

REPUBLIC OF KENYA



Enhancing Accountability



PARLIAMENT
OF KENYA
LIBRARY

THE NATIONAL ASSEMBLY

REPORT

DATE: 09 AUG 2023

WED

TABLED BY: *John Owen Baya, MP*
Deputy leader, Majority

Miriam Njoroge

REPORT
OF
THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – OL KALOU
CONSTITUENCY**

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



OLKALOU CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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

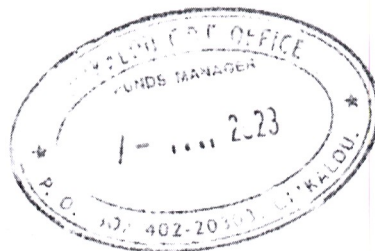


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I.Key Constituency Information and Management

(a) Background information

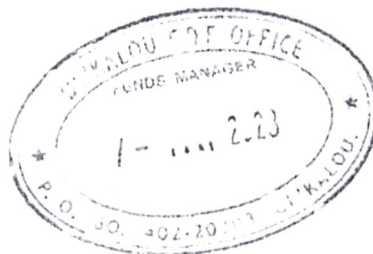
The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews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

Mandate

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

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

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Ludovick Ngera Gachara
2.	Sub-County Accountant	Jasper Ngai
3.	Chairman NGCDFC	Simon Nduati Kariuki
4.	Member NGCDFC	John Kariuki Kimani

(d) Fiduciary Oversight Arrangements

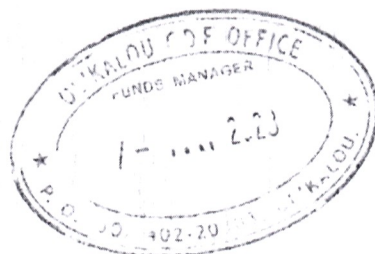
The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of OLKALOU Constituency NGCDF. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Committee for action. Any matters that require policy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

(e) OLKALOU Constituency NGCDF Headquarters

P.O. Box 402-20303
Gilgil-Nyahururu Road
Olkalou, KENYA

(f) OLKALOU Constituency NGCDF Contacts

Telephone: (254) 0722377223
E-mail: cdfolkalou@gmail.com
F-Website: ng-cdf.olkalou.go.ke



*Ol-kalou Constituency
National Government Constituencies Development Fund (NGCDF)
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(g) OLKALOU Constituency NGCDF Bankers

Equity Bank ()
Olkalou Branch
P.o Box 402-20303
OLKALOU

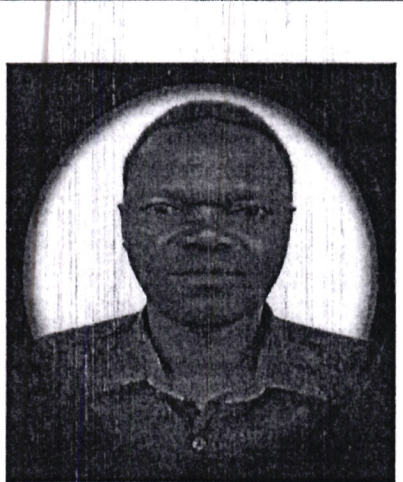
(h) Independent Auditors

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



SIMON NDUATI KARIUKI

1. Budget performance

The budget performance in 2021\2022 has not been satisfactory due to anumer of resons which are mentioned in other paragraphs. However, despite the difficulties experienced throughtout the year, Olkalou ngcdf has been able to complete a number of projects.

2. Key Achievements

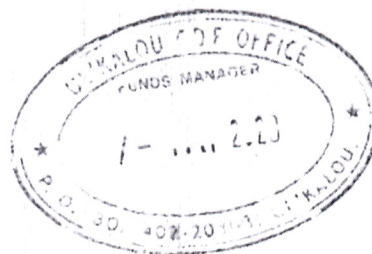
- Award of bursaries to over twenty thousand students.
- Construction of many classrooms in different learning institutions
- Construction of infrastructure in security installations premises.

3. Emerging Issues

We have observed that many contractors are not very keen when doing government projects as they do in private instutions. This has been so prevalent especially durint the election year whereby there are all attmpte to defeat laid down processes. At time this has led us to take other drstic actions like changing contractors or stopping a construction activity .

4. Implementation Challenges

- Rising cost of construction materials .



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- Impact of the introduction of vat on the overall project costs
- Refusal by contractors to take up projects citing escalated construction costs.

To remedy these challenges, the only way is to revise the BQs and accommodate the increased costs to the project proposal figures.



.....
Name
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 *OLKALOU Constituency 2021-2022* plan are to:

1. To ensure there are adequate classrooms, dining halls in schools and generally improve the structure in the learning institutions.
2. To ensure the infrastructure in security installation are increased and maintained.

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In FY 21/22 -we increased number of classrooms, dormitories, laboratories etc from ... to... in the following schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules
Security	To improve security within the constituency	The constituents are able to carry out their duties without fear.	The number of security installations constructed	-chiefs offices have been constructed in almost all locations and sublocations.
Environment	To take care of the environment in order to improve health	Healthy people who can participate in		During the financial year, we constructed toilets



Ol-kalou *Constituency*

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	standards of the constituents.	development of the nation.		under environment in order to take care of human waste which would otherwise be messy especially in schools where there is high population.
Sports				
Emergency	To take care of catastrophic happenings which would otherwise stall some processes eg. hinder learning in case of a classroom roof being blown off by storm.	Ensures continuity of processes and activities	The number of projects constructed under emergency kitty	In the fy under review, we have constructed a number of toilets in schools where they collapsed. There was also one instance in Kiganjo primary school where three classroom roofs were blown off by the storm

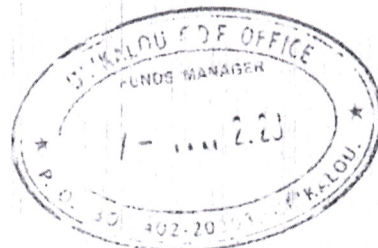
IV. Environmental and Sustainability Reporting

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

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



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

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

2. Environmental performance

During the financial year, the cdfe had not allocated funds for tree plantinting and hence students were not involved. Instead cdfe constructed three toilets at captain primary, Gichungo secondary and Kahigu secondary school.

