

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

REPORT

PARLIAMENT  
OF KENYA  
LIBRARY

OF

THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY

DATE: 02 AUG 2023

DAY:  
WED

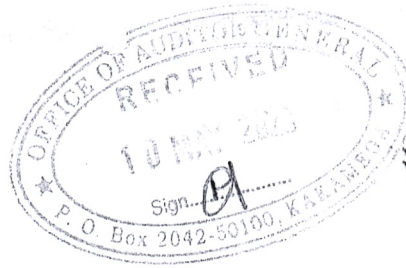
ON

Hon. Naomi Wago, mp  
Deputy Majority Whip  
Funlaya Mwangi

NATIONAL GOVERNMENT CONSTITUENCIES  
DEVELOPMENT FUND - LIKUYANI  
CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE, 2022





---

**LIKUYANI CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2022**

---

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

## **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 Likuyani Constituency NGCDF day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NGCDFB)

ii. National Government Constituency Development Fund Committee (NGCDFC)

**(c) Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	Peter Maraya
2.	Sub-County Accountant	Daniel Atuta
3.	Chairman NGCDFC	Thadayo Kimwela
4.	Member NGCDFC	Isaac Makokha

**(d) Fiduciary Oversight Arrangements**

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

**(e) NGCDF LIKUYANI Constituency Headquarters**

P.O. Box 15-30205  
MATUNDA

**(f) NGCDF LIKUYANI Constituency Contacts**

Telephone: (254) 15560144  
E-mail: Likuyani@ngcdf.go.ke  
Website: www.likuyanicdf.go.ke

**(g) NGCDF LIKUYANI Constituency Bankers**

1. Equity Bank  
A/C no 0500261734009  
P.O. Box 2512-50100  
Kakamega  
Tel: 056-30239/40

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

## II. NG-CDFC Chairman's Report



The National Government Constituencies Development Fund (NG-CDF) (hereafter referred to as the Fund) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through an Act of Parliament, the Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NG-CDF Act, 2015. At cabinet level, NG-CDF is represented by the Cabinet Secretary for Devolution, 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:

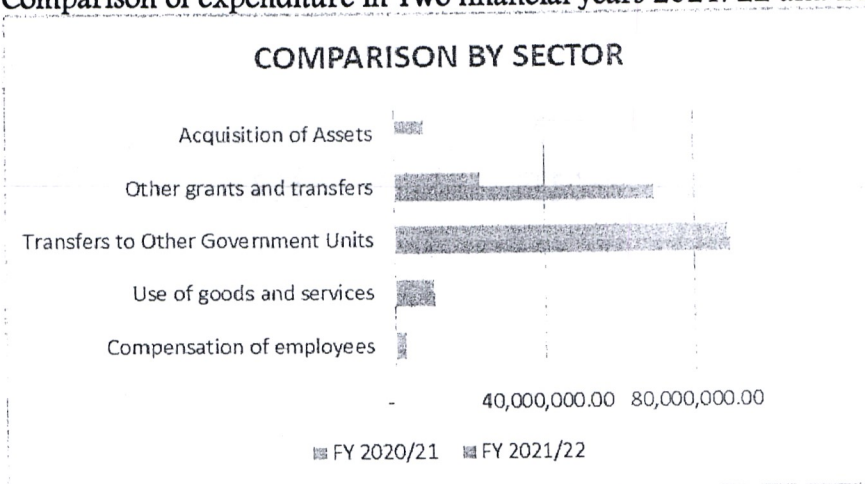
- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide 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

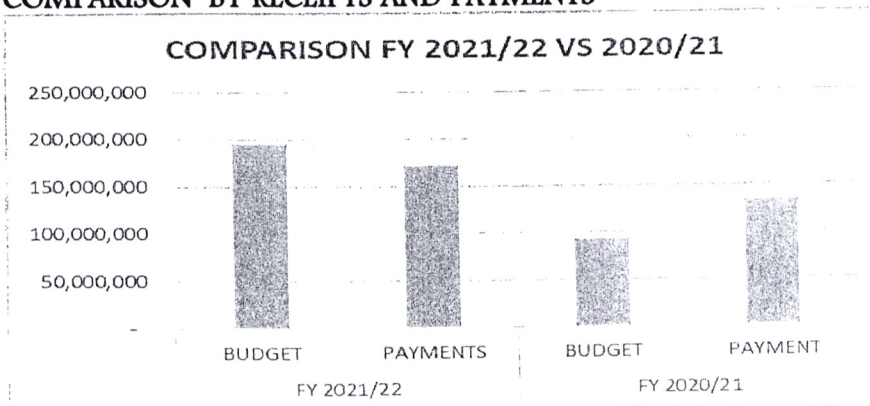
It is my pleasure to present to you LIKUYANI NGCDF's annual report and financial statements for the financial year 2021/2022. In the year under review, our overall performance was low as compared to last financial year due to Corona Virus Pandemic that slowed down the disbursement of bursary funds amounting to Kshs 26,412,733 delay in payments.

In Comparison to last financial year, our performance was lower by 30%. The figure below will show us sectoral performance in comparison to the two financial years.

**Comparison of expenditure in Two financial years 2021/22 and 2020-2021 by Sector**



**COMPARISON BY RECEIPTS AND PAYMENTS**



From the above chart, expenditure in 2021/22 was more in all the sector than 2020-2021. It is evident that transfer to other government institutions has the highest expenditure because most of our expenditure went to schools.

**Key Achievement**

1. St. Peters Girls- Construction of administration block, Library and Computer lab



2. St. Stephens Lwanda Secondary school- construction of dining hall

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

---



.....  
*[Handwritten Signature]*  
Name Fransica Nakhayo  
CHAIRMAN NGCDF COMMITTEE

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

#### Introduction

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

The key development objectives of *Likuyani Constituency 2018-2022* plan are to:

- a) Honesty and integrity
- b) Efficiency and effectiveness
- c) Innovation and creativity
- d) Inclusiveness
- e) Equity and Equality
- f) Accountability and transparency

#### Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels	In FY 21/22 - we have constructed 30 classrooms in primary schools, 20 in secondary school, 10 labs in secondary and 11 administration block in secondary school
Security	To provide security to the community	Increased security within the community	Increased number of police station Contraction of chief's offices	In F/Y 21/22 -we constructed 2 new police posts
Environment	To provide		Increased	In f/y 21/22

*Likuyani Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

Constituency Sector	Objective	Outcome	Indicator	Performance
	clean drinking water		rehabilitation of water points	-we constructed 15 five new water points
Sports	To provide sports materials to youth	To reduce idleness within the youth	We purchased sports materials worth Ksh 1,000,000 to 10 new football teams	In F/Y 2021/22 -We supplied sports materials to new 20 football teams
Emergency	To improve toilets with our schools	To reduce communicable diseases within our institutions	We Constructed new 30 toilets with our institution	In F/Y 2021/22 -We constructed new 30 toilets within our institutions

#### **IV. Environmental and Sustainability Reporting**

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

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

- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

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

## **2. Environmental performance**

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

## **3. Employee welfare**

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. xxx 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-**

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

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

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

NGCDF has put in efforts to ensure:

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

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

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

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

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

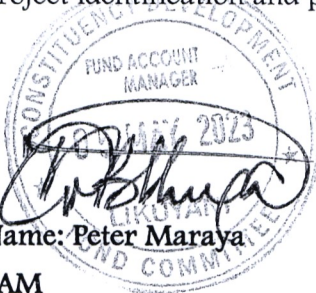
**Public participation** is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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

**Public Awareness**

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meetings.

