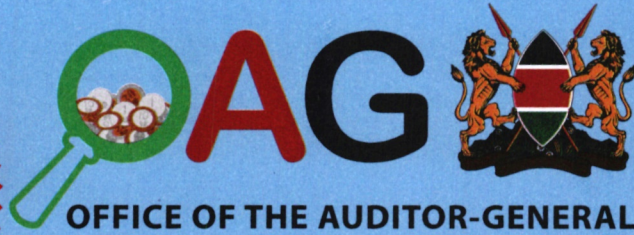


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT NATIONAL ASSEMBLY

DATE: 27 JUL 2023

DAY

THURSDAY

OF

HON. NAOMI WAQO, MP
Deputy majority whip
Enlays muniki

CLERK-AT
THE-TABLE

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND - NYARIBARI CHACHE
CONSTITUENCY**

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



**NYARIBARI CHACHE CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022**

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

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

- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The Nyaribari Chache Constituency NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Jared O.Bosire
2.	Sub-County Accountant	Benjamin Oino
3.	Chairman NGCDFC	Raymond S.Machogu
4.	Member NGCDFC	Esther Ratemo Monda

(d) Fiduciary Oversight Arrangements

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

P.O. Box 78-40212
NG-CDF Office Building
KEUMBU.

(f) Nyaribari Chache Constituency NGCDF Contacts

Telephone: (254) 728 731132
E-mail: cdfnyaribarichache@ngcdf.go.ke
Website: www.cdf.go.ke

(g) Nyaribari Chache Constituency NGCDF Bankers

Equity Bank , Account No.0510294577003

Branch: Kisii Branch

P.o Box 2775-40200

Kisii-Kenya

(h) Independent Auditors

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General

State Law Office

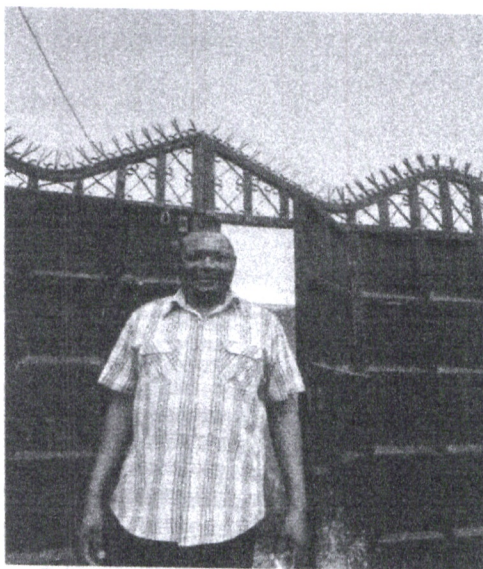
Harambee Avenue

P.O. Box 40112

City Square 00200

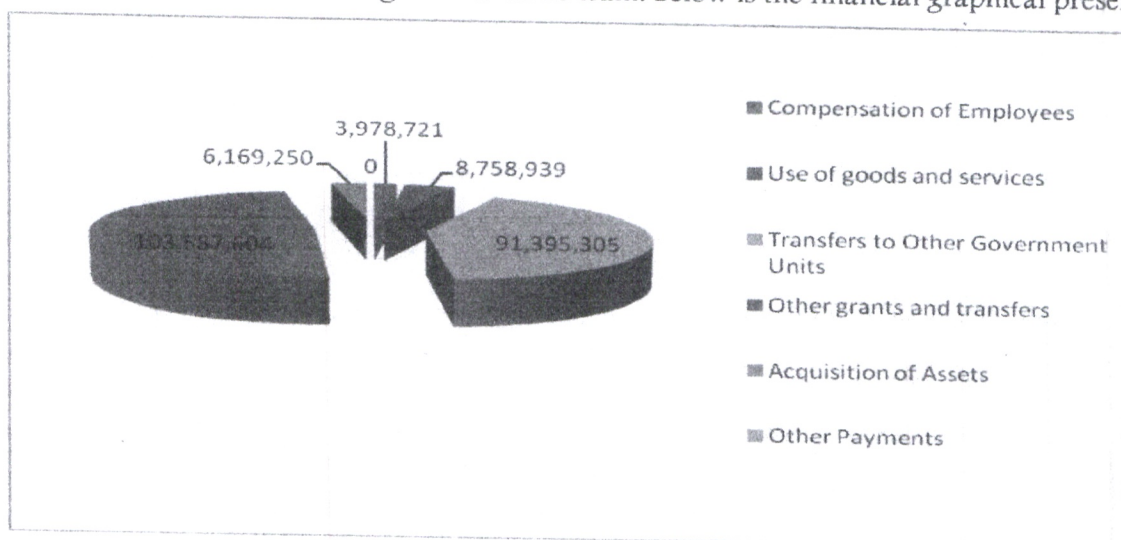
Nairobi, Kenya

II. NG-CDFC CHAIRMAN'S REPORT

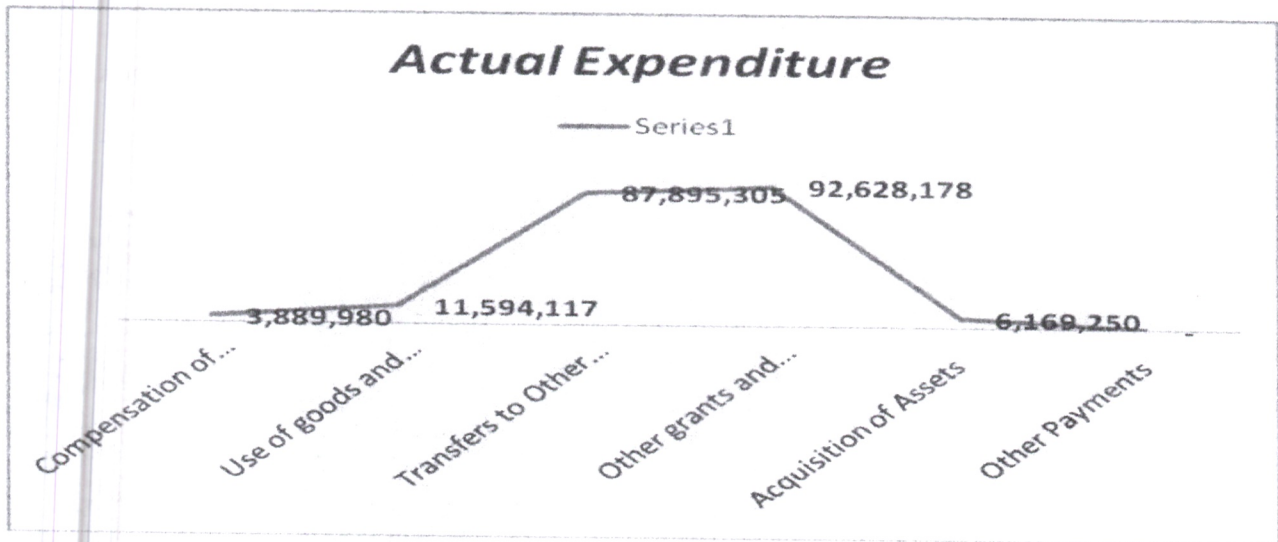


**RAYMOND SAMWEL MACHOGU
CHAIRMAN NYARIBARI CHACHE NG-CDFC**

In 2021-2022 FY Nyaribari Chache NG-CDF had a final budget of Kshs. **213,889,820**. The constituency utilized Kshs. **202,176,831** out of the Kshs. **203,889,819** that was disbursed from the NG-CDF Board representing utilization level of **95%**. The 95% utilization of the final budget was occasioned by delays by corporation of different technical departmental heads such as the Public work officers in coming up with documents to enable implementation of projects at the PMC level and the procurement including the NG-CDFc team. Below is the financial graphical presentation



Graph 1: Shows the final budget for the financial year 2021/2022 per payment sector.