During the year we constructed and improved security infrastructure in several poilce station and security administrative offices.

Ngedfc had not allocated funds for any farming activity and hence was not involved in advocacy on farming.

3. Employee welfare

We invest in providing the best working environment for our employees. OLKALOU 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. OLKALOU constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

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

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

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

NGCDF has put in efforts to ensure:

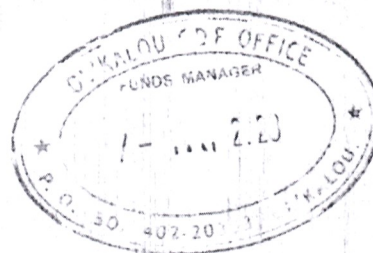
- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption
- b) Good business practice including cordial Supply chain and supplier relations by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship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

5. Community Engagements-

OLKALOU 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.



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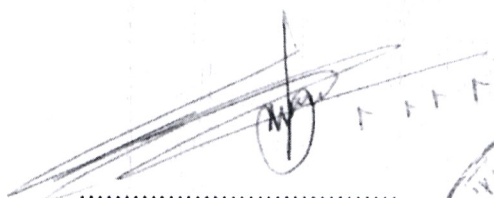
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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



.....
Name Ludovick Ngera
FAM



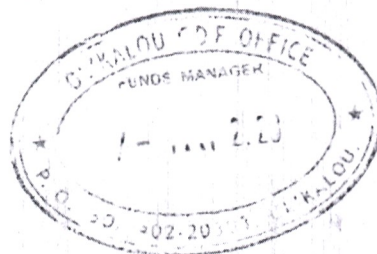
V. Statement of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-OLKALOU 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-OLKALOU 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- OLKALOU 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 OLKALOU 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

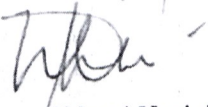



*Ol-kalou Constituency
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constituency's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- OLKALOU Constituency financial statements were approved and signed by the Accounting Officer on 19/9/ 2022.

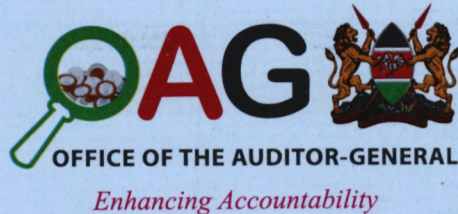

Simon Nduati Kariuki
Chairman – NGCDF Committee


Ludovick Ngera Gachara
Finance Account Manager



REPUBLIC OF KENYA

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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

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

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

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

Basis for Qualified Opinion

1.0 Inaccuracies in the Financial Statements

a) Double Payment on Emergency Projects

The statement of receipts and payments reflects a total expenditure of Kshs.157,030,382 which, as disclosed in Note 7 to the financial statements, includes other grants and transfers of Kshs.94,990,634. However, examinations of payment vouchers and other supporting documents revealed double payments on two emergency projects amounting to Kshs.3,886,000.

In the circumstances, the accuracy and propriety of expenditure amounting to Kshs.3,886,000 could not be confirmed.

b) Unsupported Expenditure

Included in other grants and transfers of Kshs.94,990,634 is an amount of Kshs.48,056,000 in respect of bursaries to secondary schools. However, review of documents provided revealed a transfer of Kshs.6,500,000 to Olkalou NG-CDF Bursary Committee which was not supported by payment voucher and list of beneficiaries. Further, Olkalou NG-CDF Bursary Committee Account was not disclosed in the financial statements.

In the circumstances, the accuracy and propriety of the expenditure amounting to Kshs. 6,500,000 could not be confirmed.

2.0 Unsupported Balances

Review of the financial statements revealed that various items with a total balance of Kshs.206,245,757 were not supported with ledgers, schedules and adjusting journals.

In the circumstances, the accuracy and completeness of the financial statements balances totalling Kshs.206,245,757 could not be confirmed.

3.0 Variances Between the Comparative Balances and Prior Year Audited Financial Statements

Comparison between 2020/2021 audited financial statements and the financial statements presented for audit revealed variances between the comparatives as shown below.

Component	Balance as per Audited Financial Statements for 2020/2021 (Kshs.)	Comparative Balance as per 2021/2022 Financial Statements (Kshs.)	Variance (Kshs.)
Communication, Supplies And Services	134,900	394,900	(260,000)
Domestic Travel and Subsistence	0	407,600	(407,600)
Training Expenses	0	620,000	(620,000)
Other Committee Expenses	0	908,000	(908,000)
Committee Allowance	0	3,730,000	(3,730,000)
Office and General Supplies and Services	0	309,565	(309,565)
Other Operating Expenses	0	400,000	(400,000)
PMC Account Balances	22,181,181	6,453,996	15,727,185

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

4.0 Project Management Committee Bank Balances

Annex 5 to the financial statements reflects Project Management Committee accounts balances totalling to Kshs.27,165,700 which is at variance with the total of Kshs.17,165,700 reflected in the certificates of bank balances resulting to an unexplained variance of Kshs.10,000,000. Further, the balance has not been returned to the constituency account in spite many projects being completed and handed over to the user as per Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which states that all unutilized funds of the Project Management Committee shall be returned to the constituency account.

In the circumstances, the accuracy and completeness of the amount of Kshs.27,165,700 could not be confirmed. Management was also in breach of the law.

5.0 Unsupported Committee Expenses and Allowances

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects Kshs.12,620,635 in respect to use of goods and services out of which Kshs.8,330,000 is in respect of committee expenses and allowances. However, the amount was not supported with requisite documents like prior approvals, attendance registers, imprest surrender vouchers, meeting notices and minutes. Further, delay in Imprests surrender was noted.