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



**Name: Peter Maraya**  
**FAM**

## V. Statement of Management Responsibilities

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

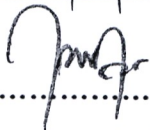
The Accounting Officer in charge of the NGCDF-Likuyani Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Likuyani Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency*'s financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Likuyani Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Likuyani Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *constituency*'s financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

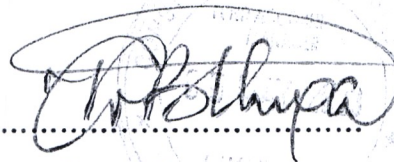
#### **Approval of the financial statements**

The NGCDF- Likuyani Constituency financial statements were approved and signed by the Accounting Officer on 05/05/23 2022.



.....  
**Name: Francisca Nakhayo**

**Chairman – NGCDF Committee**



.....  
**Name: Peter Maraya**

**Finance Account Manager**

# REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

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

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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - LIKUYANI 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 Fund 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 Fund.

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Likuyani Constituency set out on pages 1 to 44, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and the summary statement

of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Likuyani Constituency as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

### **Basis for Qualified Opinion**

#### **1. Unsupported Cash and Cash Equivalents**

The statement of assets and liabilities reflects a balance of Kshs.23,427,312 in respect of cash and cash equivalents which, as shown in Note 10 to the financial statements, represents the Fund's bank balances held in two commercial banks. However, a bank reconciliation statement for one of the accounts with a balance of Kshs.22,896,102 reflects unrepresented cheques of Kshs.4,719,303 out of which cheques totalling Kshs.1,216,811 had become stale as at 30 June, 2022.

Further, the Fund maintained a deposit account in a commercial bank with a balance of Kshs.531,210 as at 30 June, 2022 which was opened in 2015. However, authority to open and operate the account was not provided for audit review. In addition, cash books, bank statements, bank reconciliation statements and certificates of bank balance for the account were not provided for audit review.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.23,427,312 as at 30 June, 2022 could not be confirmed.

#### **2. Unsupported Project Management Committee (PMC) Bank Account Balances**

Note 17.4 to the financial statements reflects Project Management Committee (PMC) bank account balances of Kshs.6,197,286 which, as disclosed in Annex 5, represents balances held by Project Management Committees in one hundred and twenty-one (121) bank accounts. However, the balances were not supported by bank reconciliation statements, cash books and certificates of bank balance.

In the circumstances, the accuracy and completeness of the PMC bank account balances totalling Kshs.6,197,286 could not be confirmed.

#### **3. Unsupported Social Security Programmes (NHIF)**

The statement of receipts and payments reflects Kshs.69,443,014 in respect of other grants and transfers which, as disclosed in Note 7 to the financial statements, includes Kshs.3,000,000 paid under the NHIF Health Insurance Subsidy Programme (HISP).

However, the payment was not supported by evidence of criteria of identification of target groups of orphans and vulnerable children (O.V.C), poor older persons and persons living with disabilities (PLWDs); the list of applicants; appointment of the vetting committee; the vetting criteria adopted; the report of the vetting exercise; and approval of the payment by the Fund Committee.

In the circumstances, the propriety of the expenditure of Kshs.3,000,000 on social security programmes could not be confirmed.

#### **4. Unsupported Bursaries to Tertiary Institutions**

The statement of receipts and payments reflects Kshs.69,443,014 as other grants and transfers which, as disclosed in Note 7 to the financial statements, includes Kshs.31,572,200 being bursary disbursements to tertiary institutions. However, a list of all applicants, successful and unsuccessful applicants were not provided for audit review. Further, payment vouchers together with respective supporting documentation for bursary payments of Kshs.11,762,000 were not provided for audit review.

The Fund also made bursary payments totalling Kshs.380,000 in respect of nineteen (19) students whose school admission or registration numbers were not indicated. In addition, acknowledgements by the respective learning institutions, individual student fees receipt and updated student fees statements were not provided for audit review.

In the circumstances, the propriety of the expenditure of Kshs.31,572,200 could not be confirmed.

#### **5. Unsupported Bursaries to Secondary Schools**

The statement of receipts and payments reflects other grants and transfers amounting to Kshs.69,443,014 as disclosed in Note 7 to the financial statements. The amount includes bursaries of Kshs.16,920,000 paid to various secondary schools, out of which, bursaries amounting to Kshs.1,500,000 paid to ten (10) secondary schools were not supported by acknowledgment documents.

In the circumstances, the propriety of the expenditure of Kshs.1,500,000 could not be confirmed.

#### **6. Undisclosed Prior Year Adjustment**

The statement of cash flows reflects Kshs.234,609 as prior year adjustment which, as disclosed in Note 14 to the financial statements, relates to a bank account balance held in a local bank. However, Management did not disclose this amount in the statement of assets and liabilities as at 30 June, 2022.

In the circumstances, the accuracy and completeness of the prior year adjustment balance of Kshs.234,609 could not be confirmed.

#### **7. Purchase of Land at Mapera Secondary School**

The statement of receipts and payments reflects transfers to other Government units of Kshs.89,705,200 as disclosed in Note 6 to the financial statements. The amount includes Kshs.54,821,800 being transfers to secondary schools out of which an amount of

Kshs.1,800,000 was disbursed to Mapera secondary school for purchase of one-acre parcel of land. However, the title deed for the land was not provided for audit verification. Further, procurement records, official search for the land and valuation report were not provided for review.

In the circumstances, propriety of the expenditure of Kshs.1,800,000 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 - Likuyani Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

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

### **Other Matter**

#### **1. Budgetary Control and Performance**

The summary statement of appropriation reflects actual expenditure of Kshs.172,291,059 against approved budget of Kshs.195,187,161 respectively resulting to under- absorption of Kshs.22,896,102 or 12% of the budget.

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

#### **2. Unresolved Prior Year Audit Matters**

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, Management has not resolved the issues or given any explanation for the failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **1. Construction of Classrooms at Kilimani Primary School**

The statement of receipts and payments reflects transfers to other Government units amount of Kshs.89,705,200 which, as disclosed in Note 6 to the financial statements, includes Kshs.34,883,400 being transfers to primary schools. The amount of Kshs.34,883,400 includes Kshs.1,600,000 disbursed to Kilimani Primary School for construction of seven (7) classrooms.

The contract was awarded to a local construction company at a contract sum of Kshs.1,619,192. However, procurement records such as tender opening minutes, tender evaluation report, regret letters, professional opinion, letter of award of contract and signed contract were not provided for audit review. This is contrary to Section 151(2)(a) of the Public Procurement and Asset Disposal Act, 2015 which requires a project implementation team to be responsible for monitoring the performance of the contractor, to ensure that all delivery or performance obligations are met or appropriate action taken by the procuring entity in the event of obligations not being met.