Graph 2: Shows the actual expenditure which represents 95% utilization of the funds.

KEY ACHIEVEMENTS BY NGCDF NYARIBARI CHACHE

Some of the Key achievements of constituency were projects that were ongoing and new highlighted below

Fig1 : Kabwori SDA Primary School

Construction of school infrastructure – Completion of 8 No. classrooms (Tiling, plastering, fixing of metal doors and windows and painting to completion (Kshs. 2,800,000/=). The project is now complete and in use. It has attracted more students enrolling to the school and the school is looking forward for a better performance

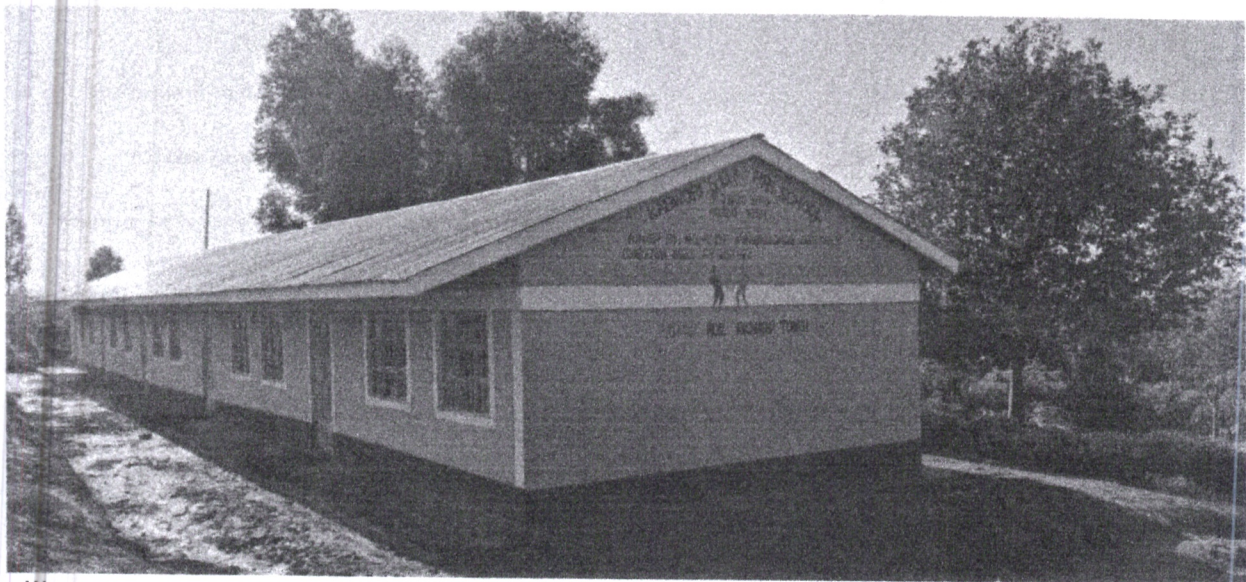


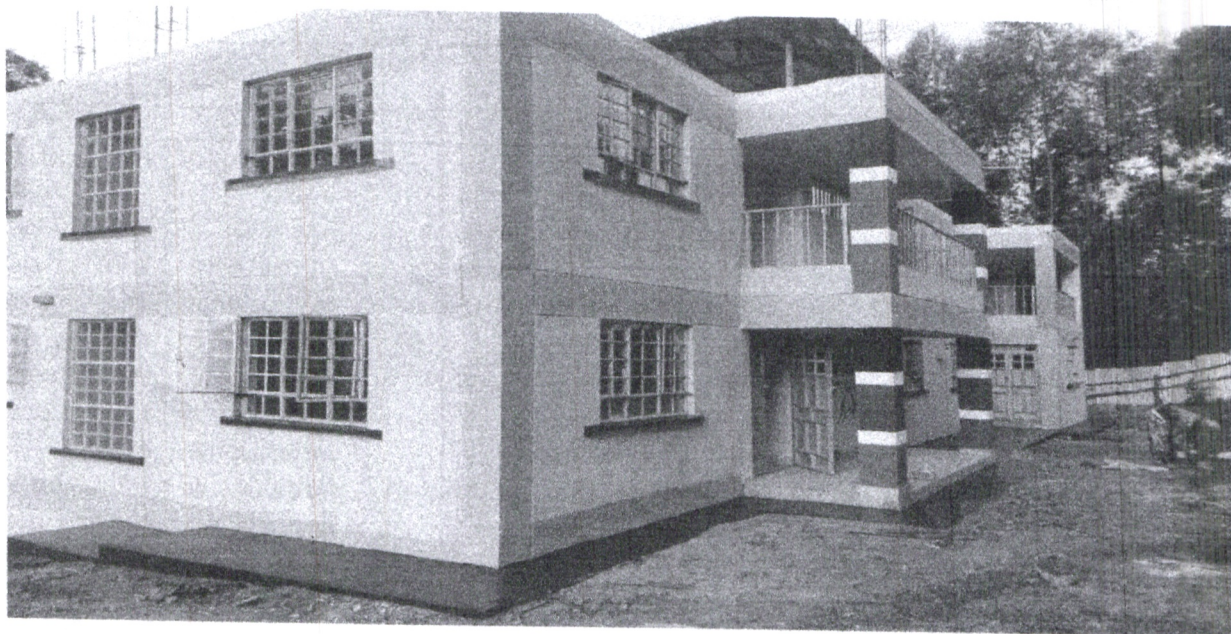
Fig 2 : ST. Peter's Kerera Secondary School

Purchase of School Bus – 51 Seater bus provided to the school for outstanding performance in the constituency (Kshs. 8,200,000/=)



Fig 3 : Kiogoro/Matunwa Civil Registry and Acc office Block

Construction of Security Project – Construction of 2 storey block (Kshs. 12,500,000/=) to bring services closer to the people in the constituency and to improve security in the area and the constituency as a whole. Complete and in use.



EMERGING ISSUES IN NYARIBARI CHACHE CONSTITUENCY

There have been emerging issues in Nyaribari Chache Constituency like political, economic, social, legal and global challenges influencing the implementation of NG-CDF Project. Wrangles between the different PMCs who are inclined to different political factions affects prompt implementation of the projects.

IMPLEMENTATION CHALLENGES

Other issues affecting the project implementation process is the delay by other technical departments such as public works and procurement in provision of necessary support such as documentation towards the project.

RECOMMENDATION

Continuous sensitization of various stakeholders on how NGCDF operates (public participation) can help in providing solution to various underlying issues that affect NGCDF operations and implementation of various projects



.....

