

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

PARLIAMENT OF KENYA LIBRARY

THE NATIONAL ASSEMBLY

DATE: **ON** 02 AUG 2023 DAY: **WED**

TABLED BY: Hon. Naomi Wago, MP  
Deputy Majority Whip

CLERK-AT-THE-TABLE: **Furloys Muzuki**

**NATIONAL GOVERNMENT CONSTITUENCIES  
DEVELOPMENT FUND – NYATIKE  
CONSTITUENCY**

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



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**NYATIKE CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

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

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

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## **I. Key Constituency Information and Management**

### **(a) Background information**

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

### **Mandate**

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

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

### **Vision**

Equitable Socio-economic development countrywide

**Mission**

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

**Core Values**

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

**Functions of NG-CDF Committee**

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

**(b) Key Management**

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

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

**(c) Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	Marcelus Ayieko
2.	Sub-County Accountant	Abednego Odhiambo
3.	Chairman NGCDFC	Tobias Ochola
4.	Member NGCDFC	Phelix Oloo

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 1-40402  
NG CDF OFFICE -WathOnger  
Sori –Muhuru Road  
Migori, KENYA

**(f) Nyatike Constituency NGCDF Contacts**

Telephone: (254) 725833202  
E-mail: [cdfNyatike@ngcdf.go.ke](mailto:cdfNyatike@ngcdf.go.ke)  
Website: [www.cdfNyatike .go.ke](http://www.cdfNyatike.go.ke)

**(g) Nyatike Constituency NGCDF Bankers**

KCB Bank  
Sori Branch account no:1260005895  
P.O. Box 54-40401  
Karungu

**(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

Nyatike Constituency was allocated a total of Kshs137,088,879.31 in the 2021/2022 financial year. During the financial year under review, the NGCDF Board disbursed 93% of the Approved Budget which translated to Kshs 128,538,879. We also received Kshs 48,488,879 which was the undisbursed balances from the previous financial year hence a total of Kshs177,027,758 total disbursements from the NGCDF Board in the 2021/2022 financial year. Nyatike National Government Constituencies Development Fund Committee (NG-CDFC) met; prioritized

and disbursed funds to various projects in the Constituency following approved projects' code list.

The table below summarises how we spent our disbursements:

<b>TOTAL RECEIPTS</b>	<b>177,027,758</b>
<b>PAYMENTS</b>	
Compensation of employees	4,727,097
Use of goods and services	7,708,208
Transfers to Other Government Units	98,351,590
Other grants and transfers	67,612,470
Acquisition of Assets	-
Other Payments	
<b>TOTAL PAYMENTS</b>	<b>178,400,365</b>

During the year we managed to install a total of 12 water tanks in our schools under the environmental program .We equally carried out sporting activities where we had a team of 12 participating. Constructin of chiefs offices and police stations was also part of security improvements within the constituency. Payment of bursaries and Construction of class rooms and laboratories took the greater part of our implementation plan.

The pictorials below show a few of the successful projects:

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

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Construction of 2 classrooms at Orango Primary school



Construction of 2 classrooms at St Jacobs kolanya secondary school



Construction of 2 classrooms at Sidika secondary School

I express my gratitude to God for the energy to serve the constituents. I extend my appreciation to the NGCDF Board and all the relevant stakeholders who in one way participated in the achievements of our objectives.

**Emerging issues**

There was emphasis on construction of laboratories and dormitories  
There were increased demands for access roads to various learning institutions in the constituency.

**Challenges**

The greatest implementation challenge was COVID 19.

**Recommendations**

Greater community participation in implementation.  
Increased allocation on emergency fund to cater for unforeseen occurrences

Thank you.

.....  
**PHELIX OLOO**

**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 *Nyatike 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 Program	Objective	Outcome	Indicator	Performance
Education	To increase enrolment in secondary schools by achieving 100% transition	improved transition to secondary schools and tertiary institutions	number of physical infrastructure buildings in primary, secondary schools, number of bursary beneficiaries	In FY 20/21-we increased number of classrooms from 30 to 45, dormitories from 17 to 21, laboratories from 16 to 19 -Bursary beneficiaries were increased
Security	To tame raising cases of insecurity by building police posts	Increase in police posts and administrative offices	number of police posts number of chiefs offices	Chiefs offices increased from 2 to 5 -Nyandago chiefs office -Kaler chiefs office 1 chiefs office -Agenga chiefs To completion & use
Sports	To empower youth by developing their skills and talents through relevant training	Providing clubs with uniforms and balls. Holding annual sporting event	Number of sports clubs issued with uniforms and balls  No of Event held during the year	-8 clubs in each of the 7 wards  1 annual event held

ICT	To provide necessary ICT infrastructure and skills	-Establish an ICT hub -Buying computers for all public schools	No. Of ICT hub constructed. No of computers issued to schools	-1 ICT hub at wathonger  -5 computers in 3 secondary schools
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**IV. Environmental and Sustainability Reporting**

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

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

**1. Environmental performance**

**Environment Policy and Action Plan**

Protection of the environment in which we live and operate is part of Nyatike NG-CDF initiatives. Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

**Our Environmental Policy**

In this policy statement Nyatike NG-CDF commits to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- Managing and disposing of all wastage in a responsible manner;
- Providing training for our CDFC and staff so that we all work in accordance with this and within an environmentally aware culture
- Regularly communicating our environmental performance to our employees and other significant stakeholders
- Developing our management processes to ensure that environmental factors are considered during planning and implementation
- Monitoring and continuously improving our environmental performance.
- Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance

**Our Environmental Action Plan**

Nyatike NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts.

These four areas together with our approach and targets for each are shown below:

<b>Impact Area</b>	<b>Approach</b>
Capacity Building	<ul style="list-style-type: none"> <li>➤ Promote environmental awareness by sensitizing the Nyatike NG-CDFC, NG-CDFC staff and PMCs on good conservation practices</li> <li>➤ To encourage, through regular communication to Nyatike NG-CDFC, staff , and other stakeholders</li> <li>➤</li> </ul>

	changes in individual behavior to reduce usage
Conservation of Energy and Resources	<ul style="list-style-type: none"> <li>➤ To maximize use of available technologies to remove the need to use paper</li> <li>➤ To encourage our clients to engage with us using electronic means where possible</li> <li>➤ To maximize on rain water harvesting</li> <li>➤ To make energy efficiency a key factor in the selection of any new energy devise being purchased</li> <li>➤ To invest in available energy saving technologies and devices within our existing premises</li> </ul>
Environmental Protection and Conservation	<ul style="list-style-type: none"> <li>➤ To promote use of volt guards to control power surges</li> <li>➤ We have constructed culverts and gabions to prevent soil erosion</li> <li>➤ To encourage tree planting in the constituency to improve the forest cover.</li> <li>➤ To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires</li> </ul>
Pollution Control and Waste Management	<ul style="list-style-type: none"> <li>➤ To ensure that all paper waste is recycled</li> <li>➤ To ensure segregation of waste</li> <li>➤ To ensure proper human waste disposal through construction of pit latrines.</li> </ul>

## **2. Employee welfare**

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

## **3. Market place practices-**

Nyatike 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

#### **4. Community Engagements-**

Nyatike 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.