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

### **2. Payment of Emergency Funds**

The statement of receipts and payments reflects expenditure on other grants and transfers amount of Kshs.69,443,014 which, as disclosed in Note 7 to the financial statements, includes an expenditure of Kshs.7,535,000 on emergency projects. Included in this amount is Kshs.2,250,000 paid to twelve (12) primary schools for construction projects. However, no documentary evidence was provided to indicate that the above projects were of emergency nature contrary to Section 8(3) of the National Government Constituencies Development Fund Act, 2015, which states that emergency shall be construed to mean an urgent, unforeseen need for expenditure for which it is in the opinion of the committee that it can not be delayed until the next financial year without harming the public interest of the constituents.

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

### **3. Failure to Provide Fixed Assets Register**

Annex 4 to the financial statements reflects summary of fixed assets register with a total cost of Kshs.20,204,095 being the value of the assets owned by the Fund. However, Management did not provide the assets register for audit verification.

In the circumstances, the accuracy and completeness of the fixed assets balance of Kshs.20,204,095 could not be confirmed.

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and 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 the Management is aware of the intention to terminate the Fund or to cease its 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 the Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error,

and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a time period by employees in the normal course of performing their assigned functions.

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

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

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

exists related to events or conditions that may cast significant doubt on the Fund's ability to 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 the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

10 July, 2023

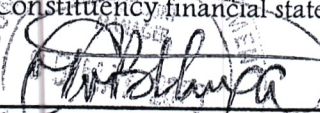
*Likuyani Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

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

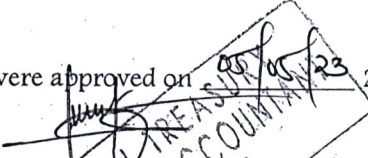
	Note	2021-2022	2020-2021
			Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	181,277,758	92,900,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	57,000	776,708
<b>TOTAL RECEIPTS</b>		181,334,758	93,676,708
<b>PAYMENTS</b>			
Compensation of employees	4	2,690,579	2,760,806
Use of goods and services	5	10,452,266	10,356,387
Transfers to Other Government Units	6	89,705,200	89,052,252
Other grants and transfers	7	69,443,014	22,981,820
Acquisition of Assets	8	-	7,943,348
Other Payments	9	-	-
<b>TOTAL PAYMENTS</b>		172,291,059	133,094,613
<b>SURPLUS/DEFICIT</b>		9,043,699	(39,417,905)

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

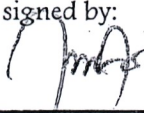
The Constituency financial statements were approved on 05/06/23 2022 and signed by:

  
Fund Account Manager

Name: Peter Maraya

  
National Sub-County  
Accountant

Name: Daniel Atuta  
ICPAK M/No: 20437

  
Chairman NG-CDF  
Committee

Name: Nakhayo Francisca

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

VIII. Statement of Assets and Liabilities As At 30<sup>th</sup> June, 2022

	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
Cash and Cash Equivalents			
Bank Balances ( as per the cash book)	10A	23,427,312	13,852,403
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>23,427,312</b>	<b>13,852,403</b>
Accounts Receivable			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>23,427,312</b>	<b>13,852,403</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	(531,210)	
<b>NET FINANCIAL SSETS</b>		<b>22,896,102</b>	<b>13,852,403</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July 2021			
	13	13,852,403	53,270,308
Prior year adjustments	14	-	
Surplus/Defict for the year		9,043,699	(39,417,905)
<b>NET FINANCIAL POSITION</b>		<b>22,896,102</b>	<b>13,852,403</b>

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

The Constituency financial statements were approved on 05/07/2022 and signed by:

Fund Account Manager

Name: Peter Maraya

National Sub-County Accountant

Name: Daniel Atuta  
ICPAK M/No:20437

Chairman NG-CDF Committee

Name: Nakhayo Francisca

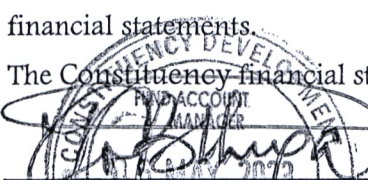
Likuyani Constituency  
 National Government Constituencies Development Fund (NGCDF)  
 Annual Report and Financial Statements for The Year Ended June 30, 2022

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

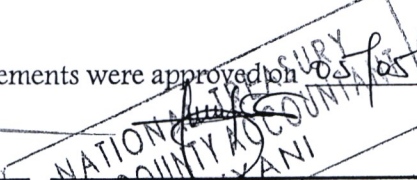
		2021-2022	2020-2021
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	181,277,758	92,900,000
Other Receipts	3	57,000	776,708
		181,334,758	93,676,708
Payments for operating activities			
Compensation of Employees	4	2,690,579	2,760,806
Use of goods and services	5	10,452,266	10,356,387
Transfers to Other Government Units	6	89,705,200	89,052,252
Other grants and transfers	7	69,443,014	22,981,820
Other Payments	9	-	-
		172,291,059	125,151,265
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments (Gratuity)	14	234,609	-
Increase in Staff Payables (Gratuity)		296,601	
Net Adjustments		531,210	-
Net cash flow from operating activities		9,574,909	(31,474,557)
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	(7,943,348)
Net cash flows from Investing Activities		-	(7,943,348)
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		9,574,909	(39,417,905)
Cash and cash equivalent at BEGINNING of the year	10	13,852,403	53,270,308
Cash and cash equivalent at END of the year		23,427,312	13,852,403

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

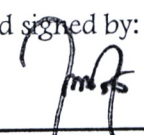
The Constituency financial statements were approved on 05/05/2023 2022 and signed by:

  
 Fund Account Manager  
 LIKUYANI  
 NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND COMMITTEE

Name: Peter Manaya

  
 NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND COMMITTEE  
 LIKUYANI  
 National Sub-County Accountant

Name: Daniel Atuta  
 ICPAK M/No:20437

  
 Chairman NG-CDF  
 Committee

Name: Nakhayo Francisca

Likuyani 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 30<sup>th</sup> June 2022




Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Transfers from NG-CDF Board	137,088,879	44,188,879	195,130,161	195,130,161	0	
Proceeds from Sale of Assets			0	0	0	0%
Other Receipts	57,000		57,000	57,000	0	100%
<b>TOTAL RECEIPTS</b>	<b>137,088,879</b>	<b>44,188,879</b>	<b>195,187,161</b>	<b>195,187,161</b>	<b>0</b>	<b>100%</b>
<b>PAYMENTS</b>						
Compensation of Employees	4,722,246	-	10,229,009	2,690,579	7,538,430	26%
Use of goods and services	7,614,754	69,106	11,711,668	10,452,266	1,259,402	90%
Transfers to Other Government Units	75,500,000	9,083,400	88,310,300	89,705,200	(1,394,900)	102%
Other grants and transfers	49,251,879	35,036,373	84,288,252	69,443,014	14,845,238	82%
Acquisition of Assets		647,932	647,932	0	647,932	0%
Other Payments	0	0	0	0	0	0%
<b>TOTAL</b>	<b>137,088,879</b>	<b>44,188,879</b>	<b>195,187,161</b>	<b>172,291,059</b>	<b>22,896,102</b>	<b>88%</b>