**Name: Raymond Samwel Machogu
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 *Nyaribari Chache Constituency 2018-2022* plan are to:

(Enumerate all the objectives of the constituency as per the Strategic Plan)

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	<p>In FY 2021/2022</p> <ul style="list-style-type: none"> -16 classrooms constructed in both secondary and primary schools, over 20 renovated schools (3 classrooms each) -Ongoing construction of KMTC Ibeno almost complete - Over 3200 students benefited

Nyaribari Chache Constituency
National Government Constituencies Development Fund (NGCDF)
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Security	To ensure construction of chief's office and police stations and security lights	Improved security within the constituency	- number of chief's office and police stations/posts	from bursary In FY 2020/2022 -8 No. chief's office constructed -1 No. AP Line constructed and - 1 No. ACC offices and civile registry - 2 No. of police posts constructed
Environment	To ensure conservation of environment and availability of water	Improved environmental safety and access to water	- number of tanks installed, energy saving jikos, pit latrines	In FY 2021/2022 -1 No. of construction of modern police station - 8 no. of schools received tanks and installed.
Sports	To organize Constituency sports tournament and award of balls and uniforms to the participating teams	Improved sport performance at the constituency level	- tournaments held, uniforms and balls awarded to participants	In FY 2020/2022 sports was conducted across the constituency (45 sublocations that acted as teams) various sporting items were provided (sporting kits, equipments, uniforms and balls given)
Emergency	To cater for urgent and unforeseen occurrences in the constituency	Improved infrastructure in the schools and wellbeing of the learners	- No. of structures build that have emergencies	In FY 2021/2022 -8 schools with 4 door pit latrines constructed that had collapsed

IV. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

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

- a. **Education and Training:** Nyaribari Chache 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

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

- *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. Nyaribari Chache 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. Nyaribari Chache 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-

Nyaribari Chache 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-

Nyaribari Chache 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.

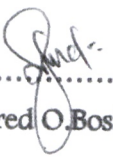
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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

.....

Name: Jared O. Bosire
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-Nyaribari Chache 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.

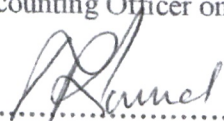
The Accounting Officer in charge of the NGCDF-Nyaribari Chache Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting 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-Nyaribari Chache 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.

Nyaribari Chache Constituency
National Government Constituencies Development Fund (NGCDF)
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The Accounting Officer in charge of the NGCDF Nyaribari Chache 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- Nyaribari Chache Constituency financial statements were approved and signed by the Accounting Officer on 30/09 2022.


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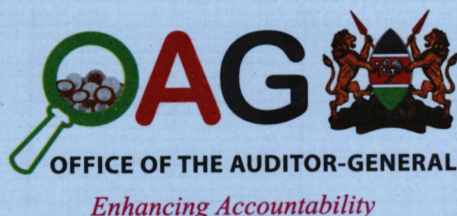
Name: Raymond S. Machogu
Chairman – NGCDF Committee


.....

Name: Jared O. Bosire
Finance Account Manager

REPUBLIC OF KENYA

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 – NYARIBARI CHACHE 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 intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Nyaribari Chache Constituency set out on pages 1 to 33, which comprise the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant

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

In my opinion, except for the 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 – Nyaribari Chache Constituency as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1.0 Unsupported Expenditure on Construction of a Tuition Block

The statement of receipts and payments reflect transfers to other government entities amounting to Kshs.87,895,305. As disclosed in Note 6 to the financial statements, the amount includes transfers to tertiary institutions amounting to Kshs.13,688,879 transferred to Ibeno Campus Project Management Committee (PMC) for the construction of Phase III of the proposed Kenya Medical Training College at the Campus. The contract for the project was awarded to a local company on 29 March, 2022 at a contract sum of Kshs.5,992,650, for a period of six months. No explanation was provided on why Management disbursed to the PMC Kshs.7,696,229 in excess of the contract sum.

In addition, interim certificates, inspection and acceptance committee reports indicating measured works prior to payments, project management committee project file, bank statements and reports indicating the progress of the project were not provided for audit review. Further, field verification on 22 March, 2023 revealed that the project was incomplete and the contractor was not on site despite Phase I and II of the project having been fully funded for respective contract sums of Kshs.8,464,346 and Kshs.17,838,287.

In the circumstances, the accuracy, completeness and validity of transfers amounting to Kshs.13,688,879 could not be confirmed.

2.0 Unsupported Security Project Expenditure

The statement of receipts and payments reflects other grants and transfers amounting to Kshs.92,547,538 which, as disclosed in Note 7 to the financial statements, includes expenditure on security projects of Kshs.36,400,000. Of the amount, Kshs.7,000,000 was disbursed for the construction one storey building, Phase 1 at Kiogoro Police Post. The works included construction of ground floor of the building to completion, comprising 10 rooms inclusive of waiting bay and 2 male cells, and 2 female cells with 2 flush toilets, each with one catering for people living with disability. However, Management did not provide a project management committee project file, interim payment certificates indicating the extent of work done and bank statements indicating how the funds were expended.

In the circumstances, the accuracy, completeness and validity of expenditure of Kshs,7,000,000 for the year ended 30 June, 2022 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 – Nyaribari Chache Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my Qualified Opinion.

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects total budgeted receipts of Kshs.213,889,819 and actual on comparable basis of Kshs.203,889,819, resulting in underfunding of Kshs.10,000,000 or 5% of the budget. Similarly, the statement reflects expenditure budget of Kshs.213,889,819 and actual expenditure of Kshs.202,176,830, resulting in an under expenditure of Kshs.11,712,989, or 5% of the budget.

The underfunding affected the planned activities and may have impacted negatively on service delivery to the residents of Nyaribari Chache Constituency.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

In the audit report of the previous year, several matters were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, Management had not resolved nor disclosed the status of the prior year matters as prescribed in the reporting requirements set by the Public Sector Accounting Standards Board. Management has not provided satisfactory explanation for the delay in resolving the issue.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Irregular Procurement of Other Operating Expenses

The statements of receipts and payments reflects use of goods and services expenditure of Kshs.11,307,196 which includes other operating expenses of Kshs.1,650,000 as disclosed in Note 5 to the financial statements. However, the

expenditure was not supported by quotations from prequalified suppliers for the goods and services contrary to the Section 95(3) of the Public Procurement and Asset Disposal Act, 2015, which requires a procuring entity to invite tenders from only the approved persons who have been pre-qualified.

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

2.0 Transfers to Other Government Units

The statement of receipts and payments reflects transfers to other Government units amounting to Kshs.87,895,305 as disclosed in Note 6 to the financial statements. Review of expenditure documents and physical inspection of projects implemented using the funds revealed the following anomalies:

2.1 Unlabeled Project

An amount of Kshs.41,045,982 was transferred to primary schools, out of which, Kshs.9,934,462 was paid to a local contractor for the construction of one storey building to completion at Ibeno Primary School. Audit verification at the school in the month of March, 2023 revealed that the project had been completed but was not labelled as required by Regulation 11(1)(cc) of the National Government Constituencies Development Fund Regulations, 2016, which states that the functions of a Constituency Committee is to ensure projects are labelled in accordance with the guidelines issued by the Board.

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

2.2 Purchase of a School Bus for Nyanchwa Girls Secondary School

Transfers to secondary schools amounting to Kshs.33,160,444 include Kshs.8,200,000 paid to a supplier for the purchase of a School Bus for Nyanchwa Girls Secondary School. However, the Management did not provide procurement documents for audit review.

In the circumstances, value for money of the expenditure of Kshs.8,200,000 could not be confirmed.

2.3 Unsatisfactory Implementation of Projects

The expenditure of Kshs.87,895,305 includes transfers to primary schools and secondary schools amounts of Kshs.41,045,982 and Kshs.33,160,444 respectively, totalling to Kshs.74,206,426 out of which, Kshs.12,500,000 was spent of various projects. However, field verifications carried out between 20 and 24 March, 2023 revealed several anomalies regarding implementation of projects as tabulated below:

School	Project Details	Amount (Kshs.)	Remarks
Kerera Central Primary School	Construction of two classrooms	1,200,000	The project was incomplete as plastering windowpanes, painting and labelling had not been done. Further, PMC returns, and bank statement were not provided for audit.