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



.....  
**MARCELUS AYIEKO**

**FAM**

#### IV 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-Nyatike 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-Nyatike 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- Nyatike Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Nyatike 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- Nyatike Constituency financial statements were approved and signed by the Accounting Officer on 30/03/2023 .

.....  
  
Name: PHELIX OLOO

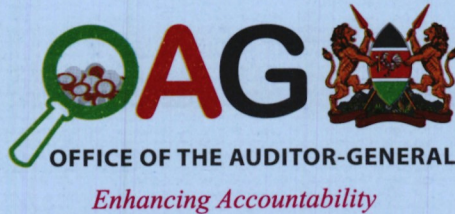
Chairman – NGCDF Committee

.....  
  
Name: MARCELUS AYIEKO

Finance Account Manager

# REPUBLIC OF KENYA

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

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### PREAMBLE

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

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

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

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

## REPORT ON THE FINANCIAL STATEMENTS

### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Nyatike Constituency set out on pages 1 to 29, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and 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 the National Government Constituencies Development Fund - Nyatike Constituency as at 30 June, 2022 and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

### **Basis for Qualified Opinion**

#### **1.0. Unsupported Bursary Expenditures**

The statement receipts and payments reflects other grants and other transfers balance of Kshs.67,612,470 which as disclosed in Note 7 to the financial statements includes bursaries disbursements totalling to Kshs.42,354,590. The amounts comprises of bursaries to secondary schools, tertiary schools and special schools of Kshs.12,921,400, Kshs.27,909,190 and of Kshs.1,524,000, respectively. However, disbursements totalling to Kshs.40,447,190 were not supported by acknowledgement receipts or letters by the recipient schools and institutions. Further, analysis of the disbursement schedule revealed that 338 beneficiaries received bursary allocations more than once.

In the circumstances, the accuracy and completeness of bursary expenditure of Kshs.40,447,190 for the year ended 30 June, 2022 could not be confirmed.

#### **2.0. Unsupported Cash and Cash Equivalents**

The statement of assets and liabilities as at 30 June, 2022 reflects cash and cash equivalents balance of Kshs.11,278,165. Review of the bank reconciliation statement in support of the balance reflects receipts in cash book not yet recorded in the bank statement of Kshs.884,876 which, as indicated in the supporting schedule, was in respect of staff gratuity. However, receipt vouchers and related documents in support of the latter amount were not provided for audit.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.11,278,165 as at 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 - Nyatike Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

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

### **Other Matter**

### **Prior Year Audit Issues**

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, the prior year audit issues had not been resolved as at 30 June, 2022 and also are not included in Annex 6 to the financial statements on progress on follow up of auditor recommendations. Management did not provide reasons for not resolving the prior year audit issues and why they were not included in the financial statements.

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1.0 Transfers to Other Government Units**

The statement of receipts and payments reflects transfers to other Government units amounting to Kshs.98,351,590 which, as disclosed in Not 6 to the financial statements, comprises of transfers to primary schools, secondary schools and tertiary institutions of Kshs.37,454,000, Kshs.54,997,590 and Kshs.6,100,000, respectively. Review of expenditure documents and physical verification of the projects revealed the following anomalies:

### **1.1 Poor Workmanship of Project at Nyankondo Primary School**

An amount Kshs.1,300,000 was disbursed to Nyankondo Primary School for the completion of two classrooms. The works comprised fittings, plastering, flooring and painting. However, audit inspection of the project in the month of March, 2023 revealed that painting of the classrooms was incomplete as only under-coat of paint had been applied while the floors had worn out, leaving big holes, an indication of poor workmanship.

### **1.2 Poor Workmanship of Project at Kanyandiko Primary School**

Transfers to primary schools include a balance of Kshs.900,000 disbursed to Kanyandiko Primary School for the construction of one classroom to completion. The works comprised of walling, roofing, fittings, plastering and painting. However, audit inspection of the project in the month of March, 2023 revealed big cracks on the walls and floor, an indication of poor workmanship.

### **1.3 Overpayment of Contractor for Construction of an Access Road**

An expenditure of Kshs.6,500,000 was incurred on construction of access roads including opening, grading and spot gravelling of approximately 1.4Km of the road from Mariba Secondary school junction to Obwalwanda primary school at a contract sum of Kshs.3,909,231. However, review of the expenditure records and tender documents in respect of the works revealed that the contractor was paid in excess of the contract sum by Kshs.90,769. Further, audit inspection carried out in the month of March, 2023 revealed that the road had a thin layer of murrum implying the road works were substandard.

### **1.4 Omitted Elements in Construction of Access Road**

Transfers to primary schools include an amount of Kshs.6,500,000 utilized on opening, grading and spot gravelling of a road approximately 0.6Km from Lwangni junction to Kikongo primary school at a contract sum of Kshs.2,482,632. However, review of the expenditure records and tender documents revealed that the contractor was paid by Kshs.17,362 above the contract sum. Further, field inspection carried out in the months of March, 2022 revealed that culverts included in the bill of quantities at a cost of Kshs.162,000 were not done.

In addition, the two roads did not have signage making it difficult to confirm whether they were indeed done by the Fund or by other Government agencies.

### **1.5 Transfers to Secondary Schools**

The transfers to secondary schools amounting to Kshs.54,997,590 includes an expenditure of Kshs.11,700,000 incurred on seven (7) projects. However, field inspection carried out in the month of March, 2023 revealed the projects had not been completed and put to use for the benefit of the public.

## **1.6 Unused Borehole**

Transfers to tertiary institutions balance of Kshs.6,100,000 includes an amount of Kshs.5,000,000 spent on drilling and equipping a borehole at Rongo Macalder University learning centre. However, field inspection of the project carried out in the month of March, 2023 revealed that the borehole was not operational despite having running water.

In the circumstances, value for money of the expenditure of Kshs.25,291,863 utilised audit transfers to other Governments units could not be confirmed.

