300,000	3,300,000	-
8.10 Madunguni Secondary School	0.00	3,200,000.00	1,000,000.00	4,200,000	4,200,000.00	-
Total	21,600,000	7,600,000	4,100,000	33,300,000	25,500,000	7,800,000
9.0 Tertiary institutions Projects (List all the Projects)						
9.1 Malindi Kenya Medical Training College	9,000,000	-	-	9,000,000	9,000,000	-
9.2 Malindi Kenya Medical Training College	-	-	6,000,000	6,000,000	6,000,000	-

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

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			
Total	9,000,000	-	6,000,000	15,000,000	15,000,000	-
10.0 Security Projects						
10.1 Malindi Town Location's Chief's Office	3,700,000	-	-	3,700,000	3,700,000	-
10.2 Malindi Constituency Chiefs and Assistant Chiefs Motorcycles Project	3,960,000	-	0.00	3,960,000	3,960,000	-
10.3 Kakuyuni Police Station	4,990,000	-	-	4,990,000	4,990,000	-
10.4 Jilore Chief's Office	-	1,700,000.00	1,500,000.00	3,200,000	3,200,000	-
10.5 DCC office furniture	-	1,050,000.00	-	1,050,000	1,050,000	-
Total	12,650,000	2,750,000	1,500,000	16,900,000	16,900,000	-
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)	00	00	000	00	00	00
11.2 Construction of NG-CDF office	00	00	00	00	00	00
11.3 Purchase of furniture and equipment	00	00	00	00	00	00
11.4 Purchase of computers	00	00	00	00	00	00
11.5 Purchase of land	00	00	00	00	00	00
Total	00	00	00	00	00	00
12.0 Others						
12.1 Strategic Plan	00	00	00	00	00	00

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

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			
12.2 Innovation Hub	00	00	00	00	00	00
Total	00	00	00	00	00	00
13.0 Unallocated funds						
Unapproved projects	00	203,254.00	00	00	00	00
AIA	00	00	00	00	00	00
PMC savings	00	00	00	00	00	00
Total	00	203,254.00	00	203,254.00	00	203,254.00
Total	137,088,879	34,059,614	45,588,880	216,737,372	184,763,756	31,973,616

(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 NG-CDF-Malindi 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 NG-CDF 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.

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

XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO. B140994	33,000,000.00	
B105501	44,000,000.00	
B105856	24,000,000.00	
B128606	5,000,000.00	
B128918	12,000,000.00	
B154115	16,000,000.00	
B164449	20,000,000.00	
B155880	16,088,879.00	
A888951	500,000.00	
B155992	12,088,879.30	
		26,000,000.00
AIE NO. A823672		35,000,000.00
B104825		8,367,724.00
		9,000,000.00
		10,000,000.00
B119945		13,000,000.00
B128188		6,900,000.00
B128500		6,000,000.00
B132243		6,000,000.00
B126205		13,000,000.00
B126500		6,100,000.00
B140645		10,000,000.00
		12,000,000.00
TOTAL	182,677,758.30	161,367,724

2. Proceeds From Sale of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of Buildings	00	00
Receipts from the Sale of Vehicles and Transport Equipment	00	00
Receipts from sale of office and general equipment	00	00
Receipts from the Sale Plant Machinery and Equipment	00	00
Others (specify)	00	00
Total	00	00

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	00	00
Rents	00	00
Receipts from sale of tender documents	23,000.00	00
Hire of plant/equipment/facilities	00	00
Unutilized funds from PMC	36,360.50	00
Unutilized funds from PMCs	143,893.00	00
Other Receipts Not Classified Elsewhere	00	00
Total	203,253.50	00

Malindi 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)

4. Compensation of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,496,636.00	2,159,811.00
Personal allowances paid as part of salary	00	00
House Allowance	00	00
Transport Allowance	00	00
Leave allowance	00	00
Gratuity to contractual employees	1,757,298.00	00
Employer Contributions Compulsory national social security schemes	86,370.00	83,730.00
Total	4,340,304.00	2,243,54.00