School	Project Details	Amount (Kshs.)	Remarks
Kabwori Primary school	Construction of 3 roomed school administration block inclusive of waiting area	700,000	One classroom was constructed instead of three roomed school administration block inclusive of waiting area. Further, the project was incomplete. In addition, the PMC returns and bank statement were not provided for audit.
Amariba Secondary School -	Construction of a 40 capacity Laboratory	4,900,000	The laboratory was partly completed, was in use and branded. However, plastering of the outer wall had not been done.
Kionganyo Milimani Primary School	Construction of classroom	600,000	The foundation was still at the lintel level. Further, PMC return were not provided for audit.
Nyabiosi Primary School	Construction of classroom and construction of pit latrine	900,000	The project was incomplete and PMC returns and bank statements were not provided for audit.
Nyangena DOK Primary School	Construction of 2 classrooms	1,200,000	The project was incomplete and PMC returns and bank statements were not provided for audit.
Our Lady of Victory Nyabiosi Secondary School	Completion of 55 capacity library on the 1 st floor	1,200,000	The project was incomplete and not in use. Further, records of project implementation were not provided for audit.
Rikendo Secondary School	Construction of 4 classrooms of a 1 storey structure	1,800,000	The project was incomplete and was not in use. Further, records of project implementation were not provided for audit.
Total		12,500,000	

In the circumstances, value for money of the expenditure of Kshs.12,500,000 could not be confirmed.

3.0 Other Grants and Transfers

The statement of receipts and payments reflects other grants and transfers of Kshs.92,547,538 as disclosed in Note 7 to the financial statements. Review of documents in respect of the expenditure revealed the following anomalies:

3.1 Lack of a Properly Constituted Bursary Sub-Committee

The expenditure of Kshs.92,547,538 includes bursaries transfer to secondary schools and tertiary institutions of Kshs.8,000,000 and Kshs.23,069,360 respectively, totalling to Kshs.31,069,360. However, the bursary Sub-Committee did not co-opt two members, one of whom must be the area education officer or representative of the of Ministry of Education, contrary to the Constituency Development Fund Board Circular

dated 13 September, 2010, which requires formation of a Sub-Committee of Constituency Development Fund to manage the bursary scheme including two co-opted members, one of whom must be an Education Officer or an Officer seconded from the Ministry of Education.

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

3.2 Implementation of Security Projects

A total of Kshs.36,400,000 was incurred in respect of security projects during the year. Review of records relating to the projects and field inspection in the in the month of March, 2023 revealed that projects implemented at a cost of Kshs.34,500,000 were incomplete and the respective contractors were not on site as detailed below:

- i. An amount of Kshs.12,500,000 was incurred in respect of phase two construction of two storey building at Kiogoro/Matunwa Assistant County Commissioner Office comprising 1st floor, substructure, framework, walling, doors and windows, windowpanes and general finishes (mechanical works - Plumbing, electrical works, painting and general finishes to completion at Kiogoro/Matunwa. Review of records and field inspection in the month of March, 2023 revealed that project was incomplete and the contractor was not on site.
- ii. The security projects expenditure of Kshs.36,400,000 include Kshs15,000,000 incurred in respect of construction of ground floor to completion at Keumbu Police Post comprising of thirteen (13) rooms inclusive of waiting bay, four (4) male cells and four (4) female cells with three (3) flush toilets each, Terrazzo tiling, plastering, windowpanes and electrical fittings, mechanical fittings (plumbing, septic tank, painting and general finishes) at Keumbu Police Post. Review of records and field inspection in March, 2023 revealed that project was incomplete and the contractor was not on site
- iii. An amount of Kshs.7,000,000 was transferred for construction of ground floor building at Kiogoro Police Post to completion comprising of 10 rooms inclusive of waiting bay and 2 male cells and 2 female cells with 2 flush toilets each with one catering for people living with disability at Kiogoro Police Post. Review of records and field inspection in the month of March, 2023 revealed that project was incomplete and the contractor was not on site.
- iv. Security projects expenditure of Kshs.36,400,00 includes Kshs.800,000 utilized for the construction of a four (4) roomed Assistant Chiefs office to completion at Kirwa Assistant Chief's premises. However, audit inspection on 34 March, 2023 revealed that the project was complete and labelled, but had not been put to the intended use.
- v. Expenditure of Kshs.600,000 was incurred for the construction of seven (7) rooms at Kegati Administration Police (AP) line. The works included flooring, plastering, doors, windows and windowpanes, electrical fittings and painting to completion. However, audit inspection on 34 March, 2023 revealed that flooring, plastering, windows panes, electrical fittings and painting had not been done and that the project was not serving its intended purpose.

In the circumstances, value for money of the above expenditures could not be confirmed.

4.0 Lack of a Complete Fixed Asset Register

Annex 4 to the financial statements on the summary of fixed asset register reflects a balance of Kshs.30,501,772 as at 30 June, 2022. However, Management did not maintain an assets register in support of the balance. This was contrary to Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015, which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, 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 processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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


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

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

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

12 July, 2023

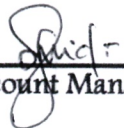
*Nyaribari Chache Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2022

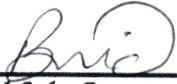
	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	171,277,758	174,207,636
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	=	=
Total Receipts		171,277,758	174,207,636
Payments			
Compensation Of Employees	4	4,257,541	4,118,580
Use Of Goods and Services	5	11,307,196	16,521,323
Transfers To Other Government Units	6	87,895,305	58,637,901
Other Grants and Transfers	7	92,547,538	57,964,000
Acquisition Of Assets	8	5,000,000	10,000,000
Other Payments	9	1,169,250	=
Total Payments		202,176,830	147,241,804
Surplus/(Deficit)		<u>(30,899,072)</u>	<u>26,965,832</u>

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

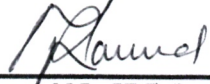
The Constituency financial statements were approved on 30/09 2022 and signed by:



Fund Account Manager
Name: Jared O. Bosire



National Sub-County
Accountant
Name: Benjamin Oino
ICPAK M/No:



Chairman NG-CDF Committee
Name: Raymond Machogu

Nyaribari Chache 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 30TH JUNE, 2022

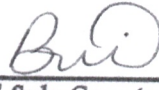
	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	1,712,989	32,612,061
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		1,712,989	32,612,061
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		1,712,989	32,612,061
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		=	=
Net Financial Assets		<u>1,712,989</u>	<u>32,612,061</u>
Represented By			
Fund Balance B/Fwd	13	32,612,061	2,270,487
Prior Year Adjustments	14	-	3,375,742
Surplus/Deficit for The Year		(30,899,072)	26,965,832
Net Financial Position		<u>1,712,989</u>	<u>32,612,061</u>

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

The Constituency financial statements were approved on 30/09 2022 and signed by:


Fund Account Manager

Name: Jared O. Bosire


National Sub-County
Accountant
Name: Benjamin Oino
ICPAK M/No:


Chairman NG-CDF Committee

Name: Raymond Machogu

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

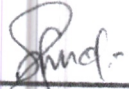
IX. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2022