In the circumstances, the accuracy and propriety of committee expenses totalling Kshs.8,330,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund – Ol Kalou Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1.0 Budgetary Control and Performance

The summary statement of appropriation reflects total payments budget of Kshs.219,409,247 against actual payments of Kshs.157,030,382 resulting to an under absorption of Kshs.62,378,865 or 28%, indicating that some activities and budgeted projects may not have been implemented. Further, included in the budget revenue is Kshs.45,689,986 in respect to cash at bank, being funds released by the Board but not spent by the Fund. The statement also reflects funds pending approval of Kshs.166,000 from other receipts. Failure to spend the released funds denied the public equivalent services.

2.0 Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board Templates and The National Treasury Circular. In addition, the progress on follow up of prior year's auditor's recommendations is incomplete and does not include the prior year audit issues raised which remain unresolved.

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. Non-Compliance with Public Sector Accounting Standards Board (PSASB) Requirements

Examination of the financial statements revealed that the statement of receipts and payments, statement of assets and liabilities, and the statement of cashflow were not duly signed by a qualified registered finance officer as the registration membership number was not indicated.

In the circumstances, the presentation of the financial statements for the year under review is not in accordance with the prescribed PSASB format.

2. Project Implementation Status

Review of the project implementation status report revealed the following anomalies.

- i. Eighty-four (84) projects and programmes amounting Kshs.137,088,879 were being undertaken in the year under review. Included in these projects were 31 Projects totalling to Kshs.23,850,800 which had not started in spite of budget approval and allocations;
- ii. Included in the 84 projects are 6 projects amounting to Kshs.7,540,000 whose funds were reallocated to other projects/activities without approval;
- iii. Seven projects amounting to Kshs.6,960,000 are said to be complete or 95% complete and in use. However their completion status could not be confirmed as progress reports, completion certificates and hand over reports were not provided for audit and verification;
- iv. The approved projects progress reports and completion certificates for concluded projects were not provided for audit and

In the circumstances, the public did not get the value for money on the project expenditure of Kshs.137,088,879.

3. Project Inspection

Audit inspection of five (5) projects with a total of amount Kshs.6,004,000 during the month of March 2023 revealed the following anomalies.

No.	Name of Projects	Activity	Amount (Kshs.)	Observations
1	St Joseph's Primary School	Renovations of 12 classrooms	1,972,000	Project complete and put into use. However, no branding and handing over reports have been done
2	Passenga Primary School	Renovations of 9 classrooms to completion	1,160,000	Project complete, and put into use. However, no handed over reports. In addition, the floor has already dilapidated as at the time of audit inspection
3	Simba Senior Secondary School	Construction of 1 classroom to completion	1,508,000	Project complete but no branding has been done
4	Githima Primary School	Completion of kitchen with small store	464,000	Project complete but no branding has been done
5	Kahigu Primary School	Construction of a 6-door toilet	900,000	Project complete but no branding has been done

In the circumstances, the public did not get the value for money on the project expenditure of Kshs.6,004,000.

4. Failure to deduct Withholding Tax and Retention Fees

During the year under review, a total of Kshs.60,212,716 was spent on construction and renovation of buildings in respect to transfer to other government units, security and emergency projects. However, examination of payment vouchers revealed that withholding taxes and retention fees were not deducted from contractors with total contract sum of Kshs.60,212,716.

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

5. Un-approved Over Expenditure

5.1 Emergency Projects

The statement of receipts and payments reflects a total expenditure of Kshs.157,030,382 for the year ended 30 June, 2022. However, review of disbursement payment vouchers

and minutes of the NG-CDF Committee provided for audit revealed that projects costing a total of Kshs.20,538,516 were funded as emergency projects for the year under review, which is over and above the Kshs10,970,462 of the approved budget by Kshs.9,568,054, contrary to Section 8 (1) of the National Government Constituencies Development Fund Act, 2015 which states that a portion of the fund, equivalent to five per centum shall remain unallocated and shall be available for emergencies that may occur within the constituency.

Further, the budget execution by sectors and projects for the year ended 30 June, 2022 reflects a final budget balance of Kshs.9,192,207 against actual expenditure of Kshs.12,620,000 resulting to un-approved over expenditure by Kshs.3,427,793. In addition, the budget execution by sectors and projects reported actual balance of Kshs.12,620,000 was at variance with the committee's minutes balance of Kshs.20,538,516 by Kshs.7,918,516.

5.2 Bursary & Security Projects-Driving schools

The budget execution by sectors and projects for the year ended 30 June, 2022 reflects a final budget balance of Kshs.5,000,000 against actual expenditure of Kshs.8,249,400 resulting to un-approved over expenditure by Kshs.3,249,400.

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

6. Lack of Staff Establishment and Scheme of Service

The statement of receipts and payments reflects an expenditure of Kshs.2,908,606 in respect of compensation of employees. However, examination of personnel records disclosed that the Fund does not have an approved scheme of service for its staff to define job categories by profession, qualifications and experience, career progression and conditions of progression. In the absence of the scheme of service, it was not possible to ascertain how recruitment and promotion of staff is conducted. This was contrary to Section G.4 of the Public Service Commission HR Policies and Procedures Manual, 2015 which provides, inter alia, that Staff Performance Appraisal System (SPAS) is predicated upon the principle of work planning, setting of agreed performance targets, feedback and reporting. It is linked to other human resource systems and processes including staff development, career progression, placement, rewards and sanctions.

In the circumstances, Management was in breach of policies in place.

7. Irregular Procurement of Fuel, Oil and Lubricants

The statement of receipts and payments reflects an expenditure of Kshs.12,620,635 under use of goods and services which includes an amount of Kshs.950,000 in relation to fuel oil and lubricants. However, fuel, oil and lubricants were not included in the procurement plan. Further, detailed order book, work ticket copies and fuel registers were not maintained. Additionally, the fuel supplier statements showing Local Purchase Order numbers against which detail orders were drawing fuel were also not provided for audit.

In the circumstance, value for money may not have been realised on the expenditure of Kshs.950,000 on fuel oil and lubricants.

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 Report 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 overall governance were not effective.