## **2.0 Other Grants and Transfers**

The statement of receipts and payments, and as disclosed in Note 7 to the financial statements, reflects other grants and transfers balance of Kshs.67,612,470. However, physical verification of the projects and review of project files revealed the following anomalies:

### **2.1 Unlabelled Administration Block at the Chief's Office in Orango Location**

Other grants and transfers expenditure includes a balance of Kshs.10,850,000 spent on security projects during the year under review, out of which an amount of Kshs.1,700,000 was in respect of construction of an administration block comprising 3 offices at the Chief's Office in Orango Location. The scope of works included foundation slab, walling, roofing, fittings, plastering and painting. Field inspection in the month of March 2023 revealed that the building was complete and in use. However, the building was not labeled as required by Regulation 11(1)(c) of the National Government Constituencies Development Fund Regulations, 2016 which states that, one of the functions of the Constituency Committee is to ensure projects are labelled in accordance with the guidelines issued by the Board.

Further, the office was constructed on the Chief's private land contrary to the CDF Board circular issued on 24 August, 2010, which requires CDF projects to be erected on public land and where no public land is available or where a need has been identified to expand public land, the Constituency Committee to initiate the process of procurement of land from alternative sources and obtain the title in the name of the public institution which is to benefit from the project, or in the name of the constituency.

### **2.2 Poor Workmanship - Construction of a Pit Latrine at Nyamache Primary School**

Further, the balance includes emergency projects expenditure of Kshs.8,620,000 out of which an amount of Kshs.500,000 was spent on the construction of a four-doors pit latrine at Nyamache Primary School. However, field inspection of the project conducted in the month of March, 2023 revealed that the walls had big cracks indicating poor workmanship.

### **2.3 Unutilized Rongo University – Learning Center**

In addition, the balance includes an amount of Kshs.1,450,000 which was transferred to Rongo University for tiling works of eight (8) classrooms. However, review of the

supporting documents and audit inspection of the projects in the month of March, 2023 revealed that the University did not make a request for the emergency funds. Further, there was no report of environmental or sanitary inspection to ascertain the urgent need of funding and the eight (8) classrooms were not in use as there was no learning taking place the facility. Therefore, the use of emergency fund did not meet the threshold set by Section 8(3) of the National Constituencies Development Fund.

In the circumstances, Management was in breach of the law and the value for money incurred on the facility was yet to be realized by the public.

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

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

### Conclusion

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

### Basis for Conclusion

#### 1. Failure to Maintain an Updated Asset Register

Annex 4 to the financial statements summary of fixed asset register reflects total fixed assets balance of Kshs.19,095,112 as at 30 June, 2022. However, review of the fixed asset register revealed that it was not updated as costs or valuation, location and custodian or users were not indicated against some assets. In addition, non-existent assets were included in the register and the furniture and office equipment had not been tagged.

Further, review of the register revealed the following anomalies:

- i. Valuation of motor vehicles and tractors was done on 24 March, 2021 and a report issued. However, the values had not be updated in the register to reflect the correct carrying costs of the respective assets.
- ii. Ownership documents for land, tractors and motor vehicles, except for a double cabin pickup vehicle, were not provided for audit review.

- iii. Motor vehicles and tractors included in the register were all grounded, non-serviceable and continued losing their recoverable value based on the observable physical and mechanical state.

In the circumstances, Management has not established effective internal controls over the fixed assets to eliminate theft, security threats, losses, wastage and misuse.

## **2. Weaknesses Bursary Fund Management**

Review of the bursary application forms provided for audit revealed that the Fund's bursary vetting committee members and the Chairman did not sign the forms as provided for in the same form. Further, review of list of beneficiaries revealed that some beneficiaries in the list had no admission numbers. Vetting committee minutes showing award and rejection of applications were not provided for audit, an indication that vetting of applicants may not have been done. In addition, the bursary committee minutes and attendance registers to meetings were not provided, thus, it was not clear whether the committee was in existence.

In the circumstances, the effectiveness of the controls over the management of bursaries could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal controls, 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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**

**17 July, 2023**

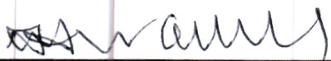
*Nyatike Constituency  
National Government Constituencies Development Fund (NGCDF)  
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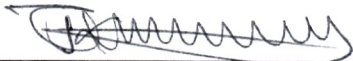
**VI. Statement Of Receipts and Payments for the Year Ended 30th June 2022**


	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	177,027,758	158,852,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	60,000	79,000
<b>Total Receipts</b>		<b>177,087,758</b>	<b>158,931,724</b>
<b>Payments</b>			
Compensation Of Employees	4	4,282,283	6,087,022
Use Of Goods and Services	5	7,709,208	7,578,212
Transfers To Other Government Units	6	98,351,590	95,554,922
Other Grants and Transfers	7	67,612,470	44,788,469
Acquisition Of Assets	8	-	575,000
Other Payments	9		-
<b>Total Payments</b>		<b>177,955,551</b>	<b>154,583,625</b>
<b>Surplus/ (Deficit)</b>		<b>(867,793)</b>	<b>4,348,099</b>

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

The Constituency financial statements were approved on 30/06/2023 2023 and signed by:

  
Fund Account Manager

  
National Sub-County  
Accountant

  
Chairman NG-CDF  
Committee

Name: MARCELUS AYIEKO

Name: JARED OKUMU  
ICPAK M/No: 15430

Name: PHELIX OLOO

*Nyatike Constituency  
National Government Constituencies Development Fund (NGCDF)  
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**VII. Statement of Assets and Liabilities As At 30<sup>th</sup> June, 2022**


	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	10A	11,278,165	11,647,725
Cash Balances (Cash at Hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>11,278,165</b>	<b>11,647,725</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	-
<b>Total Financial Assets</b>		<b>11,278,165</b>	<b>11,647,725</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	-	-
Gratuity	12B	1,021,254	651,509
<b>Total Financial Liabilities</b>		<b>10,256,911</b>	<b>10,996,216</b>
<b>Net Financial Assets</b>			
<b>Represented By</b>			
Fund Balance B/Fwd	13	10,996,216	1,207,553
Prior Year Adjustments	14	128,488	5,440,564
Surplus/Deficit for The Year		(867,793)	4,348,099
<b>Net Financial Position</b>		<b>10,256,911</b>	<b>10,996,216</b>

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

The Constituency financial statements were approved on 30/03/2023 and signed by:

  
Fund Account Manager

  
National Sub-County  
Accountant

  
Chairman NG-CDF  
Committee

Name MARCELUS AYIEKO:

Name: JARED OKUMU  
ICPAK M/No: 15430

Name: PHELIX OLOO

*Nyatike Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
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**Statement of Cash Flows for the Year Ended 30th June 2022**