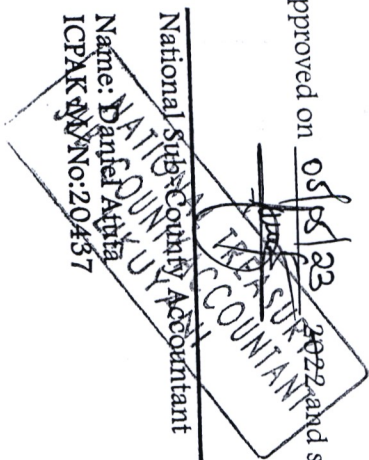
**Likuyani Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

Description	Amount
<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
Budget utilisation difference totals	22,896,102
Less undisbursed funds receivable from the Board as at 30th June 2022	-
Add Accounts payable	22,896,102
Less Accounts Receivable	296,601
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	23,427,312

*The under-absorption of 74% on compensation of employees is due to over budgeting of the votehead by the management  
The under-absorption of 18% on other grants and transfers is due to funds meant for emergency occurrences within the constituency which had not been utilized.*

The Constituency financial statements were approved on 05/08/23 and signed by:

<p style="text-align: center;"></p> <p>_____  Fund Account Manager  Name: Peter Maraya</p>	<p style="text-align: center;"></p> <p>_____  National Sub-County Accountant  Name: Daniel Attha  ICPAK No: 20437</p>	<p style="text-align: center;"></p> <p>_____  Chairman NG-CDF Committee  Name: Nakhayo Francisca</p>
---	---	---



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

**XI. Budget Execution by Sectors and Projects for the Year Ended 30<sup>th</sup> June 2022**

Programme/Sub-programme	Original Budget(a) 2021/2022	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d) 30/06/2022	Budget utilization difference(e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	Kshs		Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	4,722,246	300,000	1,000,000	6,022,246	2,690,579	3,331,667
1.2 Committee allowances	2,196,000			2,196,000		2,196,000
1.3 Use of goods and services	1,306,754	1,552,403		2,859,157	3,031,214	(172,057)
<b>Total</b>	<b>8,225,000</b>	<b>1,852,403</b>	<b>1,000,000</b>	<b>11,077,403</b>	<b>5,721,793</b>	<b>5,355,610</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,000,000		309,052	1,309,052	1,309,052	-
2.2 Committee allowances	2,328,000	2,000,000	1,000,000	5,328,000	5,328,000	-
2.3 Use of goods and services	784,000			784,000	784,000	-
<b>Total</b>	<b>4,112,000</b>	<b>2,000,000</b>	<b>1,309,052</b>	<b>7,421,052</b>	<b>7,421,052</b>	<b>-</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools	5,972,207			5,972,207	6,315,000	(342,793)
3.2 Secondary schools	1,220,000			1,220,000	1,220,000	-
3.3 Tertiary institutions				-	-	-
3.4 Security projects			-	-	-	-
3.5 Unutilised				-	-	-
<b>Total</b>	<b>7,192,207</b>	<b>-</b>	<b>-</b>	<b>7,192,207</b>	<b>7,535,000</b>	<b>(342,793)</b>
<b>4.0 Bursary and Social Security</b>						

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = 2021/2022	Actual on comparable basis(d)	Budget utilization difference(e = c - d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	Kshs		Kshs	Kshs	Kshs	Kshs
Bursary Secondary Schools	22,159,672	4,335,200	15,946,427	42,441,299	30,282,200	12,159,099
Bursary Tertiary Schools	13,000,000		10,200,000	23,200,000	16,610,000	6,590,000
Bursary Special Schools	200,000			200,000	1,600,000	(1,400,000)
NHIF Social Security programme	1,200,000		1,800,000	3,000,000	3,000,000	-
Total	36,559,672	4,335,200	27,946,427	68,841,299	51,492,200	17,349,099
5.0 Sports				-		-
Constituency sports Tournament	1,000,000		500,000	1,500,000	1,467,000	33,000
Total	1,000,000		500,000	1,500,000	1,467,000	33,000
6.0 Environment						
Karibi Maawe Water Spring	75,000			75,000	75,000	-
Karani Water Spring	75,000			75,000	75,000	-
Singei Water Spring	75,000			75,000	75,000	-
Shoka water spring	75,000			75,000	75,000	-
Manyali Water Spring	75,000			75,000	75,000	-
Wekhwela Water Spring	75,000			75,000	75,000	-
Mwangi Water Spring	75,000			75,000	75,000	-
Ombeva Water Spring	75,000			75,000	75,000	-

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

Programme/Sub-programme	Original Budget(a) 2021/2022 Kshs	Adjustments(b)		Final Budget c = (a+b) 2021/2022 Kshs	Actual on comparable basis(d) 30/06/2022 Kshs	Budget utilization difference(e = c - d) Kshs
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
Mirembe water spring	75,000			75,000	75,000	-
Mavale Water spring	75,000			75,000	75,000	-
Nyuri water spring	75,000			75,000	75,000	-
Mukunga water spring	75,000			75,000	75,000	-
Mumonyozo water spring	75,000			75,000	75,000	-
Shivambilo water spring	75,000			75,000	75,000	-
Riverside water spring	75,000			75,000	75,000	-
Albert Malova water spring	75,000			75,000	75,000	-
Okaalo water spring	75,000			75,000	75,000	-
Soko Amani water spring	75,000			75,000	75,000	-
Wanyama water spring	75,000			75,000	75,000	-
Ngokho water spring	75,000			75,000	75,000	-
Settler contractors					98,814	
<b>Environment last 2 financial years</b>			2,000,000	2,000,000	2,000,000	-
<b>Total</b>	<b>1,500,000</b>	-	<b>2,000,000</b>	<b>3,500,000</b>	<b>3,598,814</b>	<b>(98,814)</b>
<b>7.0 Primary Schools Projects</b>						
kilimani Primary School	1,600,000			1,600,000	1,600,000	-
Brigadier Musonye Primary school	1,600,000			1,600,000	1,600,000	-
Alligula primary school	1,400,000			1,400,000	1,400,000	-

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c - d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
Seregeya Primary School	1,000,000			1,000,000	1,000,000	-
Mary Luswehi Primary School	600,000			600,000	600,000	-
Ivugwi primary School	600,000			600,000	600,000	-
Everglade Primary School	500,000			500,000	500,000	-
Sango Primary School	1,750,000			1,750,000	1,750,000	-
Soyambu Primary School	1,500,000			1,500,000	1,500,000	-
Sikendu Primary School	600,000			600,000	600,000	-
Maawe tatu primary school	1,200,000			1,200,000	1,200,000	-
Lukusi Primary School	1,000,000			1,000,000	1,000,000	-
St Francis Primary School.	600,000			600,000	600,000	-
Kongoni Primary School.	1,350,000			1,350,000	1,350,000	-
Kosoki Primary School.	1,140,000			1,140,000	1,140,000	-
Mtrembe primary School	1,000,000			1,000,000	1,000,000	-
Nasianda Primary School	700,000			700,000	700,000	-
Sikulu Primary School.	360,000			360,000	360,000	-
Matunda primary School	1,200,000			1,200,000	1,200,000	-
Godown Primary School	1,200,000			1,200,000	1,200,000	-
Matunda Special School	1,000,000			1,000,000	1,000,000	-