Basis for Conclusion

1. Ineffective Internal Controls of Cash and Cash Equivalents

Review of cash books and other accounting records revealed the following cash and cash equivalents internal control and cash management weakness;

- i. The Management applies a petty cash imprest system to procure and run its office operations. However, there was no evidence of approved cash floats being applied and if there are regular surprise cash counts, Further, the petty cash books and imprest registers among other records were not provided for audit;
- ii. The monthly reconciliations were also not done on a timely basis.
- iii. In some cases, the transaction dates could not be confirmed from the cash book. The cash book has also no evidence of review by the senior officers hence poor internal checks;
- iv. Description of payment column is also not indicated in some cashbooks;
- v. Cheques were written per individual beneficiaries instead of the respective institutions supported by the beneficiaries' schedule. This resulted to tedious unnecessary work of raising numerous cheques, distributions and volumes of transactions hence resources wastage and reconciliation challenges;
- vi. No evidence of reconciled reports sent or forwarded to relevant authorities on a timely basis as required by the law;

- vii. There were no cash book ledgers and, in some cases, single entries were made in the manual cashbooks and also incomplete reversals hence incomplete recording and;
- viii. All cashbooks are manual and are prone to errors, inaccuracies and possible manipulations of amounts and balances brought forwards.

In the circumstances, the effectiveness of the internal controls regarding cash and treasury management could not be confirmed.

2. Inefficient Asset Management

The summary of fixed asset register as disclosed in Annex 4 to the financial statements reflects fixed assets totalling Kshs.54,247,495. However, the Management did not provide an updated detailed fixed asset register to support the above balance. In addition, included is buildings and structures of Kshs.27,451,403, transport equipment of Kshs.22,220,521, ICT Equipment, Software and Other ICT assets of Kshs.1,536,030 and intangible assets Kshs.1,198,000 whose analysis and ownership documents were not provided. Also excluded from the asset register is a motor vehicle registration number GKA 646T of unknown value whose logbook and other ownership documents were also not provided for audit verification.

Further, the following anomalies and short comings were also noted in regard to fixed assets management.

- i. There was no evidence of assets counts or inventory and verification for year under review to confirm that all reported assets do exist and were effectively working;
- ii. There was no detailed asset register showing key assets information like date of acquisition, costs, accumulated depreciation, net book values, and no correct assets location/custodian indicated for the assets bought before the financial year under audit and therefore it was not possible establish fully depreciated assets, specific bonded items and how the same will be written off in the books of accounts;
- iii. It was also noted that most of the assets were not tagged and asset movement's registers not appropriately kept;
- iv. Further, the assets were not insured;
- v. There was no asset valuation report yet some of the assets were over 8 years old while others have outlived their economic value and;
- vi. There was no evidence of disposal even though several bonded items were kept in the stores. Such uneconomically viable assets should be disposed of off to save on storage costs, space and obtain better salvage value before they completely go obsolete.

In the circumstances, the effectiveness of the asset management systems and controls in place could not be confirmed.

3. Lack of a Risk Management Policy and Disaster Recovery Plan

The audit revealed that the Fund did not have in place an approved Risk Management Policy and a Disaster Recovery plan. This is contrary to the provisions of Regulation 165(1)(a) and (b) of the Public Finance Management (National Government) Regulations 2015 which states that the accounting officer shall ensure that the national government entity develops risk management strategies which include fraud prevention mechanism and a system of risk management and internal controls that builds robust business operations.

In the circumstances, the effectiveness of Fund's preparedness against unforeseen eventualities could not be confirmed.

4. Lack of a Bursary Policy

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects Kshs 94,990,634 in respect of transfers to other government units which includes amounts of Kshs.48,056,000 and 22,170,000 as bursaries awarded to beneficiaries in secondary schools and tertiary institutions respectively. However, the Fund does not have a documented bursary policy guideline, procedures and processes to ensure efficient and effective management of the bursary fund contrary to CDF Board circular no. Vol. 1/111 dated 13 September, 2010. It is therefore not clear as to the minimum and maximum amount that can be awarded as bursary to a beneficiary. In addition, it was noted that there was no evidence of vetting of the bursary applicants and it is not clear how the beneficiaries of the bursary were identified.

In the circumstances, the effectiveness of internal control system used to award 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 effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit

the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control 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 control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

14 June, 2023


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

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

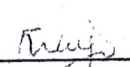
	Note	2021 - 2022	2020 - 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	182,088,879	166,267,724
Proceeds From Sale of Assets	2	0	0
Other Receipts	3	0	166,000
Total Receipts		182,088,879	166,433,724
Payments			
Compensation Of Employees	4	2,908,606	2,436,000
Use Of Goods and Services	5	12,620,635	7,977,246
Transfers To Other Government Units	6	45,510,516	81,290,000
Other Grants and Transfers	7	94,990,634	72,334,848
Acquisition Of Assets	8	999,991	3,762,890
Other Payments	9	0	0
Total Payments		157,030,382	167,800,984
Surplus/(Deficit)		25,058,497	(1,367,260)

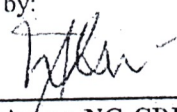
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 10/9/2022 and signed by:


Fund Account Manager

Name: Ludovick Ngera


National Sub-County
Accountant
Name: Jasper Ngai
ICPAK M/No:


Chairman NG-CDF Committee

Name: Simon Nduati

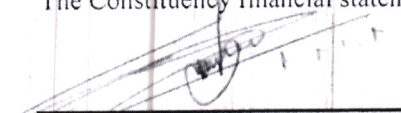
*Olkalou Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

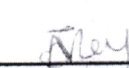
VIII. Statement of Assets and Liabilities As At 30th June, 2022

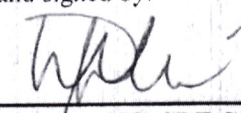
	Note	2021-2022 Kshs	2020-2021 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	45,689,986	20,631,489
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		45,689,986	20,631,489
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		45,689,986	20,631,489
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		45,689,986	20,631,489
NET FINANCIAL ASSETS			
REPRESENTED BY			
Fund balance b/fwd	13	20,631,489	20,572,209
Prior year adjustments	14	-	1,426,540
Surplus/Deficit for the year		25,058,497	(1,367,260)
NET FINANCIAL POSITION		45,689,986	20,631,489