	Notes	2021 - 2022	2020 - 2021
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	177,027,758	158,852,724
Other Receipts	3	60,000	79,000
<b>Total Receipts</b>		<b>177,087,758</b>	<b>158,931,724</b>
Payments			
Compensation Of Employees	4	4,282,283	6,087,022
Use Of Goods and Services	5	7,709,208	7,578,212
Transfers To Other Government Units	6	98,351,590	95,554,922
Other Grants and Transfers	7	67,612,470	44,788,469
Other Payments	9		-
<b>Total Payments</b>		<b>177,955,551</b>	<b>154,008,625</b>
<b>Total Receipts Less Total Payments</b>		<b>(867,793)</b>	<b>4,348,099</b>
Adjusted For:		-	-
Decrease/(Increase) In Accounts Receivable	15		
Increase/(Decrease) In Accounts Payable	16	369,745	(800,531)
Prior Year Adjustments	14	128,488	5,440,564
<b>Net Cash Flow from Operating Activities</b>		<b>498,233</b>	<b>4,640,033</b>
		<b>(369,560)</b>	<b>9,563,132</b>
<b>Cashflow From Investing Activities</b>			
Proceeds From Sale of Assets	2		
Acquisition Of Assets	8	-	-
<b>Net Cash Flows from Investing Activities</b>		<b>-</b>	<b>(575,000)</b>
		<b>-</b>	<b>(575,000)</b>
Net Increase In Cash And Cash Equivalent			
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	<b>10</b>	<b>11,647,725</b>	<b>2,659,593</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>		<b>11,278,165</b>	<b>11,647,725</b>

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

The Constituency financial statements were approved on 30/03/2023 and signed by:

  
 Fund Account Manager

  
 National Sub-County  
 Accountant

  
 Chairman NG-CDF  
 Committee

Name: MARCELUS AYIEKO

Name: JARED OKUMU  
 ICPAK M/No: 15430

Name: PHELIX OLOO

*Nyatike Constituency  
National Government Constituencies Development Fund (NGCDF)  
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**VIII. Summary Statement of Appropriation for the Year Ended 30<sup>th</sup> June 2022**

Receipts/Payments	Original Budget a	Adjustments b		Final Budget c=a+b	Actual on comparable basis d	Budget utilization Difference e=c-d	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding disbursements Kshs				
<b>Receipts</b>	2021/2022			2021/2022	30/06/2022		
Transfers From NGCDF Board	137,088,879	10,996,216	48,488,879	196,573,974	188,023,974	8,550,000	95.7%
Proceeds From Sale of Assets				0	-	-	0.0%
Other Receipts		60000		60,000	60,000	-	100.0%
<b>Totals</b>	<b>137,088,879</b>	<b>11,056,216</b>	<b>48,488,879</b>	<b>196,633,974</b>	<b>188,083,974</b>	<b>8,550,000</b>	<b>95.7%</b>
<b>Payments</b>							
Compensation Of Employees	4,558,086	1,724,184	1,470,754	7,753,024	4,282,283	3,470,741	51.0%
Use Of Goods and Services	6,279,912	1,441,031	22,168	9,243,111	7,709,208	1,533,903	80.2%
Transfers To Other Government Units	64,747,934	1,000,000	35,100,000	100,847,934	98,351,590	2,496,344	97.5%
Other Grants and Transfers	56,302,947	6,830,277	11,895,957	75,029,181	67,612,470	7,416,711	90.1%
Acquisition Of Assets		724		724	-	724	0.0%
Other Payments							
Funds Pending Approval**	3700000	60000		3,760,000		3,760,000	0.0%
<b>Totals</b>	<b>137,088,879</b>	<b>11,056,216</b>	<b>48,488,879</b>	<b>196,633,974</b>	<b>177,955,551</b>	<b>18,678,423</b>	<b>90.2%</b>

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(a) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]  
The underutilization on compensation of employees is due to pending staff gratuity.

(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	18,678,423
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2022	8,550,000
	10,128,423
Add Accounts payable	1021254
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	128488
Cash and Cash Equivalents at the end of the FY 2021/2022	11,278,165

The Constituency financial statements were approved on 30/03/2023 and signed by:

  
**Fund Account Manager**

  
**National Sub-County Accountant**

  
**Chairman NG-CDF Committee**

**Name: MARCELUS AYIEKO**

**Name: JARED OKUMU  
ICPAK M/No: 15430**

**Name: PHELIX OLOO**

*Nyatike Constituency*

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

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	4558086	1724184	1470754	7,753,024	4,282,283	3,470,741
1.2 Committee allowances	1248000	174400		1,422,400	1,144,000	278,400
1.3 Use of goods and services	2419246	1064266	22168	3,505,680	2,808,544	697,136
<b>Total</b>	<b>8,225,332</b>	<b>2,962,850</b>	<b>1,492,922</b>	<b>12,681,104</b>	<b>8,234,827</b>	<b>4,446,277</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	2112666	202366		2,315,032	2000000	315,032
2.2 Committee allowances	1000000			1,000,000	756664	243,336
2.3 Use of goods and services	1000000			1,000,000	1000000	-
<b>Total</b>	<b>4,112,666</b>	<b>202,366</b>	<b>-</b>	<b>4,315,032</b>	<b>3,756,664</b>	<b>558,368</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools						
Pom Primary School					500000	
Sere Primary School					500000	
Nyabomo Primary School					500000	
Kikongo Primary School					700000	

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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			
Winjo Primary School					700000	
Obware Primary School					500000	
Nyamache Primary School					500000	
Sagenya Primary School					500000	
Modi Primary School					500000	
3.2 Secondary Schools				-		-
St Jacobs Kolanya Secondary School					500,000	
Diruma Secondary School					450,000	
Othoch Rakuom Secondary School					500,000	
Lidery Agencies					325,000	
Nyondwat Enterprises Ltd					495,000	
3.3 Tertiary institutions				-		-
rongo university					1,450,000	
3.4 Security projects						-
3.5 Unutilised	7,192,207	2061402	692207	9,945,816		
<b>Total</b>	<b>7,192,207</b>	<b>2,061,402</b>	<b>692,207</b>	<b>9,945,816</b>	<b>8,620,000</b>	<b>1,325,816</b>
4.0 Bursary and Social Security						
4.1 Secondary Schools	10,272,220	945,870	400,000	11,618,090	12,921,400	(302,310)