	Notes	2021 - 2022	2021 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	171,277,758	174,207,636
Other Receipts	3	=	=
Total Receipts		171,277,758	174,207,636
Payments			
Compensation Of Employees	4	4,257,541	4,118,580
Use Of Goods and Services	5	11,307,196	16,521,323
Transfers To Other Government Units	6	87,895,305	58,637,901
Other Grants and Transfers	7	92,547,538	57,964,000
Other Payments	9	1,169,250	-
Total Payments		197,176,830	137,241,804
Total Receipts Less Total Payments		(25,899,072)	36,965,832
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	-	-
Prior Year Adjustments	14	-	3,375,742
Net Cash Flow from Operating Activities		(25,899,072)	40,341,574
Cash flow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	(5,000,000)	(10,000,000)
Net Cash Flows from Investing Activities		(5,000,000)	(10,000,000)
Net Increase In Cash And Cash Equivalent		(30,899,072)	30,341,574
Cash & Cash Equivalent At Start Of The Year	10	32,612,061	2,270,487
Cash & Cash Equivalent At End Of The Year		<u>1,712,989</u>	<u>32,612,061</u>

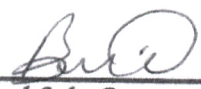
Nyaribari Chache Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

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

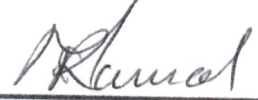
The Constituency financial statements were approved on 20/09 2022 and signed by:



Fund Account Manager
Name: Jared O. Bosire



National Sub-County
Accountant
Name: Benjamin Oino
ICPAK M/No:



Chairman NG-CDF Committee
Name: Raymond S. Machogu

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

X. SUMMARY STATEMENT OF APPROPRIATION FOR THE YEAR ENDED 30TH JUNE 2022

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2021/2022	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2021/2022	30/06/2022		
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers From NGCDF Board	137,088,879	32,612,061	44,188,879	213,889,819	203,889,819	10,000,000	
Proceeds From Sale of Assets				0	0	0	0%
Other Receipts				0	0	0	0%
Totals	137,088,879	32,612,061	44,188,879	213,889,819	203,889,819	10,000,000	95%
Payments							
Compensation Of Employees	3,978,722			3,978,722	4,257,541	(278,819)	98%
Use Of Goods and Services	8,359,278	399,661		8,758,939	11,307,196	(2,548,257)	132%
Transfers To Other Government Units	43,456,425	21,700,000	26,238,879	91,395,304	87,895,305	3,499,999	96%
Other Grants and Transfers	75,125,204	10,512,400	7,950,000	93,587,604	92,547,538	1,040,066	99%
Acquisition Of Assets	6,169,250		0	6,169,250	6,169,250	0	100%
Other Payments	0			0	0	0	
Funds Pending Approval**			10,000,000	10,000,000		10,000,000	
Totals	137,088,879	32,612,061	44,188,879	213,889,819	202,176,830	11,712,989	95%

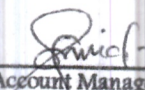
- There was underutilization of funds (89%) due to delay in set up of PMCs for specific projects that led to delay in disbursement of funds.
- There was overutilization under use of goods and services (132%) due to

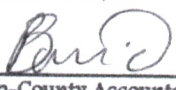
*Nyaribari Chache Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

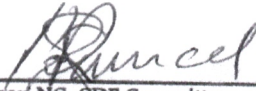
Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities

Description	Amount
Budget utilisation difference totals	11,712,989
Less undisbursed funds receivable from the Board as at 30 th June 2022	10,000,000
	1,712,989
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	1,712,989

The Constituency financial statements were approved on 30/09 2022 and signed by:


Fund Account Manager
Name: Jared O. Bosire


National Sub-County Accountant
Name: Benjamin Oino
ICPAK M/No:


Chairman NG-CDF Committee
Name: Raymond S. Machogu

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

X. BUDGET EXECUTION BY SECTORS AND PROJECTS FOR THE YEAR ENDED 30TH JUNE 2022

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
	2021/2022	Opening Balance (C/Bk) and ALA	Previous Years' Outstanding Disbursements	2021/2022	30/06/2022	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,978,722			3,978,722	3,889,980	88,742
1.2 Committee allowances	2,446,611			2,446,611	2,946,611	(500,000)
1.3 Use of goods and services	1,800,000	399,661		2,199,661	3,069,721	(870,060)
	8,225,333	399,661	-	8,624,993	9,906,312	(1,281,318)
2.0 Monitoring and evaluation						
2.1 Capacity building	1,191,635			1,191,635	1,441,635	(250,000)
2.2 Committee allowances	1,800,000			1,800,000	2,400,000	(600,000)
2.3 Use of goods and services	1,121,032			1,121,032	1,736,151	(615,119)
	4,112,666		-	4,112,666	5,577,786	(1,465,120)
3.0 Emergency						
3.1 Primary Schools						
CHIRENGE PRIMARY SCHOOL		450,000		430,000	450,000	-
IRUNGU FAG PRIMARY SCHOOL		400,000		400,000	400,000	-
CHIRICHIRO PRIMARY SCHOOL		550,000		550,000	550,000	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and ALA	Previous Years' Outstanding Disbursements			
KERERA CENTRAL PRIMARY SCHI		300,000		300,000	300,000	-
NYANKORORO PRIMARY SCHOOL		300,000		300,000	300,000	-
NYAMAGWA PRIMARY SCHL		500,000		500,000	500,000	-
RIABAMANYI PRIMARY		300,000		300,000	300,000	-
NYABORIBONGE PRIMARY SCHOOL		450,000				-
NYANDEREMA PRIMARY SCHOOL		300,000				-
NYATARO PRIMARY SCHOOL		400,000				-
IRONDI PRIMARY SCHOOL			450,000	450,000	450,000	-
IRUNGU PAG PRIMARY SCHOOL			300,000	300,000	300,000	-
KEGATI PRIMARY SCHOOL			500,000	500,000	500,000	-
KIAMABUNDU PRIMARY SCHOOL			600,000	600,000	600,000	-
BOBARACHO PRIMARY SCHOOL			400,000	400,000	400,000	-
NYANKO DOK PRIMARY SCHOOL			300,000	300,000	300,000	-
NYAMAGE PRIMARY SCHOOL			400,000	400,000	400,000	-
MASONGO DEB PRIMARY			400,000	400,000	400,000	-
KERERA PRIMARY SCHOOL			400,000	400,000	400,000	-
NYOSIA PRIMARY SCHOOL	450,000			450,000	450,000	-
GESERE PRIMARY SCHOOL	400,000			400,000	400,000	-

Nyaribari Chache Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
KEGATI PRIMARY SCHOOL	400,000			400,000	400,000	-
RIONDOGA PRIMARY SCHOOL	350,000			350,000	350,000	-
NYABIOSI PRIMARY SCHOOL	300,000			300,000	300,000	-
NYANKORORO PRIMARY SCHOOL	388,207			388,000	388,000	-
IRUNGU FAG PRIMARY SCHOOL	402,000			402,000	402,000	-
GEKOMU PRIMARY SCHOOL	420,000			420,000	420,000	-
						-
3.2 Secondary schools						
NYAMECHEO SEC SCHOOL		500,000		500,000	500,000	-
TARACHA SEC SCHOOL		500,000		500,000	500,000	-
IBENO SEC SCHOOL		700,000		700,000	700,000	-
BIRONGO SEC SCHOOL			250,000	230,000	250,000	-
IRONDI SECONDARY SCHOOL	600,000			440,000	440,000	-
BORONYI SEC SCHOOL	500,000			450,000	450,000	-
AMASAGO SEC SCHOOL	602,000			412,000	412,000	-
BOBARACHO SEC SCHOOL	550,000			432,000	432,000	-
KIRWA SEC SCHOOL	530,000			430,000	430,000	-