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

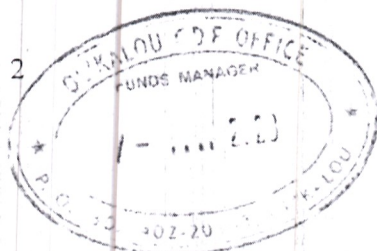
The Constituency financial statements were approved on 19/9 2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF Committee

2



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

Name:Ludovick Ngera

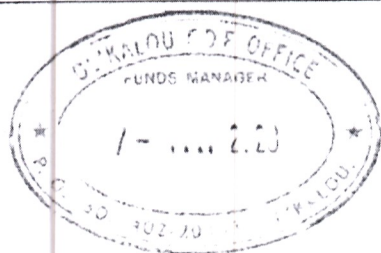
Name:Jasper Ngai
ICPAK M/No:

Name:Simon Nduati

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

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


	Notes	2021 - 2021	2021 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	182,088,879	166,267,724
Other Receipts	3	0	166,000
Total Receipts		182,088,879	166,433,724
Payments			
Compensation Of Employees	4	2,908,606	2,436,000
Use Of Goods and Services	5	12,620,635	7,977,246
Transfers To Other Government Units	6	45,510,516	85,170,000
Other Grants and Transfers	7	94,990,634	68,454,848
Other Payments	9	0	0
Total Payments		156,030,391	164,038,094
Total Receipts Less Total Payments		25,428,488	2,395,630
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	0	(0)
Increase/(Decrease) In Accounts Payable	16	0	0
Prior Year Adjustments	14	0	1,426,540
Net Cash Flow from Operating Activities		26,058,488	1,426,540
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	0	0
Acquisition Of Assets	8	(999,991)	(3,762,890)
Net Cash Flows from Investing Activities		25,058,497	59,280
Net Increase In Cash And Cash Equivalent		25,058,497	59,280.10
Cash & Cash Equivalent At Start Of The Year	10	20,631,489	20,572,209
Cash & Cash Equivalent At End Of The Year	10	45,689,986	20,631,489



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

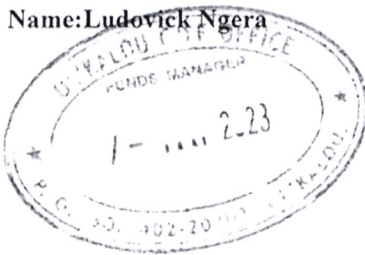
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 19/9/ 2022 and signed by:



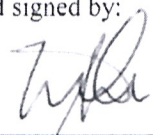
Fund Account Manager

Name: Ludovick Ngera



**National Sub-County
Accountant**

**Name: Jasper Ngai
ICPAK M/No:**



Chairman NG-CDF Committee

Name: Simon Nduati


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

Explanatory Notes .

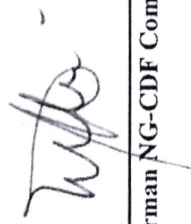
- (a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]
- (b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]
- (Explain whether the changes between the 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.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	62,212,865
Less undisbursed funds receivable from the Board as at 30 th June 2022	16,688,879
Add Accounts payable	45,523,986
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	45,523,986

The Constituency financial statements were approved on 19/9/2022 and signed by:


Fund Account Manager


National Sub-County Accountant

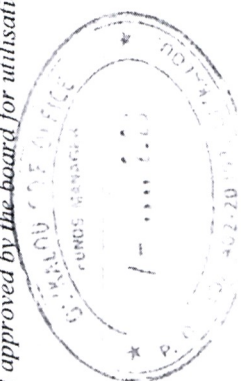

Chairman NG-CDF Committee

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

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

Receipts/Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilizati on f=d/c%
	a	2021/2022	b	2021/2022				
Receipts			Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements		30/06/2022		
Transfers From NGCDF Board		Kshs	Kshs	Kshs	Kshs		Kshs	
Proceeds From Sale of Assets		137,088,879	20,631,489	61,688,879	219,409,247	202,720,368	16,688,879	92.4%
Other Receipts								
Totals		137,088,879	20,631,489	61,688,879	219,409,247	202,720,368	16,688,879	92.4%
Payments								
Compensation Of Employees		2,965,172		6,100,000	9,065,172	2,908,606	6,156,566.00	32.1%
Use Of Goods and Services		7,797,900	3,957,719	3,988,879	15,744,498	12,620,635	3,123,863.00	80.2%
Transfers To Other Government Units		69,861,400		6,100,000	75,961,400	45,510,516	30,450,884.00	59.9%
Other Grants and Transfers		54,724,407	13,000,000	45,500,000	113,224,407	94,990,634	18,233,773.00	83.9%
Acquisition Of Assets		1,740,000			1,740,000	999,991	740,009.00	57.5%
Other Payments			3,507,770.40		3,507,770		3,507,770.40	0.0%
Funds Pending Approval**			166,000.00		166,000		166,000.00	0.0%
Totals		137,088,879	20,631,489	61,688,879	219,409,247	157,030,382	62,378,865.40	71.6%

**Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.

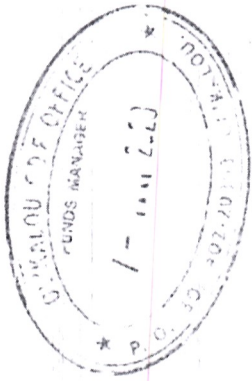


*Otkalou Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Name: Ludovick Ngera

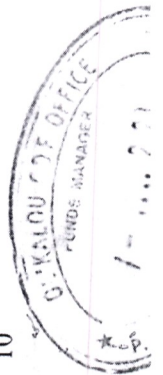
Name: Jasper Ngai
ICPAK M/No:

Name: Simon Nduati



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

3.0 Emergency	7,192,207			2,000,000	9,192,207	12,620,000	-3,427,793	137%
3.1 Primary Schools					-		-	
3.2 Secondary schools					-		-	
3.3 Tertiary institutions					-		-	
3.4 Security projects					-		-	
4.0 Bursary and Social Security								
4.2 Secondary Schools	20,000,000	13,000,000		30,500,000	63,500,000	48,056,000	15,444,000	76%
4.3 Tertiary Institutions	10,000,000			13,000,000	23,000,000	22,170,000	830,000	96%
4.4 Driving schools	5,000,000				5,000,000	8,249,400	-3,249,400	165%
4.5 Social Security					-		-	
5.0 Sports	2,240,000				2,240,000	1,813,034	426,966	81%
5.1					-		-	
6.0 Environment								
Gichungo Secondary School	900,000				900,000	-	900,000	-
Kahigu primary school	900,000				900,000		900,000	-
Captain Primary School.	900,000				900,000		900,000	-
					-		-	
7.0 Primary Schools Projects								
Harambee Primary School.	3,400,000				3,400,000		3,400,000	-
Kio Primary School.	348,000				348,000	348,000	-	100%
Wiyumirrie Primary School.	696,000				696,000	696,000	-	100%
Murindati Primary School.	1,392,000				1,392,000	1,392,000	-	100%

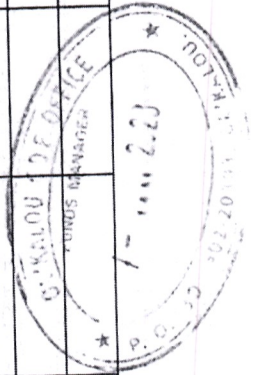


**Olkalou Constituency
National Government Constituencies Development Fund (NGCDF)
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Kirathimo Primary School.	1,508,000			1,508,000		1,508,000	-
Kanjuri Primary School.	1,392,000			1,392,000	1,392,000	-	100%
Mlimani Primary School.	1,508,000			1,508,000		1,508,000	-
Ngorika Primary School.	1,856,000			1,856,000	1,856,000	-	100%
Tumaini primary school	696,000			696,000	696,000	-	100%
Rumathi Primary School.	1,392,000			1,392,000	1,392,000	-	100%
Bahati Primary School.	1,508,000			1,508,000		1,508,000	-
Captain Primary School.	1,508,000			1,508,000		1,508,000	-
Hihglands Primary School.	1,508,000			1,508,000		1,508,000	-
Canaan Primary School.	464,000			464,000		464,000	-
Kandutura Primary School.	928,000			928,000	928,000	-	100%
Kieni Primary School.	1,392,000			1,392,000	1,392,000	-	100%
Kaibaga Primary school	232,000			232,000	232,000	-	100%
JM Primary school	1,508,000			1,508,000		1,508,000	-
Kamuyu Primary School.	928,000			928,000	928,000	-	100%
Matunda Primary School.	928,000			928,000		928,000	-
Mirangine Primary School.	1,160,000			1,160,000		1,160,000	-
Mirangine Primary School.	406,000			406,000	406,000	-	100%
Bora Primary School.	1,160,000			1,160,000	1,160,000	-	100%
Githima Primary School.	464,000			464,000	464,000	-	100%
Dundori Cem Primary School.	696,000			696,000	696,000	-	100%
Dundori Cem Primary School.	406,000			406,000	406,000	-	100%

**Olkalou Constituency
National Government Constituencies Development Fund (NGCDF)
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Kibendera Primary School.	1,508,000			1,508,000		1,508,000		100%
Munyeke Primary School.	1,508,000			1,508,000	1,508,000			100%
Gachwe Primary School.	1,508,000			1,508,000	1,508,000			100%
Kianda Primary School.	1,508,000			1,508,000	1,508,000			100%
St Joseph Primary School.	1,972,000			1,972,000	1,972,000			100%
Ac Primary School.	1,832,800			1,832,800		1,832,800		
Passenga Primary School.	1,160,000			1,160,000		1,160,000		
Githunguri Primary School.	696,000			696,000		696,000		
Githunguri Primary School.	348,000			348,000	348,000			100%
Githunguri Primary School.	116,000			116,000		116,000		
Mugathika Primary School.	1,160,000			1,160,000		1,160,000		
Manyatta Primary School.	1,160,000			1,160,000	1,160,000			100%
Silanga Primary School.	1,160,000			1,160,000		1,160,000		
St Thomas Primary School.	1,160,000			1,160,000	1,160,000			100%
Matura Primary School.	1,160,000			1,160,000	1,160,000			100%
Mukindu Primary School.	696,000			696,000		696,000		
Mukindu Primary School.	928,000			928,000		928,000		
Kahonge Primary School.	174,000			174,000		174,000		
Kahonge Primary School.	237,800			237,800		237,800		
Hospital primary school							1,200,000	100 %
Highlands primary school							400,000	100%

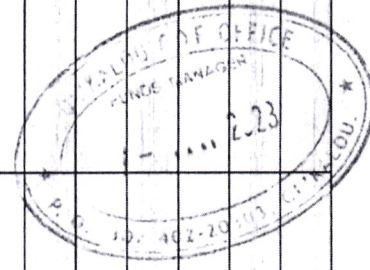


Olkalou Constituency
National Government Constituencies Development Fund (NGCDF)
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Kahonge Primary School.			1,500,000	1,500,000	1,500,000	-	100%
Kieni Primary School.					300,000	-300,000	
Harambee Primary School.					568,516	-568,516	
Gichungo primary School					650,000	-650,000	
Ngorika Primary School.					3,000,000	-3,000,000	
Githima Primary School.					406,000	-406,000	
Kianda Primary School.					1,508,000	-1,508,000	
8.0 Secondary Schools Projects							
Mihuti Secondary School.	1,508,000			1,508,000		1,508,000	
Kiganjo Secondary School.	1,508,000			1,508,000		1,508,000	
Simba Senior Secondary School.	1,508,000			1,508,000		1,508,000	
Gichungo Secondary School	1,508,000			1,508,000		1,508,000	
Mathakwa Secondary School.	1,508,000			1,508,000		1,508,000	
Sabugo Secondary School	1,160,000			1,160,000		1,160,000	
Mirangine Secondary School.	1,832,800			1,832,800		1,832,800	
Mawingu Secondary School.	1,832,000			1,832,000		1,832,000	
Kanyiriri Secondary School.	1,508,000			1,508,000	1,832,000	-324,000	121%
Gatarwa Secondary School.	1,160,000			1,160,000		-	100%
Gatarwa Secondary School.	232,000			232,000		-	100%
Gatarwa Secondary School.	406,000			406,000		-	100%