*Nyatike 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			
4.2 Tertiary Institutions	23,000,000	2,142,685	3,172,220	28,314,905	27,909,190	405,715
4.3 Social Security	1,500,000	10,000	3,750,000	5,260,000		5,260,000
4.4 Special Needs	1,000,000	470,320	500,000	1,970,320	1,524,000	446,320
<b>Total</b>	<b>35,772,220</b>	<b>3,568,875</b>	<b>7,822,220</b>	<b>47,163,315</b>	<b>41,353,590</b>	<b>5,809,725</b>
5.0 Sports				-		-
5.1	1,788,519	500,000.00	2,531,530	4,820,049	4,588,880	231,169
<b>Total</b>	<b>1,788,519</b>	<b>500,000</b>	<b>2,531,530</b>	<b>4,820,049</b>	<b>4,588,880</b>	<b>231,169</b>
<b>6.0 Environment</b>						
	1,500,000	700,000.00		2,200,000	2,200,000	-
<b>Total</b>	<b>1,500,000</b>	<b>700,000</b>	<b>-</b>	<b>2,200,000</b>	<b>2,200,000</b>	<b>-</b>
<b>7.0 Primary Schools Projects</b>						
Ojawa Primary School	800,000		800000	1,600,000	1,600,000	-
Got Kachola Primary School			500000	500,000	500,000	-
Poya Primary School	1,700,000			1,700,000	1,700,000	-
Odiyo Primary School	900,000			900,000	900,000	-
Aneko Primary School	900,000			900,000	900,000	-
Kanyandiko Primary School	900,000			900,000	900,000	-
Senye Primary School	900,000			900,000	900,000	-

**Nyatike 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			
Nyabomo Primary School	900,000			900,000	900,000	-
Dunga Primary School	1,700,000			1,700,000	1,000,000	700,000
Aringo Primary School	900,000			900,000	-	900,000
Nyakurungoto Primary School	900,000			900,000	800,000	100,000
Modi Primary School	900,000			900,000	900,000	-
Wangaya Primary School	5,000,000			5,000,000	5,000,000	-
Kals Borehole Services-Orore Primary School	254,922			254,922	254,000	922
Munyu Primary School	500,000			500,000	500,000	-
Kayara Primary School	400,000			400,000	400,000	-
Ngira Primary School	200,000			200,000	200,000	-
Aneko Primary School	300,000			300,000	300,000	-
Oluga Primary School	900,000			900,000	900,000	-
Agenga Primary School	300,000			300,000	300,000	-
Ongoche Primary School	900,000			900,000	900,000	-
God Kwach Primary School	900,000			900,000	900,000	-
Ongongo Primary School	900,000			900,000	900,000	-
Kowuor Primary School	900,000			900,000	900,000	-
Adiel Carla Primary School	900,000			900,000	900,000	-
Aonge Dhiang Primary School	900,000			900,000	900,000	-

**Nyatike 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			
Nyankondo Primary	1,300,000			1,300,000	1,300,000	-
Bansi Bugni Primary School	900,000			900,000	900,000	-
Nyangwayo Primary School	900,000			900,000	900,000	-
Kayara Primary School	900,000			900,000	900,000	-
Kimai Primary School	600,000			600,000	600,000	-
Kurukongo Primary School	500,000			500,000	500,000	-
Othora Primary School	600,000			600,000	600,000	-
Tom Odege Primary School	900,000			900,000	900,000	-
Obalwanda Primary School			4000000	4,000,000	4,000,000	-
Kikongo Primary School	900,000		2500000	3,400,000	3,400,000	-
<b>Total</b>	<b>32,154,922</b>		<b>7,800,000</b>	<b>39,954,922</b>	<b>37,254,000</b>	<b>1,700,922</b>
<b>8.0 Secondary Schools Projects</b>						
Nyakweri Girls Secondary School			4,500,000	4,500,000	4,500,000	-
Lwanda Magwar Secondary School			1,800,000	1,800,000	1,800,000	-
Got Kachola Secondary School			1,500,000	1,500,000	1,500,000	-
Nyangere Secondary School			1,500,000	1,500,000	1,500,000	-
Chamachichi Secondary School			800,000	800,000	800,000	-
Owich Secondary School			1,500,000	1,500,000	1,500,000	-
Diruma Secondary School			1,500,000	1,500,000	1,500,000	-

**Nyatike 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			
Ndiwa Girls Secondary School			1,500,000	1,500,000	1,500,000	-
Bondo Kosiemo Secondary School			1,500,000	1,500,000	1,500,000	-
Olasii Secondary School			500,000	500,000	500,000	-
Bande Girls			200,000	200,000	200,000	-
Akala Mixed Secondary	734,786			734,786		734,786
Nyandago Secondary School			650,000	650,000	650,000	-
Akala Mixed Secondary			100,000	100,000	100,000	-
Nyakweri Girls Secondary School			4,000,000	4,000,000	4,000,000	-
Osiri Secondary School	1,500,000			1,500,000	1,500,000	-
Mariba Secondary School	1,000,000			1,000,000	1,000,000	-
Mariba Secondary School	1,000,000			1,000,000	1,000,000	-
Amoyo Secondary School	900,000			900,000	900,000	-
Olasii Secondary School	908,226			908,226	908,226	-
Radienya Secondary School			750,000	750,000	750,000	-
Aneko Secondary School	1,500,000			1,500,000	1,500,000	-
Sagenya Secondary School	900,000			900,000	900,000	-
Othoch Rakuom Secondary School	1,500,000			1,500,000	1,500,000	-
Lwanda Magwar Secondary School	1,600,000			1,600,000	1,600,000	-

*Nyatike 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			
Obolo Secondary School	1,500,000			1,500,000	1,500,000	-
Jangoe Secondary School	1,500,000			1,500,000	1,500,000	-
Sota Sda Secondary School	500,000			500,000	500,000	-
Nyakweri Girls Secondary School	1,000,000			1,000,000	1,000,000	-
God Kwach Secondary School	1,500,000			1,500,000	1,500,000	-
Owich Secondary School	1,500,000			1,500,000	1,500,000	-
Ungoe Secondary School	900,000			900,000	900,000	-
Kanga Onditi Secondary School	900,000			900,000	900,000	-
Nyandago Secondary School	3,650,000			3,650,000	3,650,000	-
Gunga Secondary School	500,000			500,000	500,000	-
Obware Secondary School	400,000			400,000	400,000	-
St Pius Got Orango Secondary School	700,000			700,000	700,000	-
Ndiwa Girls Secondary School	2,000,000			2,000,000	2,000,000	-
Miriwi Secondary School	1,500,000			1,500,000	1,500,000	-
Olando Secondary School	500,000			500,000	500,000	-
Rabwao Secondary School		1,000,000.00		1,000,000	989,364	10,636
Nyakweri Girls Secondary School	850,000			850,000	850,000	-
Nyakweri Girls Secondary	500,000			500,000	500,000	-