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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
KISII SCHOOL	500,000			500,000	500,000	-
3.3 Tertiary institutions						
3.4 Security projects						
KISII CENTRAL DCC OFFICES			350,000	350,000	350,000	-
KIOGORO MATUNWA ACC	300,000			300,000	300,000	-
NYAGUTA CHIEFS OFFICE	300,000			300,000	300,000	-
TOTAL	7,192,207	5,650,000	4,350,000	17,192,207	16,374,000	818,207
4.0 Bursary and Social Security						
4.1 Primary Schools	8,000,000			8,000,000	8,000,000	-
4.2 Secondary Schools	23,291,219			23,291,219	23,150,000	141,219
4.3 Tertiary Institutions	4,000,000			4,000,000	4,000,000	-
4.4 Universities	-			-	-	-
4.5 Social Security	-			-	-	-
	35,291,219			35,291,219	35,291,219	141,219
5.0 Sports						

Nyaribari Chache Constituency
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
5.1 Constituency tournament	2,741,778			2,741,778	2,741,778	
6.0 Environment						
6.1 KISII POLICE STATION		1,362,400		1,362,400	1,362,400	
6.2 NYANSIRA SEC SCHOOL			600,000	600,000	600,000	-
7.0 Primary Schools Projects (List all the Projects)						
MATUNWA PRIMARY SCHOOL		700,000		700,000	700,000	-
CHIRENGE PRIMARY SCHOOL		500,000		500,000	500,000	
AMASAGO PRIMARY SCHOOL		800,000		800,000	800,000	
BORONYI PRIMARY SCHOOL		500,000		500,000	500,000	
RIANGABI PRIMARY SCHOOL		500,000		500,000	500,000	
GETUNGURUMU PRIMARY SCHOOL		300,000		300,000	300,000	
NYABIUTO PRIMARY SCHOOL		400,000		400,000	400,000	
NYAMAGE PRIMARY SCHOOL		800,000		800,000	800,000	
IBENO MISSION PRIMARY SCHOOL		800,000		800,000	800,000	
NYAMECHEO PRIMARY SCHOOL		800,000		800,000	800,000	
KERERA CENTRAL PRIMARY SCHOOL		700,000		700,000	700,000	
KABWORI PRIMARY SCHOOL		550,000		550,000	550,000	
INANI SDA PRIMARY SCHOOL		550,000		550,000	550,000	

*Nyaribari Chache Constituency
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
RIAMOKWOBE PRIMARY SCHOOL		4,900,000		4,900,000	4,900,000	
KABWORI PRIMARY SCHOOL			500,000	500,000	500,000	
NYABORIBONGE PRIMARY SCHOOL			450,000	450,000	450,000	
CHIRENGE PRIMARY SCHOOL			500,000	500,000	500,000	
KIONGANYO MILIMANI PRIMARY SCHOOL			500,000	500,000	500,000	
NYAMECHEO PRIMARY			1,200,000	1,200,000	1,200,000	
NYAURA PRIMARY SCHOOL			600,000	600,000	600,000	
NYANCHWA PRIMARY SCHOOL			300,000	300,000	300,000	
IBENO COG PRIMARY			300,000	300,000	300,000	
NYANKO PRIMARY SCHOOL			300,000	300,000	300,000	
KABWORI PRIMARY SCHOOL	2,800,000			2,800,000	2,800,000	
IBENO COG PRIMARY SCHOOL	300,000			300,000	300,000	
KARI PRIMARY SCHOOL	1,200,000			1,200,000	1,200,000	
KIRWA PRIMARY SCHOOL	450,000			450,000	450,000	
KEOKE PRIMARY SCHOOL	450,000			450,000	450,000	
NYANGURU PRIMARY SCHOOL	450,000			450,000	450,000	
KIANATE PRIMARY SCHOOL	450,000			450,000	450,000	

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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
IBERLA PRIMARY SCHOOL	450,000			450,000	450,000	
RITARO PRIMARY SCHOOL	450,000			450,000	450,000	
NYAGUTA PRIMARY SCHOOL	450,000			450,000	450,000	
ESAMBA PRIMARY SCHOOL	450,000			450,000	450,000	
KABWORI PRIMARY SCHOOL	700,000			700,000	700,000	
KISII CAMPUS PRIMARY SCHOOL	400,000			400,000	400,000	
KISII PRIMARY SCHOOL	400,000			400,000	400,000	
OTAMBA PRIMARY SCHOOL	450,000			450,000	450,000	
KIONGANYO MILIMANI PRIMARY SCHOOL	600,000			600,000	600,000	
AMABIRLA PRIMARY SCHOOL	450,000			450,000	450,000	
INANI SDA PRIMARY SCHOOL	700,000			700,000	700,000	
NYANKO PRIMARY SCHOOL	450,000			450,000	450,000	
BORUMA PRIMARY SCHOOL	450,000			450,000	450,000	
RIANYAMWAMU PRIMARY SCHOOL	450,000			450,000	450,000	
RIOMWERI PRIMARY SCHOOL	450,000			450,000	450,000	
MABURI PRIMARY SCHOOL	3,000,000			3,000,000	3,000,000	

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
NYAURA PRIMARY SCHOOL	600,000			600,000	600,000	
MABURI PRIMARY SCHOOL	500,000			500,000	500,000	
AMARIBA PRIMARY SCHOOL	1,564,648			1,564,648	1,564,648	
NYABIOSI PRIMARY SCHOOL	600,000			600,000	600,000	
NYANGENI DOK PRIMARY SCHOOL	1,200,000			1,200,000	1,200,000	
GETUNGURUMU PRIMARY SCHOOL	450,000			450,000	450,000	
NYANCHWA PRIMARY SCHOOL	600,000			600,000	600,000	
BIRONGO PRIMARY SCHOOL	153,481			153,481	153,481	
IRUNGU PAG PRIMARY SCHOOL	153,481			153,481	153,481	
NYABIOSI PRIMARY SCHOOL	300,000			300,000	300,000	
NYANSIRA PRIMARY SCHOOL	153,481			153,481	153,481	
ITUNDERO PRIMARY SCHOOL	153,481			153,481	153,481	
KIOGORO DEB PRIMARY SCHOOL	153,481			153,481	153,481	
NYAMWARE PRIMARY SCHOOL	153,481			153,481	153,481	
IRONDI PRIMARY SCHOOL	153,481			153,481	153,481	
CHIRENGE PRIMARY SCHOOL	153,481			153,481	153,481	

Nyaribari Chache Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (2021/2022) and AIA	Previous Years' Outstanding Disbursements			
MONURI PRIMARY SCHOOL	153,481			153,481	153,481	
TOTAL	23,595,982	12,800,000	4,650,000	41,045,982	41,045,982	-
8.0 Secondary Schools Projects (List all the Projects)						
AMARIBA SEC SCHOOL		4,900,000		4,900,000	4,900,000	
MASONGO SEC SCHOOL		1,100,000		1,100,000	1,100,000	
OUR LADY OF VICTORY NYABIOSI SEC SCHOOL		900,000		900,000	900,000	
NYANGURU COG SEC SCHOOL		2,000,000		2,000,000	2,000,000	
NYANCHWA BOYS HIGH SCHOOL			1,200,000	1,200,000	1,200,000	
NYAMEMISO SEC SCHOOL			1,200,000	1,200,000	1,200,000	
NYANKO SEC SCHOOL			600,000	600,000	600,000	
NYABIOSI SEC SCHOOL			1,000,000	1,000,000	1,000,000	
RIKENDO SEC SCHOOL			1,800,000	1,800,000	1,800,000	
OTAMBA GIRLS SEC SCHOOL			600,000	600,000	600,000	
NYANCHWA GIRLS SEC SCHOOL	8,200,000			8,200,000	8,200,000	
NYANCHWA BOYS HIGH SCHOOL	1,200,000			1,200,000	1,200,000	
NYOSIA SEC SCHOOL	800,000			800,000	800,000	