Olkalou Constituency
National Government Constituencies Development Fund (NGCDF)
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Rurii Secondary School.	4,640,000			4,640,000	4,640,000	-	100%
Mirangine Sub county education Office	174,000			174,000	174,000	-	
Nyaituga Secondary School		1,000,000		1,000,000	1,000,000	-	100%
Mirangine Secondary School.		2,000,000		2,000,000	2,000,000	-	100%
3.4 Security projects							
Wiyumiririe Chiefs Office	754,000			754,000	754,000	-	100%
Wiyumiririe Chiefs Office	116,000			116,000	116,000	-	100%
Wiyumiririe Chiefs Office	232,000			232,000	232,000	-	100%
Kaimbaga Chiefs	348,000			348,000	348,000	-	
Rumathi Assit Chiefs	464,000			464,000	464,000	-	
Kandutura Police Post (existing)	580,000			580,000	580,000	-	
Manyattia Assistant Chief	696,000			696,000	696,000	-	
Olkalou Police station	1,508,000			1,508,000	1,508,000	-	
Kagaa Chiefs office	116,000			116,000	116,000	-	
Kagaa Chiefs office	58,000			58,000	58,000	-	
Kirima Chiefs Office	116,000			116,000	116,000	-	100%
Gachwe Police Post (new)	638,000			638,000	638,000	-	
Gachwe Police Post	638,000			638,000	638,000	-	
Mundi Assistant Chief	464,000			464,000	464,000	-	



**Olkalou Constituency
National Government Constituencies Development Fund (NGCDF)
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Passenga Chiefs Office	696,000		696,000	696,000	-	100 %
Passenga Chiefs Hall	168,200		168,200	168,200	-	100%
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office	1,740,000		999,991	1,740,000	740,009	57 %
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						
11.5 Purchase of land						
12.0 Others						
12.1 Strategic Plan						
12.2 Innovation Hub		3,507,770		3,507,770	3,507,770	-
Roads						
12.2						
Funds pending approval**		166,000		166,000	166,000	-
Total	137,088,879	20,631,489	61,688,879	219,409,247	62,378,865	72 %

(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-OLKALOU Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

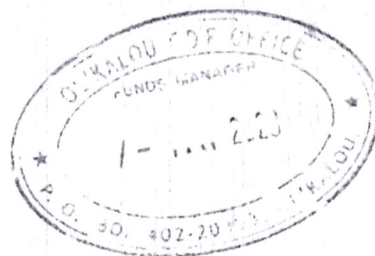
The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

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.



*Olkalou Constituency
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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.

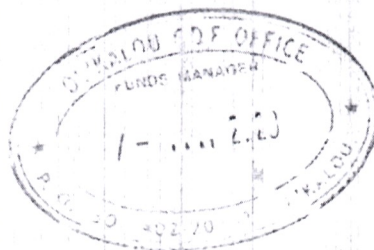
Acquisition of Fixed Assets

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.



*Olkalou Constituency
National Government Constituencies Development Fund (NGCDF)
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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.

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

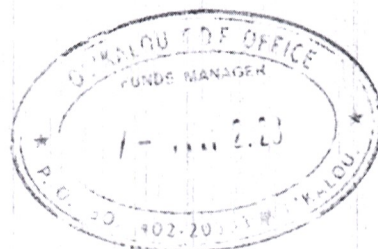
A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

12. Comparative Figures

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

13. Subsequent Events

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



Significant Accounting Policies continued

14. Errors

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

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

15. Related Party Transactions

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

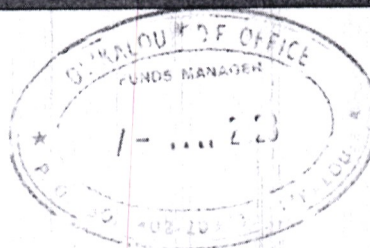
XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO. B140708	12,000,000	
AIE NO. B105262	33,000,000	
AIE NO. B105702	34,000,000	
AIE NO. B154181	15,000,000	
AIE NO. B154406	23,630,879	
AIE NO. B105717	16,000,000	
AIE NO. B128674	17,000,000	
AIE NO. B128985	14,000,000	
AIE NO. A888535	17,458,000	
		11,000,000
AIE NO: B096636		10,000,000
AIE NO: B104114		3,000,000
AIE NO: B124758		6,000,000
AIE NO: B132308		8,000,000
AIE NO: 132014		67,867,724
AIE NO: 126043		8,500,000
AIE NO: 119621		13,000,000
AIE NO: 128011		6,900,000
AIE NO: 128253		12,000,000
AIE NO: 128977		9,000,000
AIE NO: 126269		11,000,000
		11,000,000
TOTAL	182,088,879	166,267,724

2. Proceeds From Sale of Assets

	2021-2022	2020-2021
	Kshs	Kshs



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Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Others (specify)	0	0
Total	0	0

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from sale of tender documents	0	166,000
Hire of plant/equipment/facilities	0	0
Unutilized funds from PMCs	0	0
Other Receipts Not Classified Elsewhere	0	0
Total	0	166,000

Olkalou Constituency

National Government Constituencies Development Fund (NGCDF)

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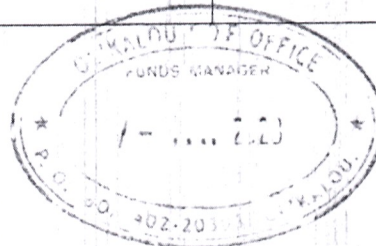
Notes To the Financial Statements (Continued)

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,608,606	2,436,000
Personal allowances paid as part of salary	0	0
House Allowance	0	0
Transport Allowance	0	0
Leave allowance	0	0
Gratuity to contractual employees	300,000	0
0	0	0
Total	2,908,606	2,436,000