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

Programme/Sub-programme	Original Budget(a) 2021/2022 Kshs	Adjustments(b)		Final Budget c = (a+b) Kshs	Actual on comparable basis(d) 30/06/2022 Kshs	Budget utilization difference(e = c-d) Kshs
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
Kona Primary School	700,000			700,000	700,000	-
Ngao Primary School	600,000			600,000	600,000	-
Maua Primary School	500,000			500,000	500,000	-
Changarawe Primary School	500,000			500,000	500,000	-
Chepkaka primary School.	250,000			250,000	250,000	-
Mois Bridge Primary School.	2,100,000			2,100,000	2,100,000	-
Mois Bridge Primary School.	700,000			700,000	700,000	-
Bondeni primary school	1,200,000			1,200,000	1,200,000	-
Gimaiyo primary school.	800,000			800,000	800,000	-
Gimaiyo primary school.	300,000			300,000	300,000	-
St Charles Lwanga primary School.	750,000			750,000	750,000	-
Ludodo Primary School	600,000			600,000	600,000	-
Mwiba Primary School.	600,000			600,000	600,000	-
kilimani Primary School			83,400	83,400	383,400	(300,000)
Seregeya Primary School					1,000,000	(1,000,000)
Maua Primary School					400,000	(400,000)
Kosoki Primary School.					200,000	(200,000)
Nasianda Primary School					1,400,000	(1,400,000)

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c - d)
		Opening Balance (C/BK) and AIA	Previous years Outstanding Disbursements			
	Kshs		Kshs	Kshs	Kshs	Kshs
<b>Total</b>	<b>31,500,000</b>	-	<b>83,400</b>	<b>31,583,400</b>	<b>34,883,400</b>	<b>(3,300,000)</b>
8.0 Secondary Schools Projects						
Mary Iusweti Secondary School	4,500,000		4,500,000	9,000,000	4,500,000	4,500,000
St Teresas Secondary School			4,500,000	4,500,000	4,500,000	-
St Johns The Baptist Likyani Boys Secondary School	1,500,000			1,500,000	1,500,000	-
St Elizabeth Likyani Girls Secondary School.	1,500,000			1,500,000	1,500,000	-
St Benedicts Lugulu Secondary School.	5,500,000			5,500,000	5,500,000	-
Mapera Secondary School	1,200,000			1,200,000	1,200,000	-
Mapera Secondary School.	1,800,000			1,800,000	1,800,000	-
Friends Secondary School Kongoni	1,600,000			1,600,000	1,600,000	-
Nasianda Secondary School	1,600,000			1,600,000	1,600,000	-
Kisigame Secondary School	1,600,000			1,600,000	1,600,000	-
St Veronica Mirembe Girls Secondary School	1,500,000			1,500,000	1,500,000	-
Friends Secondary School Mbururu	5,500,000			5,500,000	5,500,000	-
St Stephens Iwanda Secondary School.	7,200,000			7,200,000	7,200,000	-
Matunda S.A Secondary School	2,800,000			2,800,000	2,800,000	-
Friends Secondary School Matisi	1,500,000			1,500,000	1,500,000	-
St Josephs Nyorotis Secondary School	1,500,000			1,500,000	1,500,000	-

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

Programme/Sub-programme	Original Budget(a) 2021/2022	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d) 30/06/2022	Budget utilization difference(e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	Kshs		Kshs	Kshs	Kshs	Kshs
St Johns Mtoni Secondary School	1,200,000			1,200,000	1,200,000	-
St Johns Mtoni Secondary School	1,000,000			1,000,000	1,000,000	-
Eshikulu Boys Secondary School	1,000,000			1,000,000	1,000,000	-
Friends Sec Schoo Binyenya (School Bus)		3,471,800		3,471,800	3,471,800	-
St Josephs Nyorotis Secondary School(Adm block)		1,500,000		1,500,000	1,500,000	-
St Veronica Sec School Dinning Hall		750,000		750,000	750,000	-
Alligula Sec School					200,000	(200,000)
St Peters boys Sec School					400,000	(400,000)
<b>Total</b>	<b>44,000,000</b>	<b>5,721,800</b>	<b>9,000,000</b>	<b>58,721,800</b>	<b>54,821,800</b>	<b>3,900,000</b>
<b>9.0 Tertiary institutions Projects</b>						
<b>Total</b>	-		-	-	-	-
<b>10.0 Security Projects</b>						
Matunda Police station.	900,000			900,000	900,000	-
Deputy county comminners office	300,000			300,000	300,000	-
Deputy County commissioners' office.	700,000			700,000	700,000	-
Likuyani Police Post.	800,000			800,000	800,000	-
Sinoko police post.	300,000			300,000	300,000	-

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)
	2021/2022	Opening Balance (C/BK) and AIA	2021/2022	30/06/2022	
	Kshs		Kshs	Kshs	Kshs
Mabusu/ ACC office			750,000	750,000	-
Kongoni Chiefs office			750,000	750,000	-
Likuyani DCC Residence			750,000	750,000	-
Seregeya police post			100,000	100,000	-
<b>Total</b>	<b>3,000,000</b>	<b>-</b>	<b>2,350,000</b>	<b>5,350,000</b>	<b>-</b>
<b>11.0 Acquisition of assets</b>					
<b>Total</b>	<b>-</b>		<b>-</b>		
<b>12.0 Other payments</b>					
<b>Total</b>	<b>-</b>		<b>-</b>		
<b>13.0 unallocated fund</b>					
<b>Unapproved projects</b>					
<b>AIA</b>					
<b>P/MC savings</b>					
<b>Total</b>	<b>137,088,879</b>	<b>13,909,403</b>	<b>44,188,879</b>	<b>195,187,161</b>	<b>172,291,059</b>
<b>1.0 Administration and Recurrent</b>					<b>22,896,102</b>

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

Programme/Sub-programme	Original Budget (a)	Adjustments (b)		Final Budget c = (a+b)	Actual on comparable basis (c)	Budget utilization difference (e = c - d)
		Opening Balance (C/BK) and AIA	Previous years Outstanding Disbursements			
	2021/2022			2021/2022	30/06/2022	
	Kshs			Kshs	Kshs	Kshs
1.1 Compensation of employees	4,722,246	300,000	1,000,000	6,022,246	2,690,579	3,331,667
1.2 Committee allowances	2,196,000			2,196,000		2,196,000
1.3 Use of goods and services	1,306,754	1,552,403		2,859,157	3,031,214	(172,057)
Total	8,225,000	1,852,403	1,000,000	11,077,403	5,721,793	5,355,610
2.0 Monitoring and evaluation						
2.1 Capacity building	1,000,000		309,052	1,309,052	1,309,052	-

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

## XII. Significant Accounting Policies

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

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

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

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

### 2. Reporting Entity

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

### 3. Reporting Currency

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

### 4. Significant Accounting Policies

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

#### a) Recognition of Receipts

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

***Significant Accounting Policies continued***

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs.***

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

**External Assistance**

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

**b) Recognition of payments**

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

*Significant Accounting Policies continued*

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

In-kind contributions are donations that are made to the constituency in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the constituency includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

*Significant Accounting Policies continued*

**6. Cash and Cash Equivalents.**

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

*Significant Accounting Policies continued*

**7. Accounts Receivable**

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

**8. Accounts Payable**

For the purposes of these financial statements, Deposits (gratuity and retentions) held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

***Significant Accounting Policies continued***

**9. Pending Bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the entity at the end of the financial year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 08 June 2021 for the period 1<sup>st</sup> July 2021 to 30<sup>th</sup> 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 30<sup>th</sup> 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.