.00.00

5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses		
Utilities, supplies and services	122,674.00	145,737.00
Electricity	47,000	96,000.00
Water & sewerage charges	14,035.00	17,750.00.00
Office Rent	00	00
Communication, supplies and services	522,000.00	230,400.00
Domestic travel and subsistence	401,670.00	127,000.00
Printing, advertising and information supplies & services	592,000.00	335,963.00
Rentals of produced assets	00	00
Training expenses	945,000.00	1,764,000.00
Hospitality supplies and services	448,000.00	248,100.00
Other committee expenses	15,000.00	2,063,000.00
Committee allowance	5,550,000.00	987,000.00
Insurance costs	12,054.00	12,094.00
Specialized materials and services	00	00
Office and general supplies and services	798,606.00	345,858.00
Fuel, oil & lubricants	179,600.00	63,000.00
Other operating expenses	31,000.00	51,500.00
Bank Service Commission and charges	52,700.00	39,347.00

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

Security Operations	156,000.00	338,000.00
Routine maintenance – vehicles and other transport equipment	378,000.00	81,000.00
Routine maintenance – other assets	00	00
Total	10,265,339.00	6,945,749.00

*Malindi 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)

6. Transfer to Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	62,960,000.00	60,598,000.00
Transfers To Secondary Schools (See Attached List)	25,500,000.00	32,678,000.00
Transfers To Tertiary Institutions (See Attached List)	15,000,000.00	00
Total	103,460,000.00	93,276,000.00

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	24,049,416.00	11,179,198.00
Bursary – tertiary institutions (see attached list)	11,504,920.00	5,812,000.00
Bursary – special schools (see attached list)	1,342,000.00	1,522,000.00
Mock & CAT (see attached list)	00	00
Social Security programmes (NHIF)	00	00
Security projects (see attached list)	16,900,000.00	13,107,770.00
Sports projects (see attached list)	5,341,777.00	00
Environment projects (see attached list)	2,740,000.00	2,747,354.00
Emergency projects (see attached list)	4,820,000.00	1,892,000.00
Total	66,698,113.00	36,260,322.00

8. Acquisition Of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	00	00
Construction of Buildings	00	00
Refurbishment of Buildings	00	2,730,000.00
Purchase of Vehicles and Other Transport Equipment	00	00
Purchase of Household Furniture and Institutional Equipment	00	00
Purchase of Office Furniture and General Equipment	00	00
Purchase of ICT Equipment, Software and Other ICT Assets	00	00
Purchase of Specialized Plant, Equipment and Machinery	00	00
Acquisition of Land	00	00

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

Total	00	2,730,000.00
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Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	00	00
ICT Hub	00	00
	00	00

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)	xxx	xxx
<i>Equity Bank, Malindi Branch, Malindi NG-CDF Account No. 0450262081943</i>	31,973,615.94	33,856,360
Total	31,973,615.94	33,856,360
10 B: Cash on Hand		
Location 1	00	00
Location 2	00	00
Location 3	00	00
Other Locations (<i>Specify</i>)	00	00
Total	00	00
<i>[Provide Cash Count Certificates for Each]</i>		

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	00	00	00
Name of Officer	dd/mm/yy	00	00	00
Name of Officer	dd/mm/yy	00	00	00
Name of Officer	dd/mm/yy	00	00	00
Name of Officer	dd/mm/yy	00	00	00

Malindi Constituency

National Government Constituencies Development Fund (NGCDF)

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

Name of Officer	dd/mm/yy	00	00	00
Total		00	00	00

[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)	00	00
Retention held during the year (B)	00	00
Retention paid during the Year (C)	00	00
Closing Retention as at 30 th June D= A+B-C	00	00

[Provide short appropriate explanations as necessary. BHT]

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	00	00
Gratuity held during the year (B)	00	00
Gratuity paid during the Year (C)	00	00
Closing Gratuity as at 30 th June D= A+B-C	00	00

[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	33,856,360.14	13,944,248
Cash in hand	00	00
Imprest	00	00
Total	33,856,360.14	13,944,248

[Provide short appropriate explanations as necessary]

14. Prior Year Adjustments

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2021/2022
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	00	00	00
Cash in hand	00	00	00
Accounts Payables	00	00	00
Receivables	00	00	00
Others (<i>specify</i>)	00	00	00
Total	00	00	00