**Nyatike 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			
School						
<b>Total</b>	<b>31,443,012</b>	<b>1,000,000</b>	<b>22,300,000</b>	<b>54,743,012</b>	<b>54,997,590</b>	<b>745,422</b>
<b>9.0 Tertiary institutions Projects</b>						
Rongo University Macalder	1150000		5,000,000	6,150,000	6100000	50,000
<b>Total</b>	<b>1,150,000</b>		<b>5,000,000</b>	<b>6,150,000</b>	<b>6,100,000</b>	<b>50,000</b>
<b>10.0 Security Projects</b>						
Nyatike Cdf Security Pmc	850,000			850,000	800,000	50,000
West Kadem Chiefs Office	1,700,000			1,700,000	1,700,000	-
Orango Location Chiefs Office	1,700,000			1,700,000	1,700,000	-
Magungu Location Chiefs Office	1,700,000			1,700,000	1,700,000	-
Nyandago Central Location Chiefs Office	850,000			850,000	850,000	-
Adugo Chiefs Office	850,000			850,000	850,000	-
Sori Chiefs Office	700,000			700,000	700,000	-
Muhuru Administration Police	700,000			700,000	700,000	-
Nyatike Cdf Security Pmc	1000000			1,000,000	1000000	-
Nyatike Cdf Security Pmc			850,000.00	850,000	850,000	-
<b>Total</b>	<b>10,050,000</b>	<b>-</b>	<b>850,000.00</b>	<b>10,900,000</b>	<b>10,850,000</b>	<b>50,000</b>
<b>11.0 Acquisition of assets</b>						
purchase of motor cycle		724.00		724.00		724.00

**Nyatike 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			
<b>Total</b>	-	724	-	724		724
12.0 Other payments				-		-
<b>Total</b>		-	-	-		-
<b>13.0 unallocated fund</b>						
Unapproved projects	3,700,000			3,700,000		3,700,000
AIA		20,000.				-
PMC savings		40,000				
<b>Total</b>	<b>3,700,000</b>	<b>60,000</b>	<b>-</b>	<b>3,760,000</b>	<b>-</b>	<b>3,760,000</b>
<b>Total</b>	<b>137,088,878</b>	<b>11,056,217</b>	<b>48,488,879</b>	<b>196,633,974</b>	<b>177,955,551</b>	<b>18,678,423</b>

(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-Nyatike 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.

**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.

## **9. Pending Bills**

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

## **10. Unutilized Fund**

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

## **11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on xx June 20xx for the period 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

## **12. Comparative Figures**

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

## **13. Subsequent Events**

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

**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.

*Nyatike Constituency*  
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**XII. Notes to the Financial Statements**

**1. Transfers from NGCDF Board**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
NGCDF Board		
B105258	33,000,000	
B140817	3,000,000	
B105545	44,000,000	
B105907	22,000,000	
B128671	5,000,000	
B128981	12,000,000	
B154178	12,000,000	
B154403	18,000,000	
B155523	15,538,879	
B089076	12,088,879	
A895053	400,000	
B097000		15,000,000
B104668		20,000,000
A823711		31,367,724
B124648		9,000,000
B128008		12,000,000
B128249		6,900,000
B132305		6,000,000
B119618		8,500,000
B104918		485,000
B132011		6,000,000
B138974		13,000,000
B126266		7,000,000
B105061		11,600,000
B140705		12,000,000
<b>Total</b>	<b>177,027,758</b>	<b>158,852,724</b>

*Nyatike Constituency  
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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)		
<b>Total</b>		

**3. Other Receipts**

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received		
Rents		
Receipts from sale of tender documents		79,000
Hire of plant/equipment/facilities		
Unutilized funds from FMCs Bursary refund	40,000	
Other Receipts Not Classified Elsewhere Kcb bank donation	20,000	
<b>Total</b>	<b>60,000</b>	<b>79,000</b>

*Nyatike Constituency  
National Government Constituencies Development Fund (NGCDF)  
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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	3,440,724	4,563,631
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	841,559	1,336,591
Employer Contributions Compulsory national social security schemes		186,800
<b>Total</b>	<b>4,282,283</b>	<b>6,087,022</b>

**5. Use Of Goods and Services**

	2021-2022	2020-2021
	Kshs	Kshs
Utilities, supplies and services		
Electricity		
Water & sewerage charges	-	-
Office rent		-
Communication, supplies and services		
Domestic travel and subsistence	1,714,520	218,100
Printing, advertising and information supplies & services		120,000
Rentals of produced assets		-
Training expenses	910,661	3,359,800
Hospitality supplies and services	874,222	
Other committee expenses	802,220	921,000
Committee allowance	1,144,000	1,071,600.00

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Insurance costs		-
Specialised materials and services		-
Office and general supplies and services	735,000	660,800
Fuel , oil & lubricants		30,000
Other operating expenses		-
Bank service commission and charges	28,585	101,541
Other Operating Expenses	-	96,071
Security operations		
Routine maintenance - vehicles and other transport equipment		-
Routine maintenance- other assets		999,300
Review of strategic plan	1,500,000	
<b>TOTAL</b>	<b>7,709,208</b>	<b>7,578,212</b>

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*Notes To The Financial Statements (Continued)*

**6. Transfer To Other Government Units**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers To Primary Schools (See Attached List)	37,254,000	20,850,000
Transfers To Secondary Schools (See Attached List)	54,997,590	71,150,000
Transfers To Tertiary Institutions (See Attached List)	6,100,000	3,554,922
<b>Total</b>	<b>98,351,590</b>	<b>95,554,922</b>

**7. Other Grants and Other transfers**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Bursary – secondary schools (see attached list)	12,921,400	12,509,720
Bursary – tertiary institutions (see attached list)	27,909,190	23,755,500
Bursary – special schools (see attached list)	1,524,000	30,000
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)		
Security projects (see attached list)	10,850,000	2,200,000
Sports projects (see attached list)	4,588,880	-
Environment projects (see attached list)	2,200,000	1,500,000
Emergency projects (see attached list)	8,620,000	4,793,249
<b>Total</b>	<b>67,612,470</b>	<b>44,788,469</b>

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**8. Acquisition Of Assets**

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings		
Construction of Buildings		
Refurbishment of Buildings		500000
Purchase of Vehicles and Other Transport Equipment	0	
Purchase of Household Furniture and Institutional Equipment	0	
Purchase of Office Furniture and General Equipment	-	
Purchase of ICT Equipment, Software and Other ICT Assets		75000
Purchase of Specialized Plant, Equipment and Machinery	0	0
Acquisition of Land	0	0
<b>Total</b>	<b>00</b>	<b>575000</b>