*Likuyani 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	
	AIE NO B124591		9,000,000	
Normal Allocation	AIE NOB119542		10,000,000	
	AIE NO. B119932		13,000,000	
	AIE NO B128174		6,900,000	
	AIE NO B128487		7,000,000	
	AIE NO B132230		6,000,000	
	AIE NO B138898		13,000,000	
	AIE NO B126192		6,000,000	
	AIE NO B126487		10,000,000	
	AIE No. B140630		12,000,000	
		B140981	33,000,000	
		B105496	44,000,000	
		B105844	22,000,000	
		B128592	6,000,000	
	B128904	12,000,000		
	B154101	12,000,000		
	B164436	18,000,000		
	B155871	23,088,879		
	B155986	11,188,879		
Conditional Grants	AIE NO...			
Receipt from other Constituency				
<b>TOTAL</b>		<b>181,277,758</b>	<b>92,900,000</b>	

**2. Proceeds From Sale of Assets**

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

*Likuyani 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)*

3. Other Receipts

	2021-2022	2020 - 2021
	Kshs	Kshs
Interest Received		-
Rents		-
Receipts Sale of Tender Documents	-	-
Hire of plant/equipment/facilities	-	-
Other Receipts Not Classified Elsewhere (Reversal of stalled Bursary cheque no 9133,9137,9207,9241,9251,9309,9396,9469,9470,9524,9617,9618 and 9635 and Project stalled cheques no 8923 and 8935)		555,708
Other Receipts Not Classified Elsewhere (Tender Fees Collected)	57,000	221,000
<b>TOTAL</b>	<b>57,000</b>	<b>776,708</b>

4. Compensation Of Employees

Description	2021-2022	2020 - 2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,302,085	2,359,310
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	296,601	303,144
Employer Contributions Compulsory national social security schemes	91,893	98,352
<b>TOTAL</b>	<b>2,690,579</b>	<b>2,760,806</b>

*Likuyani 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)*

5. Use Of Goods and Services

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Utilities, supplies and services	-	-
Electricity	-	-
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	9,450	120,450
Domestic travel and subsistence	10,050	343,230
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	-	-
Other committee expenses	-	6,022,170
Committee allowance	3,906,500	1,545,500
Insurance costs	774,765	-
Specialised materials and services	-	-
Office and general supplies and services	2,642,404	1,046,054
Fuel , oil & lubricants	2,624,990	1,035,999
Other operating expenses	59,000	229,875
Bank service commission and charges	281,224	13,109
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	143,883	-
Routine maintenance- other assets	-	-
<b>TOTAL</b>	<b>10,452,266</b>	<b>10,356,387</b>

6. Transfer to Other Government Units

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Transfers to Primary Schools	34,883,400	51,602,252
Transfers to Secondary Schools	54,821,800	37,450,000
Transfers to Tertiary Institutions	-	-
<b>TOTAL</b>	<b>89,705,200</b>	<b>89,052,252</b>

*Likuyani Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

*Notes To The Financial Statements (Continued)*

**7. Other Grants and Other transfers**

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Bursary - Secondary ( see attached list)	16,920,000	
Bursary -Tertiary ( see attached list)	31,572,200	12,617,000
Bursary- Special Schools	-	300,000
Mocks & CAT ( see attached list)	-	-
Social Security programmes (NHIF)	3,000,000	
Security Projects ( see attached list)	5,350,000	1,750,000
Sports Projects ( see attached list)	1,467,000	542,000
Environment Projects ( see attached list)	3,598,814	994,820
Emergency Projects ( see attached list)	7,535,000	6,778,000
<b>TOTAL</b>	<b>69,443,014</b>	<b>22,981,820</b>

**8. Acquisition Of Assets**

<b>Non Financial Assets</b>	2021-2022	2020 - 2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles Vehicles and Other Transport Equipment	-	7,838,348
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and and General Equipment	-	-
Purchase of computers ,printers and other IT equipments	-	105,000
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets		
<b>TOTAL</b>	<b>-</b>	<b>7,943,348</b>

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	00	00
ICT Hub	-	-
	000	000

10: Cash Book Bank Balance

Name of Bank, Account No. & currency	Account Number	2021-2022	2020 - 2021
		Kshs (30/6/2022)	Kshs (30/6/2021)
Equity Bank Kakamega Branch	Account No.0500261734009	22,896,102	13,852,403
KCB Moi's Bridge Branch	Account No.1169942075	531,210	-
		23,427,312	13,852,403

11: Outstanding Imprests

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

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

*Notes to the Financial Statement Continued*

12A. Retention

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

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 <sup>st</sup> July (A)	234,609	-
Gratuity held during the year (B)	296,601	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	531,210	-

13. Balances Brought Forward

	2021-2022	2020- 2021
	Kshs (1/7/2021)	Kshs (1/7/2020)
Bank accounts	13,852,403	53,270,308
Cash in hand		
Imprest		
<b>TOTAL</b>	<b>13,852,403</b>	<b>53,270,308</b>

*Likuyani 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)*

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	-	-	-
Cash in hand	-	-	-
Accounts Payables	(-)	-	(-)
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>Total</b>	-	-	-

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

15. Changes in Accounts Receivable – Outstanding Imprests

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

16. Changes in Accounts Payable – Deposits and Retentions

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

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

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

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

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	531,210	-
Others ( <i>specify</i> )	-	-
Total	531,210	-

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	3,331,667	5,449,763
Use of goods and services	2,023,943	4,096,914
Amounts due to other Government entities (see attached list)	600,000	12,810,300
Amounts due to other grants and other transfers (see attached list)	16,940,492	35,036,373
Acquisition of assets	-	647,932
Others ( <i>specify</i> )	-	-
Funds pending approval		
	22,896,102	58,041,282

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

---

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	6,197,286	9,392,597
Total	6,197,286	9,392,597

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

**Annexes**

**Annexes: 1 Analysis of Pending Accounts Payable**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
	a	B	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
Sub-Total					
Grand Total					

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

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

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2022	Comments
<b>NG-CDFC Staff</b>				
1 Elizabeth Nafula Makete	Records management Officer	01.04.2020	93,628	
2. Ireen Ikeet Emolem	Accounts Clerk	01.04.2020	93,628	
3. Alahuya Asami Nelson	Accounts assistant	01.06.2020	99,744	
4. Ezekiel Timothy Kataka	Clerk of works	01.11.2020	106,605	
5. Caroline Njambi Mbocha	Secretary	01.07.2020	49,774	
6. Dismus Nyongesa Kauka	Receptionist	01.07.2020	40,296	
7. Vitalis Ipara Osikuku	Driver	01.12.2020	47,536	
<b>Grand Total</b>			<b>531,210</b>	