Nyaribari Chache Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
NYAMEMISO SEC SCHOOL	1,200,000			1,200,000	1,200,000	
NYANKO SEC SCHOOL	600,000			600,000	600,000	
OUR LADY OF VICTORY NYABIOSI SEC SCHOOL	1,200,000			1,200,000	1,200,000	
RIKENDO SEC SCHOOL	1,800,000			1,800,000	1,800,000	
OTAMBA GIRLS SEC SCHOOL	600,000			600,000	600,000	
NYATARO SEC SCHOOL	1,200,000			1,200,000	1,200,000	
RIABAMANYI SEC SCHOOL	153,481			153,481	153,481	
NYANGIRI TUCOG SEC SCHOOL	153,481			153,481	153,481	
NYANSIRA SEC SCHOOL	600,000			600,000	600,000	
KIAM, ABUNDU SEC SCHOOL	153,481			153,481	153,481	
TOTAL	17,860,444	8,900,000	6,400,000	83,160,444	83,160,444	
9.0 Tertiary institutions Projects (List all the Projects)						
IBENO KMTC			11,688,879.30	11,688,879	11,688,879	
IBENO KMTC	2,000,000		3,500,000	3,500,000	2,000,000	3,500,000
TOTAL	2,000,000	-	15,188,879	17,188,879	18,688,879	3,500,000

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
10.0 Security Projects						
Kirwa Ass chiefs office		800,000		800,000	800,000	
Nyaguta chiefs office		600,000		600,000	600,000	
Kegati Ap Line		600,000		600,000	600,000	
Nyanko chiefs office		1,500,000		1,500,000	1,500,000	
Keumbu police post			2,200,000	2,200,000	2,200,000	
Kiamenyinge ASS chiefs office			800,000	800,000	800,000	
Kiamenyinge ASS chiefs office	800,000			800,000	800,000	
Nyamecheo chiefs office	600,000			600,000	600,000	
Kiogoro police post	10,000,000			10,000,000	10,000,000	
Keumbu police post	6,000,000			6,000,000	6,000,000	
ACC/CRO OFFICE	12,500,000			12,500,000	12,500,000	
TOTALS	29,900,000	3,500,000	3,000,000	36,400,000	36,400,000	
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CLM office						
KEUMBU LIBRARY/NGCDF OFFICES	5,000,000			5,000,000	5,000,000	
TOTAL						

Nyaribari Chache Constituency
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Programme / Project	Original budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	5,000,000			5,000,000	5,000,000	
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						
11.5 Purchase of land						
12.0 Others						
12.1 Strategic Plan						
KEUMBU LIBRARY /NGCDF OFFICE INNOVATION HUB	1,169,250			1,169,250	1,169,250	
TOTAL	1,169,250			1,169,250	1,169,250	
12.2						
Funds pending approval**						
Nyaguta TTI Campus			10,000,000	10,000,000		10,000,000
Total			10,000,000	10,000,000		10,000,000
Total	187,088,879	82,612,061	44,188,879	213,889,820	202,176,831	11,712,989

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

XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

The financial statements are for the NGCDF-Nyaribari Chache 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 the period 1st July 2021 to 30th June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

Significant Accounting Policies continued

14. Errors

Material prior period errors are corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

15. Related Party Transactions

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa.

*Nyaribari Chache Constituency
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XII. Notes to the Financial Statements

1. TRANSFERS FROM NGCDF BOARD

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO B105256	34,188,879	-
AIE NO B105543	68,000,000	-
AIE NO B 105984	10,000,000	-
AIE NO B 128669	16,000,000	-
AIE NO B128979	26,000,000	-
AIE NO B154176	17,088,879	-
AIE NO.B104070		18,000,000
AIE NO. B104667		28,000,000
AIE NO.B104573		1,939,912
AIE NO. A823710		23,367,724
AIE NO. B124646		9,000,000
AIE NO. B119616		12,000,000
AIE NO. B128006		15,000,000
AIE NO. B128247		6,900,000
AIE NO. B132009		8,000,000
AIE NO. B140706		15,000,000
AIE NO. B126264		6,000,000
AIE NO. B105050		10,000,000
AIE NO. B140703		15,000,000
AIE NO. B126366		6,000,000
TOTAL	171,277,758	174,207,636

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2. PROCEEDS FROM SALE OF ASSETS

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

3. OTHER RECEIPTS

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

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Notes To the Financial Statements (Continued)

4. COMPENSATION OF EMPLOYEES

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,517,261	3,246,540
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	740,280	740,280
Employer Contributions Compulsory national social security schemes		131,760
Total	4,257,541	4,118,580

5. USE OF GOODS AND SERVICES

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	2,910,000	8,900,000
Utilities, supplies and services	-	-
Communication, supplies and services	71,031	-
Domestic travel and subsistence	450,000	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	982,107	-
Hospitality supplies and services	100,000	-
Other committee expenses	2,650,000	6,000,000
Insurance costs	300,000	-
Specialized materials and services	-	-
Office and general supplies and services	600,000	-
Fuel, oil & lubricants	1,200,000	1,550,000
Other operating expenses	1,650,000	-
Bank service commission and charges	-	-
Routine maintenance – vehicles and other transport equipment	394,058	71,323
Routine maintenance – other assets	-	-
Total	11,307,196	16,521,323

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Notes To The Financial Statements (Continued)

6. TRANSFER TO OTHER GOVERNMENT UNITS

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	41,045,982	1,400,000
Transfers To Secondary Schools (See Attached List)	33,160,444	35,346,083
Transfers To Tertiary Institutions (See Attached List)	13,688,879	3,891,819
Total	87,895,305	58,637,901

7. OTHER GRANTS AND OTHER TRANSFERS

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	8,000,000	8,768,000
Bursary – tertiary institutions (see attached list)	23,069,360	35,816,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	4,000,000	-
Security projects (see attached list)	36,400,000	3,355,000
Sports projects (see attached list)	2,741,778	4,550,000
Environment projects (see attached list)	1,962,400	-
Emergency projects (see attached list)	16,374,000	5,475,000
Total	92,547,538	57,964,000

8. ACQUISITION OF ASSETS

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	5,000,000	10,000,000
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	5,000,000	10,000,000

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Notes To the Financial Statements (Continued)

9. OTHER PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	1,169,250	-
Total	1,169,250	-

10: CASH BOOK BANK BALANCE

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)	1,712,989	32,612,061
<i>Name Of Bank, Account No. Equity Bank Kisii</i>	-	-
Total	1,712,989	32,612,061
10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-

11: OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
<i>Jared Ondemo Bosire</i>	2021/2022	7,425,500	7,425,500	-
<i>Esther Ratemo Monda</i>	2021/2022	2,550,500	2,550,500	-
Total		9,976,000	9,976,000	-

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Notes to the Financial Statement Continued

12A. RETENTION

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

12B. GRATUITY

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

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	1,712,989	32,612,061
Cash in hand	-	-
Imprest	-	-
Total	1,712,989	32,612,061