** *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	2020-2021
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	00	00
Imprest issued during the year (B)	00	00
Imprest surrendered during the Year (C)	00	00
closing accounts in account receivables D= A+B-C	00	00
Changes in Account Receivables E= D-A	00	00

16. Changes in Accounts Payable – Deposits and Retentions

	2021 – 2022	2020 – 2021
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	00	00
Deposit and Retentions held during the year (B)	00	00
Deposit and Retentions paid during the Year (C)	00	00
closing account payables D= A+B-C	00	00
Changes in Accounts Payable E= D-B	00	00

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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	00	00
Construction of civil works	00	00
Supply of goods	00	00
Supply of services	00	00
Total	00	00

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	00	00
Others (<i>specify</i>)	00	00
Total	00	00

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	00	00
Use of goods and services	00	00
Amounts due to other Government entities (see attached list)	00	00
Amounts due to other grants and other transfers (see attached list)	00	00
Acquisition of assets	00	00
Funds pending approval	00	00
Total	00	00

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	xxx	xxx
Total	xxx	xxx

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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					

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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				

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees				
Use of goods & services				
Amounts due to other Government entities				
Sub-Total				
Amounts due to other grants and other transfers				
Sub-Total				
Acquisition of assets				
Others (<i>specify</i>)				
Sub-Total				
Funds pending approval				
Grand Total				

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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	5,000,000.00	00	00	5,000,000.00
Buildings and structures	20,730,000.00	00	00	20,730,000.00
Transport equipment	6,950,000.00	00	00	6,950,000.00
Office equipment, furniture and fittings	3,321,097.00	00	00	3,321,097.00
ICT Equipment, Software and Other ICT Assets	974,327.00	00	00	974,327.00
Other Machinery and Equipment	22,750,000.00	00	00	22,750,000.00
Heritage and cultural assets	00	00	00	00
Intangible assets	00	00	00	00
Total	59,725,424.00	00	00	59,725,424

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Goshi pry school	Family Bank	098000020097	20,354.80	
Sosobora primary school	Family Bank	098000020095	26,877.40	
Sir ali special school	Family Bank	098000020103	594,877.80	
Mkunguni primary	Family Bank	098000020098	33,274.80	
Kwa upanga primary	Family Bank	098000020452	28,918.20	
Kakuyuni primary school	Family Bank	098000020447	51,524.20	
Kakoneni primary school	Family Bank	098000020445	15,911.60	
Pishi mwenga primary	Family Bank	098000020446	30,703.20	
Pishimwenga primary	Family Bank	098000020443	632.00	
Karima primary school	Family Bank	098000020294	46,640.40	
Mkondoni primary school	Family Bank	098000200824	7,163.20	
Kakuyuni police post	Family Bank	098000023130	1,036,202.40	
Malindi chiefs office	Family Bank	098000030002	2,082,726.00	
Sports project	Family Bank	098000021043	794,388.40	
Sports project	Family Bank	098000020300	31,525.40	
Bishop kalu secondary school	Family Bank	098000020096	197,455.20	
Madunguni secondary school	Family Bank	098000020093	257,888.40	
Langobaya secondary	Family Bank	098000020814	25,933.40	

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Aiport primary school school	Family Bank	098000020840	168,397.80	
Kijiwetanga primary school	Family Bank	098000020838	166,923.20	
Karima primary school	Family Bank	098000020294	46,640.40	
Ganda primary school	Family Bank	098000027748	2,279,988.40	
Baguo primary school	Equity Bank	0450281148393	36,707.00	
St Andrews primary school	Equity Bank	0450280806780	770.00	
Maziwani Pry school	Equity Bank	0450281407488	12,043.00	
Malindi Primary School Tanks	Equity Bank	0450281140434	4,280.00	
Majivuni Primary school	Equity Bank	0450280801569	286,596.00	
Upweoni Primary school	Equity Bank	0450282063719	17,600.00	
HGM Primary school	Equity Bank	0450282063784	17,598.00	
Kasimbiji primary school	Equity Bank	0450282399612	3,379.00	
Gahaleni pry school	Equity Bank	0450282399272	159,800.00	
Kaimbiji primary	Equity Bank	0450281142947	8,458.00	
jilore chiefs office	Equity Bank	0450281179473	2,770.00	
Dcc office	Equity Bank	0450281140329	3,280.00	
Chiefs motor bikes	Equity Bank	0450282230516	27,468.00	
Bishop baldacchino secondary school	Equity Bank	0450281143021	35,018.00	
Kakuyuni boys sec school	Equity Bank	0450281135133	60,492.00	