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

**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2021/2022	2020/2021	
<b>1.0 Administration and Recurrent</b>				
1.1 Compensation of employees	Employee salaries	3,331,667.00	5,449,763	On-going
1.2 Committee allowances	Committee allowances	2,023,943.00	1,548,000	On-going
1.3 Use of goods and services	Fuel and office stationery		1,172,301	On-going
<b>Total</b>		<b>5,355,610</b>	<b>8,170,064</b>	<b>On-going</b>
<b>2.0 Monitoring and evaluation</b>				
2.1 Capacity building	Committee allowances	-	500,000	On-going
2.2 Committee allowances	Committee allowances	-	728,000	On-going
2.3 Use of goods and services	Fuel and office stationery	-	148,613	On-going
<b>Total</b>		<b>-</b>	<b>1,376,613</b>	
<b>3.0 Emergency</b>				
3.1 Primary Schools	To be used for emergency		851,806	On-going
<b>Total</b>			<b>851,806</b>	
<b>4.0 Bursary and Social Security</b>				
Bursary Secondary Schools	To cater for needy students within the constituency	10,416,306.00	10,822,862	On-going
Bursary Tertiary Schools	To cater for needy students within the constituency	6,491,186.00	17,453,625	On-going
Bursary Special Schools	To cater for needy students within the constituency		3,200,000	On-going
<b>Total</b>		<b>16,907,492</b>	<b>31,476,487</b>	
<b>5.0 Sports</b>				

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

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2021/2022	2020/2021	
Constituency sports Tournament	PMC allowance	33,000.00	458,000	On-going
Total		33,000	458,000	
6.0 Environment				
Environment last 2 financial years		-	5,180	O-going
Total			5,180	
7.0 Primary Schools				
Projects				
Total			7,205,200	
8.0 Secondary Schools				
Projects				
Mary Iusweti Secondary School	To construction of storied building	600,000.00		On-going
Aligula Sec School				
St Peters boys Sec School				
Total		600,000	5,600,000	
10.0 Security Projects			2,250,000	Done
Total		-	2,250,000	
11.0 Acquisition of assets			647,932	Done
Total		-		
Total		22,896,102	58,041,282	

## 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				
Buildings and structures	10,599,505			10,599,505
Transport equipment	7,937,348			7,937,348
Office equipment, furniture and fittings	579,205			579,205
ICT Equipment, Software and Other ICT Assets	1,168,037			1,168,037
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>20,204,095</b>			<b>20,204,095</b>

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

**Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2022**

NO.	PMC NAME	Bank	Account number	DATE ACC OPENED	Bank Balance 2021/22	Bank Balance 2020/21
1	Kilimani Primary school	Kenya commercial Bank	1150229616	14/09/2016	31,000.00	31,000.00
2	Ludodo Primary School	Kenya commercial Bank	1166594203	27/08/2015	3,000.00	3,000.00
3	Gimaiyo Primary School	Kenya commercial Bank	1150227687	18/2/2016	5,000.00	5,000.00
4	St Charles Lwanga Primary School	Kenya commercial Bank	1150227688	02/03/2016	4,534.00	4,534.00
5	Gimaiyo Primary School	Kenya commercial Bank	1150245689	07/10/2017	1,057.00	1,057.00
6	Bondeni Primary School	Kenya commercial Bank	1150256696	10/05/2006	6,008.00	6,008.00
7	Mois Bridge Primary School	Kenya commercial Bank	1150278699	25/11/2016	500.00	500.00
8	Chepkaka Primary School	Kenya commercial Bank	1167228692	07/03/2016	4,398.00	4,398.00
9	Godown primary School	Kenya commercial Bank	1150267697	13/2/2009	768.00	768.00
10	Matunda Primary	Kenya commercial Bank	1160227894	18/2/2016	1,000.00	1,000.00
11	Silkulu Primary	Kenya commercial Bank	1160290695	19/7/2016	6,758.00	6,758.00
12	Mirembe Primary School	Kenya commercial Bank	1150227696	03/03/2017	2,000.00	2,000.00
13	Kosoki primary	Kenya commercial Bank	1150897699	02/08/2017	5,008.00	5,008.00

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

NO.	PMC NAME	Bank	Account number	DATE ACC OPENED	Bank Balance 2021/22	Bank Balance 2020/21
	PMC					
14	Mawe tatu primary	Kenya commercial Bank	1190227698	04-Jul-16	3,456.00	3,456.00
17	Evaglade Primary school	Kenya commercial Bank	1150677687	20-Jan-16	267.00	267.00
18	Ivugwi Primary school	Kenya commercial Bank	1150227700	05-Jun-15	6,754.00	6,754.00
19	Seregeya Primary school	Kenya commercial Bank	1150727708	16-Mar-07	7,685.00	7,685.00
20	Kilimani Primary school	Kenya commercial Bank	1150227756	15-Mar-17	78,640.00	78,640.00
21	Maua Primary	Kenya commercial Bank	1160227767	07-Aug-09	376.00	376.00
22	Kosoki primary	Kenya commercial Bank	1170227678	27-Apr-15	3,456.00	3,456.00
23	Changarawe primary	Kenya commercial Bank	1150227705	06-Feb-17	2,098.00	2,098.00
24	Maua Primary	Kenya commercial Bank	1160227767	07-Feb-17	346.00	346.00
25	Mary Lusweti primary	Kenya commercial Bank	1150227708	31-Mar-14	8,767.00	8,767.00
26	Ngao primary	Kenya commercial Bank	1150227738	27-Mar-17	675.00	675.00
27	Sikhendu primary	Kenya commercial Bank	1160227768	09-Dec-16	1,000.00	1,000.00
28	St Francis miliman primary	Kenya commercial Bank	1160225670	19-Oct-16	6,754.00	6,754.00
29	Mwiba primary	Kenya commercial Bank	1150567714	26-Jan-09	46,756.00	46,756.00

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

NO.	PMC NAME	Bank	Account number	DATE ACC OPENED	Bank Balance 2021/22	Bank Balance 2020/21
30	Nasianda primary	Kenya commercial Bank	1150347727	13-Feb-15	2,008.00	2,008.00
31	Kana primary	Kenya commercial Bank	1150567713	16-Mar-17	876.00	876.00
32	Matunda special	Kenya commercial Bank	1150227714	15-Oct-19	159.00	159.00
50	St Johns Mtoni Secondary School	Kenya commercial Bank	1150227732	06-Jul-16	786.00	786.00
51	Matunda S.A Sec School	Kenya commercial Bank	1150227733	21-Jan-16	567.00	567.00
52	St Johns Mtoni Secondary School	Kenya commercial Bank	1150227734	30-Jul-16	200,006.00	200,006.00
53	Eshikulu Boys Secondary	Kenya commercial Bank	1150227735	03-Nov-16	5,678.00	5,678.00
54	Mirembe Girls Secondary	Kenya commercial Bank	1150227736	06-Jul-16	5,574.00	5,574.00
55	St Francis Kisigame Secondary	Kenya commercial Bank	1150227737	21-Sep-16	67,658.00	67,658.00
56	Nasianda SECONDARY SCHOOL	Kenya commercial Bank	1150227738	13-Jun-16	2,675.00	2,675.00
57	Friends Sec Kongoni	Kenya commercial Bank	1150227739	14-Feb-09	3,456.00	3,456.00
58	Mapera Sec school	Kenya commercial Bank	1150227740	26/7/2016	12,345.00	12,345.00
59	Mapera Sec school	Kenya commercial Bank	1150227741	14/02/2011	8,796.00	8,796.00
60	St John sthe Baptist Likuyani Boys	Kenya commercial Bank	1150227742	24/12/2015	5,643.00	5,643.00