*Notes To the Financial Statements (Continued)*

**9. Other Payments**

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

**10: Cash Book Bank Balance**

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
<b>10A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Kenya Commercial Bank, SOri Branch .NYATIKE NG-CDF A/C no.1260005895</i>	11,278,164	11,647,725
<b>Total</b>	<b>11,278,164</b>	<b>11,647,725</b>
<b>10 B: Cash on Hand</b>		
Location 1		

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Location 2		
Location 3		
Other Locations ( <i>Specify</i> )		
<b>Total</b>	<b>11,278,164</b>	<b>11,647,725</b>
<i>[Provide Cash Count Certificates for Each]</i>		

**11: Outstanding Imprests**

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
Marcelus Ayieko	5/9/2021	1000000	100000	nil

*Notes to the Financial Statement Continued*

**12A. Retention**

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

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**12B. Gratuity**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)	651,509	1,452,040
Gratuity held during the year (B)	814,559	881,876
Gratuity paid during the Year (C)	444,814	1,682,407
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	<b>1,021,254</b>	<b>651,509</b>

**13. Balances Brought Forward**

	<b>2021-2022 (1<sup>st</sup> July 2021)</b>	<b>2020-2021 (1<sup>st</sup> July 2020)</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	10,996,216	1,207,553
Cash in hand		-
Imprest		-
Total	10,996,216	1,207,553

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**14. Prior Year Adjustments**

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2021/2022
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	11,647,725	55,090.00	11,702,815
Cash in hand	-	73,398.00	-
Accounts Payables	1,021,254		-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>Total</b>	<b>12,668,979</b>	<b>128,488</b>	<b>11,702,815</b>

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

The figure relates to gratuity cheque reversals drawn in the financial year 2020/2021.

Date	Cheque no	Amount
28/5/2021	2366	55,090.00
24/6/2021	2747	73,398.00
		<b>128,488.00</b>

**15. Changes in Accounts Receivable – Outstanding Imprests**

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

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**16. Changes in Accounts Payable – Deposits and Retentions**

	<b>2021 – 2022</b>	<b>2020 – 2021</b>
	<b>KShs</b>	<b>KShs</b>
Deposit and Retentions as at 1 <sup>st</sup> July (A)	651,510	1,452,041
Deposit and Retentions held during the year (B)	814,559.00	881,876
Deposit and Retentions paid during the Year (C)	444,814	1,682,407
closing account payables D= A+B-C	<b>1,021,255</b>	<b>651,510</b>
Changes in Accounts Payable E= D-E	<b>369,745</b>	<b>(800,531)</b>

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**17. Other Important Disclosures**

**17.1: Pending Accounts Payable (See Annex 1)**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Construction of buildings		
Construction of civil works		
Supply of goods		
Supply of services		
Total		

**17.2: Pending Staff Payables (See Annex 2)**


**17.3: Unutilized Fund (See Annex 3)**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	3,470,741	794,703
Use of goods and services	1,583,907	2,673,994
Amounts due to other Government entities (see attached list)	3,496,344	36,350,000
Amounts due to other grants and other transfers (see attached list)	6,366,707	10,261,834
Acquisition of assets	724	-
Funds pending approval	3,760,000	3,964,000
Total	<b>18,678,423</b>	<b>54,044,531</b>

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**17.4: PMC account balances (See Annex 5)**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	25,070,592	14,027,753
<b>Total</b>	<b>25,070,592</b>	<b>14,027,753</b>

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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	
<b>Construction of buildings</b>					
1.					
2.					
3.					
<b>Sub-Total</b>					
<b>Construction of civil works</b>					
4.					
5.					
6.					
<b>Sub-Total</b>					
<b>Supply of goods</b>					
7.					
8.					
9.					
<b>Sub-Total</b>					
<b>Supply of services</b>					
10.					
<b>Sub-Total</b>					
<b>Grand Total</b>					

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Annex 2 - Analysis of Pending Staff Payables**

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2022	Comments
<b>NG-CDFC Staff</b>				
1.Okuku Christopher Ochieng	Clerk of Works	3/4/2015	122320	
2.Rael Ndombereasirekah	Accounts Clerk	3/5/2015	95840	
3.Diana Jumasekoh	Clerical Officer	4/10/2017	98325	
4.Jack A. Odero	Accounts Assistant		95840	
5.Achieng'vivian Oloo	Records Management Officer	17/5/2016	82800	
6.Vera Awinoakinyi	Clerical Officer	17/5/2016	82800	
9.Samson Owigoodundo	Driver	17/5/2016	27900	
10.Peter Ochieng	Support Staff	17/5/2016	82800	
11Oelias Ogweno	Support Staff	4/10/2017	49600	
12.Olal Reinhard B	Support Staff	4/10/2017	49600	
13.Andrew Adera	Support Staff	4/10/2017	58900	
14 Maslanus Otieno Nyabuon	Support Staff	4/10/2017	58900	
15 Valdes Osodo	Support Staff	4/10/2017	56700	
16 Everline Atieno Mark	Support Staff	4/10/2017	58900	
<b>Sub-Total</b>			<b>1,021,254</b>	
<b>Grand Total</b>			<b>1,021,254</b>	

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Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
<b>Compensation of employees</b>				
	Staff salaries	3,470,741	794,703	
<b>Use of goods &amp; services</b>	administration	1,583,907	2,673,994	
<b>Amounts due to other Government entities</b>				
<b>Primary Schools</b>				
Nyakurungoto Primary School	construction of 1 class	100,000		
Orore Primary School	construction of 1 class	922		
Olunga Primary School	construction of 1 class	900,000		
Aringo Primary School	construction of 1 class	900,000		
Ojawa Primary School	construction of 1 class	800,000		
<b>Secondary Schools</b>				
Rabwao Secondary School	construction of laboratory	10,636		
Akala Secondary School	construction of 1 class	734,786		
<b>Tertiary Institutions</b>				
Rongo University Macalder	solar installation	50,000		
<b>Sub-Total</b>		<b>34,96,344</b>	36,350,000	
<b>Amounts due to other grants and other transfers</b>				
Bursary Secondary Schools	payment of bursary	90		
Bursary Tertiary Schools	payment of bursary	405,711		

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Bursary Special	payment of bursary	143,920	
EMERGENCY	Unforeseen occurrence	1,325,816	
SPORTS	tournament	231,170	
SOCIAL SECURITY NHIF	NHIF old persons	4,260,000	
<b>Sub-Total</b>		<b>6,366,707</b>	10,261,834
<b>Acquisition of assets</b>			
<b>Purchase Of Motorcycle</b>	Purchase Of Motorcycle	724	
<b>Others (specify)</b>			
<b>Sub-Total</b>			
Funds pending approval	Construction of Law courts	<b>3,760,000</b>	3,964,000
<b>Grand Total</b>		<b>18,678,423</b>	<b>54,044,531</b>