14. PRIOR YEAR ADJUSTMENTS

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

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPRESTS

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

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2021 – 2022 KShs	2020 – 2021 KShs
Deposit and Retentions as at 1 st 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	-	-

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Notes to the Financial Statements (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: Pending Accounts Payable (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
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	-	-
Others (<i>specify</i>)	-	-
Total	-	-

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	-	(194,818)
Use of goods and services	(2,746,438)	141,237
Amounts due to other Government entities (see attached list)	3,500,000	25,667,557
Amounts due to other grants and other transfers (see attached list)	959,426	13,002,681
Acquisition of assets	-	-
Funds pending approval	10,000,000	25,000,000
Total	11,712,989	63,670,238.00

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17.4: PMC ACCOUNT BALANCES (SEE ANNEX 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	32,644	1,768,798
Total	32,644	1,768,798

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ANNEXES
 ANNEXES: 1 ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

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

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees			141,237	
Use of goods & services		(2,746,438)	(194,818)	
Amounts due to other Government entities				
Kmtc Ibeno		3,500,000	-	
Sub-Total		3,500,000	25,667,557	
Amounts due to other grants and other transfers				
Emergency	To cater for unforeseen occurrences within the constituency	818,207	-	
Bursary	Provision of bursary to need, vulnerable and smart students within the constituency	141,219	-	
Sub-Total		959,426	18,002,681	
Acquisition of assets			-	
Others (specify)				
Sub-Total		-	-	
Funds pending approval (Nyaguta TTI)	Construction of a TTI	10,000,000	25,000,000	
Grand Total		11,712,989	63,670,238	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	-	-	-	-
Buildings and structures	18,096,672	5,000,000	-	23,096,672
Transport equipment	6,500,000	-	-	6,500,000
Office equipment, furniture and fittings	515,300	-	-	515,300
ICT Equipment, Software and Other ICT Assets	382,000	-	-	382,000
Other Machinery and Equipment	7,800	-	-	7,800
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	25,501,772	-	-	30,501,772

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2022

PMC	Bank	Account number	DATE A/C OPENED	Bank Balance 2021/22	Bank Balance 2020/21
MATUNWA PRIMARY SCHOOL	Equity	0510278749791	03/03/2018	1,200	-
CHIRENGE PRIMARY SCHOOL	Equity	01025035365300	14/04/2016	234	-
AMASAGO PRIMARY SCHOOL	Equity	0510278740424	17/05/2017	138	800
BORONYI PRIMARY SCHOOL	Co-operative	01141017692300	22/02/2015	876	-
RIANGABI PRIMARY SCHOOL	Equity	0510278755895	12/11/2016	314	-
GETUNGURUMU PRIMARY SCHOOL	Co-operative	01141017521400	02/11/2017	1,982	-
NYABIUTO PRIMARY SCHOOL	Equity	0510279793417	10/01/2018	456	-
NYAMAGE PRIMARY SCHOOL	Equity	0510279724193	23/08/2017	1,256	-
IBENO MISSION PRIMARY SCHOOL	KCB	1135507392	21/11/2015	976	-
NYAMECHEO PRIMARY SCHOOL	Equity	0510278755891	01/10/2019	1,246	-
KERERA CENTRAL PRIMARY SCHOOL	Equity	0510279662374	02/03/2020	678	-
KABWORI PRIMARY SCHOOL	Equity	0510278749786	15/07/2018	2,100	3,202
INANI SDA PRIMARY SCHOOL	Equity	0510279576609	09/12/2015	987	2,678
RIAMOKWOBE PRIMARY SCHOOL	Co-operative	01141017682400	11/06/2021	2,982	-
NYABORIBONGE PRIMARY SCHOOL	KCB	1135507362	06/02/2018	213	-
CHIRENGE PRIMARY SCHOOL	Equity	0510279576532	08/09/2019	422	-
KIONGANYO MILIMANI PRIMARY	Equity	0510279576722	04/11/2017	289	-

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PMC	Bank	Account number	DATE A/C OPENED	Bank Balance 2021/22	Bank Balance 2020/21
NYAMECHEO PRIMARY	National Bank	O1522215949700	13/05/2018	780	-
NYAURA PRIMARY SCHOOL	Equity	O510279214668	29/05/2020	982	
NYANCHWA PRIMARY SCHOOL	Equity	O510279214777	27/09/2018	341	
NYANKO PRIMARY SCHOOL	Equity	120567256738	25/02/2016	212	
KABWORI PRIMARY SCHOOL	Equity	O510279576722	19/01/2021	645	
IBENO COG PRIMARY SCHOOL	Equity	O510273454563	14/04/2015	1,289	
KARI PRIMARY SCHOOL	Equity	O510279886327	06/07/2018	1,789	
KIRWA PRIMARY SCHOOL	Equity	O510299626462	22/05/2017	289	
KEOKE PRIMARY SCHOOL	Equity	O510289718731	29/03/2019	453	
NYANGURU PRIMARY SCHOOL	Equity	O510279345123	02/03/2019	213	
KIANATE PRIMARY SCHOOL	Equity	O510279782341	15/10/2017	1,427	
IBERIA PRIMARY SCHOOL	Equity	O510279345267	01/11/2020	342	
RITARO PRIMARY SCHOOL	Equity	O510279667890	13/02/2018	100.	
NYAGUTA PRIMARY SCHOOL	Equity	O510279789034	10/03/2019	285	
AMARIBA SEC SCHOOL	KCB	1135507632	16/07/2015	1,236	
MASONGO SEC SCHOOL	KCB	1135517890	30/04/2018	564	
OUR LADY OF VICTORY NYABIOSI SEC	National Bank	O1522215876201	31/03/2019	267	
NYANGURU COG SEC SCHOOL	National Bank	O1522215349800	02/03/2020	378.	

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PMC	Bank	Account number	DATE A/C OPENED	Bank Balance 2021/22	Bank Balance 2020/21
NYANCHWA BOYS HIGH SCHOOL	Equity	0510279789066	22/04/2019	412	
NYAMEMISO SEC SCHOOL	KCB	1156355076	02/03/2017	387	101
NYANKO SEC SCHOOL	KCB	1135504561	16/08/2018	756	
RIKENDO SEC SCHOOL	Equity	0510279772346	28/04/2021	1,894	
OTAMBA GIRLS SEC SCHOOL	Co-operative	01141018521420	23/09/2017	672	
NYANCHWA GIRLS SEC SCHOOL	National Bank	01522215669801	27/07/2018	562	
NYOSIA SEC SCHOOL	Equity	0510278789037	12/06/2019	1,378	
TOTAL				32,644	1,768,798

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)
CDF_NY/2020/2021(1)	The accuracy and completeness of uses of goods and services could not be confirmed	Resolved	Issue resolved	
CDF_NY/2020/2021/(2)	The accuracy and completeness of other committee expenses could not be confirmed	Resolved	Issue resolved	
CDF_NY/2020/2021/(3)	The accuracy and completeness of other grants and transfers could not be confirmed	Resolved	Issue resolved	
CDF_NY/2020/2021/(4)	The accuracy and completeness of prior year adjustment figure could not be confirmed	Resolved	Issue resolved	
CDF_NY/2020/2021/(5))	Scope of work could not be determined at Boronyi Secondary due co-funding of project	Resolved	Issue resolved	
CDF_NY/2020/2021/(6)	Non labelling of completed projects	Resolved	Issue resolved	

JARED ONDEMO BOSIRE

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 Fund Account Manager.