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

NO.	PMC NAME	Bank	Account number	DATE ACC OPENED	Bank Balance 2021/22	Bank Balance 2020/21
	PMC					
61	Aligula Secondary	Kenya commercial Bank	1150227743	06/02/2016	7,864.00	7,864.00
62	St Peters Boys secondary	Kenya commercial Bank	1150227744	closed	7,654.00	7,654.00
63	St Josephs Nyorotis	Kenya commercial Bank	1150227745	29-Jul-15	78,543.00	78,543.00
64	Friends school Matisi	Kenya commercial Bank	1150227746	27-Jun-19	2,098.00	2,098.00
71	St Teresa secondary	Kenya commercial Bank	1150227753	08-Mar-17	5,066,439.00	5,066,439.00
72	Mabusi Account Office	Kenya commercial Bank	1150227754	05-May-17	9,876.00	9,876.00
73	Kongoni Chiefs Office	Kenya commercial Bank	1150227755	08-Feb-17	3,004.00	3,004.00
74	Likuyani Sub County	Kenya commercial Bank	1150227756	20-May-16	34,564.00	34,564.00
75	Matunda police station	Kenya commercial Bank	1150227757	15-Mar-17	153,490.00	153,490.00
76	Likuyani OCS	Kenya commercial Bank	1150227758	06-Oct-06	768.00	768.00
77	DCC office	Kenya commercial Bank	1150227759	19-Mar-16	654.00	654.00
78	Deputy County Commissioners Office	Kenya commercial Bank	1150227760	14-Nov-16	456.00	400,000.00
79	Matunda police station	Kenya commercial Bank	1150227761	11-May-17	0.00	900,000.00
80	Matunda OCS office	Kenya commercial Bank	1150227762	09-Jun-16	678.00	500,000.00

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

NO.	PMC NAME	Bank	Account number	DATE ACC OPENED	Bank Balance 2021/22	Bank Balance 2020/21
81	Mabusi Acc Office	Kenya commercial Bank	1150227763	15-Aug-16	5,674.00	300,000.00
82	Seregeya Police Post	Kenya commercial Bank	1150227764	24-Feb-16	0.00	100,000.00
83	St Josephs Nyoroits Sec School	Kenya commercial Bank	1150227765	03-Dec-15	4,567.00	100,000.00
84	Sikulu Primary	Kenya commercial Bank	1150227766	28-Jan-17	7,685.00	200,000.00
95	Mufungu Primary	Kenya commercial Bank	1150227777		67,543.00	300,000.00
96	Kambi Mapera Primary	Kenya commercial Bank	1150227778	25-May-16	6,764.00	200,000.00
97	Kisigame primary	Kenya commercial Bank	1150227779	20-Jan-09	8,976.00	200,000.00
98	Sikulu Primary School	Kenya commercial Bank	1150227780	16-Jan-09	2,346.00	100,000.00
104	Mirembe primary	Kenya commercial Bank	1150227786	15-May-17	698.00	698.00
105	Brigadier Musonyi pry	Kenya commercial Bank	1150227787	02-Jul-17	804.00	804.00
106	Brigadier Musonyi pry	Kenya commercial Bank	1150227788	09-Jul-14	900.00	900.00
107	St Joseph Lumino sec	Kenya commercial Bank	1150227789	14-Sep-16	7,008.00	7,008.00
108	Sirende Blessings Primary	Kenya commercial Bank	1150227790	17-Dec-08	6,758.00	6,758.00
109	Soysambu primary	Kenya commercial Bank	1150227791	17-Mar-17	600.00	600.00

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

NO.	PMC NAME	Bank	Account number	DATE ACC OPENED	Bank Balance 2021/22	Bank Balance 2020/21
	PMC					
110	Patrice primary	Kenya commercial Bank	1150227792	04-Apr-17	769.00	769.00
111	Likuyani primary	Kenya commercial Bank	1150227793	30-Oct-15	678.00	678.00
112	Sinoko Andeya	Kenya commercial Bank	1150227794	05-Oct-06	5,674.00	5,674.00
117	Seregaya primary	Kenya commercial Bank	1150227799	15-Jan-16	6,785.00	6,785.00
118	Likuyani primary	Kenya commercial Bank	1150227800	05-Mar-14	67,567.00	67,567.00
119	Ivugwi primary	Kenya commercial Bank	1150227801	02-Dec-16	6,574.00	6,574.00
120	Kona Primary School	Kenya commercial Bank	1150227802	03-Jul-15	67,553.00	67,553.00
121	Ivugwi secondary school	Kenya commercial Bank	1150227803	17-Nov-08	987.00	987.00
	<b>TOTAL</b>				<b>6,197,286.00</b>	<b>9,392,597.00</b>

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

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.1	<p>(i) <b>Presentation of The</b> Management did not provide trial balance relating to the Fund, for the financial year 2020/2021. The source and accuracy of the information contained in the financial statements could therefore not be ascertained.</p> <p>(ii) The Cover page at the top right corner is indicating Revised Template 30th June of which should not be reflected.</p> <p>(iii) The table of Contents, introduction to the independent Auditors page of which should be</p>	<p>An amended financial statement done and submitted to Kenya Audit office Kakamega</p>	<p>Resolved</p>	

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

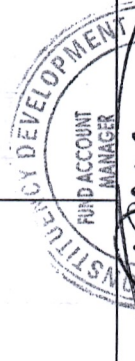
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>in roman page numbering is numbered as page 1-14. Page 1 should start from the statement of Receipts and payments to the end of the financial statements.</p> <p>(iv) There are notes in the financial statements without any transaction for the current and previous year. - Note 2,11,12A, 12B,14,15, and 16</p>			
4.2.1	<p><b>Delay in the Projects' Implementation- Kshs.500,000</b></p> <p>The management of Likuyani NG-CDF Constituency should try to ensure that all planned projects are completed as the approved plan.</p>	<p>Likuyani NG-CDF receives funds late at the end of financial year hence causing delay in disbursement of funds</p>	Not resolved	
4.2.2	<p><b>Lack of Procurement Documents for Transfers to</b></p>	<p>As per the time of audit the project files were at</p>	Resolved	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p><b>Other Government Entities</b></p> <p>The statement of receipts and payments includes transfers to other government entities expenditure of Kshs.89,052,252 as detailed in note six (6) to the financial statements. Included in this amount was Kshs.10,250,000 transferred to various secondary schools during financial year under review. However, the management did not avail project files detailing the following procurement documents</p>	<p>PMC level and now submitted to your office for review.</p>		
4.2.3	<p><b>Purchase of Motor Vehicle</b> Motor vehicle registration GKB 211W, was availed for physical verification with details as</p>	<p>The vehicle log book was submitted to the NG-CDF Board and I am following up to have a copy in my office</p>	Not Resolved	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>follows; Model; HZJ79R Engine no; 1HZ Frame no; HZJ79 7740350 However, the management did not present a copy of the log book. Therefore, above details could not be confirmed. Although the management explained that the original log book is officially kept at the NG CDF Board, a letter forwarding the log book and acknowledgement from the Board was also not presented for audit.</p>			


  
 Name Peter Maraya  
 Fund Account Manager.