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Majivuni secondary school	Equity Bank	0450282471610	179,965.00	
Kakoneni girls secondary school	Equity Bank	0450280127814	1,235,464.00	
Malindi high School	Equity Bank	0450282708009	2,755,000.00	
Shomani girls sec school	Equity Bank	0450280749354	1,917,874.00	
Malindi primary school/central	Equity Bank	0450281151443	46,166.00	
Mashamba primary school	Equity Bank	0450281143124	643,356.00	
Malindi kmtc	Equity Bank	0450281753232	14,765,000	
Ganda primary school	Equity Bank	0450280803014	43,521.00	
Malindi NG-CDF Kavunyalalo Primary School	Equity Bank	045027992096		3,120.00
Malindi NG-CDF Desks, lockers and Chairs	Equity Bank	0450280121113		600.00
Malindi NG-CDF Sir AliSpecial School PMC	Equity Bank	0450280120784		66,091.00
Malindi NG-CDF Baguo Primary School	Equity Bank	0450280122484		35,450.58
Malindi NG-CDF Mkunguni Primary School PMC Account	Equity Bank	0450280124930		34,526.22
Malindi NG-CDF Khombeni Primary School Renovation PMC Account	Equity Bank	0450280325943		83,052.00
Malindi NG-CDF Gahaleri Primary School Renovation.PMC Account	Equity Bank	0450280326862		84,934.00
Malindi NG-CDF Maziwani Secondary School PMC Account	Equity Bank	0450280327120		36,603.00
Malindi NG-CDF Upweoni Primary School	Equity Bank	0450280753003		92,379.00
Malindi NG-CDF Arabuko Sokoke Primary School PMC Account	Equity Bank	0450280326252		56,150.00

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Malindi NG-CDF ACK Bishop Kalu School PMC Account	Equity Bank	0450280325319		36,528.00
Malindi NG-CDF Majivuni Primary School PMC Account	Equity Bank	0450280801569		372,566.00
Malindi NG-CDF Ganda Primary School PMC Account	Equity Bank	0450280803014		223,002.00
Malindi NG-CDF Kakuyuni Primary School PMC Account	Equity Bank	0450280801709		433,265.00
Malindi NG-CDF Mongotini Primary School PMC Account	Equity Bank	0450280803675		365,360.00
Malindi NG-CDF St. Andrews Primary School PMC Account	Equity Bank	0450280806780		500,367.00
Malindi NG-CDF Kijijwetanga Primary School PMC Account	Equity Bank	0450280803438		367,141.00
Malindi NG-CDF Madunguni Primary School PMC Account	Equity Bank	0450280802090		235,094.00
Malindi NG-CDF Madunguni Secondary School PMC Account	Equity Bank	0450279685911		320.00
Malindi NG-CDF Kakoneni Girls Secondary School PMC Account	Equity Bank	0450280127814		259,492.00
Malindi NG-CDF Langobaya Secondary School PMC Account	Equity Bank	0450280229304		1,360.00
Malindi NG-CDF Shamani Girls Secondary School PMC Account	Equity Bank	0450280749354		2,179,443.00
Malindi NG-CDF Mere Chief's Office PMC Account	Equity Bank	0450279922811		70.00
Malindi NG-CDF Kakuyuni Chief's Office PMC Account	Equity Bank	0450280120927		58,317.00
Malindi NG-CDF Sub-County DCC Staff House PMC Account	Equity Bank	0450280121274		48,900.00
Malindi NG-CDF Kakuyuni Police Post PMC0450280326482	Equity Bank	0450280326482		30,180.00
Total			30,207,551.60	5,604,310.80

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