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**Annex 4 – Summary of Fixed Asset Register**

Asset class	Historical Cost b/f/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	100,000			100,000
Buildings and structures	1,000,000			1,000,000
Transport equipment	7,453,646			7,802,922
Office equipment, furniture and fittings	1,362,210			1,362,210
ICT Equipment, Software and Other ICT Assets	1,404,256.80	575000		1,529,256.80
Other Machinery and Equipment	7,200,000			7,200,000
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>18,520,113</b>			<b>19,095,112</b>

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

PMC	Bank	Account number	Date of opening	Bank Balance	Bank Balance
				2021/2022	2020/2021
Adiel Carla Primary School	KCB	1295604140	04/05/2021	876	
Agenga Primary School	KCB	1279323272	20/03/2022	116,541	
Akala Secondary School Pmc	COOP	'01139481134500	03/07/2021	2,297	
Aneko Primary School	KCB	1293822256	08/05/2021	16,129	
Aneko Secondary School	KCB	1292167955	06/06/2021	1,498,664	
Aonge Dhiang Primary School	KCB	1295522837	07/04/2021	74,883	
Bande Girls Secondary School	COOP	1141077212300	06/04/2021	1,373	
Bansi Bugni Primary School	KCB	1296745023	04/05/2021	388,994	
Bondo Kosiemo Secondary School	KCB	1276589263	07/07/2021	72,834	
Chamachichi Secondary Schoool	KCB		16/06/2021	0	
Diruma Secondary School	KCB	1271447045	04/06/2021	1,165	
Dunga Primary School	KCB	1291538291	14/05/2022	6,697	
God Kwach Primary School	KCB	1106524640	03/01/2022	1,494	
God Kwach Secondary School	KCB	1296602095	27/04/2021	1,498,790	
Got Kachola Primary School	KCB	1288807422	24/05/2021	24	
Got Kachola Secondary School	KCB	1264927185	23/07/2021	2,395	
Jangoe Secondary School	KCB	1277274517	27/06/2021	1,504,395	
Kanga Onditi Secondary School	KCB			0	
Kanga Onditi Secondary School Pmc	COOP	'01139077118502	04/05/2021	90,582	
Kanyandiko Primary School	KCB	1291447385	09/06/2021	-1,000	
Kayara Primary School	KCB	1278145087		247,793	

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Kikongo Primary School	KCB	1292829826	<b>04/05/2021</b>	3,400,597
Kimai Primary School	KCB	1276983018	<b>20/03/2022</b>	749
Kowuor Primary School	KCB	1295172275	<b>03/07/2021</b>	749
Kurukongo Primary School	KCB	1265972206	<b>08/05/2021</b>	5,849
Lwanda Magwar Secondary School	KCB	1265494568	<b>06/06/2021</b>	4,700,688
Mariba Secondary School	KCB	1286234891	<b>07/04/2021</b>	760
Miriwi Secondary School	KCB	1266682554	<b>06/04/2021</b>	221,782
Modi Primary School	KCB	1292084391	<b>04/05/2021</b>	2,249
Munyu Primary School	KCB	1295523159	<b>07/07/2021</b>	124
Ndiwa Girl's Secondary School	KCB	1289259747	<b>16/06/2021</b>	105,560
Nyabomo Primary School	KCB	1291195009	<b>04/06/2021</b>	150
Nyakweri Girls' Secondary School	KCB	1263996086		1,000,567
Nyandago Secondary School	KCB	1266459553		658,817
Nyangere Secondary School	KCB	1283123444		265
Nyangwayo Primary School	KCB	1295375451		1,001
Nyatike Cdf Security F.M.C	KCB	1286842336		560,084
Obalwanda Primary School	KCB	1272803376	<b>14/05/2022</b>	4,000,859
Obolo Secondary School	KCB		<b>03/01/2022</b>	0
Obware Secondary School	KCB	1264764189	<b>27/04/2021</b>	168,357
Odiyo Primary School	KCB	1291352783	<b>24/05/2021</b>	7,254
Ojawa Primary School	KCB	1289026017	<b>23/07/2021</b>	549
Olando Secondary School	KCB		<b>27/06/2021</b>	0
Olasi Secondary School	KCB			0
Ongoche Primary School	KCB	1272797945		723
Ogongo Primary School	KCB	1295352877		1,024
Osiri Secondary School	KCB	1252747349		4,924

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Othoch Rakuom Secondary School	KCB	1296383504			98,795
Othora Primary School	KCB	129709255	<b>04/05/2021</b>		0
Poya Primary School	KCB	1284019896	<b>20/03/2022</b>		100,471
Randienya High School	KCB	1264927088	<b>03/07/2021</b>		7,810
Rongo University	KCB	1267216719	<b>08/05/2021</b>		6,882
Sanganya Seconadry School	KCB	1293524174	<b>06/06/2021</b>		89,396
Senye Primary School	KCB	1291460489	<b>07/04/2021</b>		1,724
Sota Sda Secondary School	KCB	1264764073	<b>06/04/2021</b>		586,567
St. Pius Got Orango Secondary School	KCB	1264764014	<b>04/05/2021</b>		2,037,278
St. Sabianus Owich Secondary School	COOP	01141750054800	<b>07/07/2021</b>		757,233
Tom Odege Ngira Primary School	KCB	1272736415	<b>16/06/2021</b>		101,824
Ungoe Secondary School	KCB	1297774132	<b>04/06/2021</b>		900,000
Wangaya Primary School	KCB	1292051159	<b>23/4/2021</b>		8,714
St.Jacobs Kolanya Secondary School	KCB	1277917795	<b>07/04/2021</b>		4,495
Winjo Primary School	KCB	1292829893	<b>06/04/2021</b>		797
					<b>25,070,592</b>
					<b>14,027,753</b>

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**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	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Unsupported bursary disbursement	All receipts and acknowledgment to be filed	Marcelus Ayiek Fund Account Manager	Resolved	
2	Unsupported sports expenditure	Contact to be made with sports PMC to provide the necessary documents for review	Marcelus Ayiek Fund Account Manager	Not Resolved	3 months
3	Unsupported expenditure on construction of twin laboratory	Contact to be made with PMC to provide the necessary documents for review	Marcelus Ayiek Fund Account Manager	Resolved	

  
 .....  
**MARCELUS AYIEKO**  
**Fund Account Manager.**