5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	0	0
Utilities, supplies and services	0	0
Communication, supplies and services	386,000	394,900
Electricity	110,009	138,911
Water & sewerage charges	10,000	22,570
Domestic travel and subsistence	0	407,600
Printing, advertising and information supplies & services	630,466	0
Training expenses	0	620,000
Hospitality supplies and services	0	0
Other committee expenses	2,614,000	908,000
Committee allowance	5,716,000	3,730,000
Insurance costs	0	0
Specialized materials and services	0	0
Office and general supplies and services	989,800	309,565
Fuel , oil & lubricants	950,000	850,000
Other operating expenses	816,000	400,000
Routine maintenance – vehicles and other transport equipment	198,360	85,700
Routine maintenance – other assets	0	0



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Bank service commission and charges	200,000	110,000
Total	12,620,635	7,977,246

*Olkalou Constituency
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Notes To The Financial Statements (Continued)

6. Transfer To Other Government Units

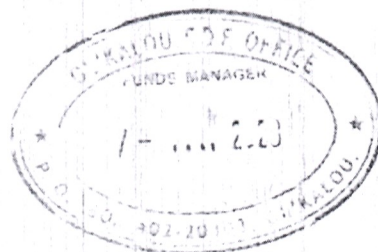
Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	35,240,516	58,640,000
Transfers To Secondary Schools (See Attached List)	10,270,000	22,650,000
Transfers To Tertiary Institutions (See Attached List)	0	0
Total	45,510,516	81,290,000

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	48,056,000	20,000,000
Bursary – tertiary institutions (see attached list)	22,170,000	18,838,368
Bursary – special schools (Driving schools)	8,249,400	7,239,875
Mock & CAT (see attached list)	0	0
Social Security programmes (NHIF)	0	0
Security projects (see attached list)	2,082,200	4,200,000
Sports projects (see attached list)	1,813,034	2,877,515
Environment projects (see attached list)	0	2,750,000
Emergency projects (see attached list)	12,620,000	13,615,000
Roads and Bridges	0	2,814,090
Total	94,990,634	72,334,848

8. Acquisition Of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	3,263,890
Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	999,991	499,000
Purchase of ICT Equipment, Software and Other ICT Assets	0	0
Purchase of Specialized Plant, Equipment and Machinery	0	0



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Acquisition of Land	0	0
Total	999,991	3,762,890

Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	0	0
ICT Hub	0	0
	0	0

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)	0	0
<i>Equity bank-Olkalou</i>	45,689,986	20,631,489
Total	45,689,986	20,631,489
10 B: Cash on Hand		
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other Locations (<i>Specify</i>)	0	0
Total	0	0

[Provide Cash Count Certificates for Each]

11: Outstanding Imprests

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Name of Officer	dd/mm/yy	0	0	0
Name of Officer	dd/mm/yy	0	0	0
Name of Officer	dd/mm/yy	0	0	0
Name of Officer	dd/mm/yy	0	0	0
Name of Officer	dd/mm/yy	0	0	0

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Name of Officer	dd/mm/yy	0	0	0
Total		0	0	0

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

Notes to the Financial Statement Continued

12A. Retention

	2021-2022	2020-2021
	KShs	KShs
Retention as at 1 st July (A)	0	0
Retention held during the year (B)	0	0
Retention paid during the Year (C)	0	0
Closing Retention as at 30 th June D= A+B-C	0	0

[Provide short appropriate explanations as necessary.]

12B. Gratuity

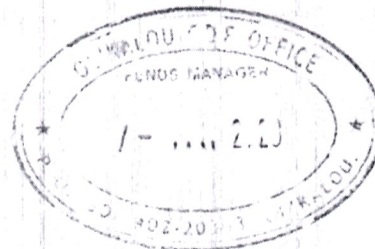
	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	0	0
Gratuity held during the year (B)	0	0
Gratuity paid during the Year (C)	0	0
Closing Gratuity as at 30 th June D= A+B-C	0	0

[Provide short appropriate explanations as necessary]

13. Balances Brought Forward

	2021-2022	2020-2021
	(1 st July 2021)	(1 st July 2020)
	Kshs	Kshs
Bank accounts	20,631,488	20,572,209
Cash in hand	0	0
Imprest	0	0
Total	20,631,488	20,572,209

[Provide short appropriate explanations as necessary]



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14. Prior Year Adjustments

Description of the error	Balance b/f FY 2020/2021 as per Audited Financial statements Kshs	Adjustments Kshs	Adjusted Balance** b/f FY 2021/2022 Kshs
Bank account Balances	1,426,540		1,426,540
Cash in hand	0	0	0
Accounts Payables	(0)	(0)	(0)
Receivables	0	0	0
Others (<i>specify</i>)	0	0	0
Total	1,426,540	0.00	1,426,540

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

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022 KShs	2020-2021 KShs
Outstanding Imprest as at 1 st July (A)	0	0
Imprest issued during the year (B)	0	0
Imprest surrendered during the Year (C)	0	0
closing accounts in account receivables D= A+B-C	0	0
	0	0

16. Changes in Accounts Payable – Deposits and Retentions

	2021-2022 KShs	2020-2021 KShs
Deposit and Retentions as at 1 st July (A)	0	0
Deposit and Retentions held during the year (B)	0	0
Deposit and Retentions paid during the Year (C)	0	0
closing account payables D= A+B-C	0	0
	0	0

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Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

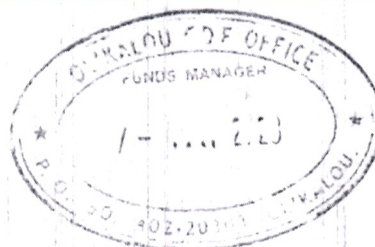
	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
Total	0	0

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	3,098,840	0
Others (<i>specify</i>)	0	0
Total	3,098,840	0

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	6,156,566	5,051,953
Use of goods and services	434,984	4,542,223
Amounts due to other Government entities (see attached list)	30,450,884	6,020,000
Amounts due to other grants and other transfers (see attached list)	20,922,652	38,800,661
Acquisition of assets	740,009	1,305,220
Other payment(CIH)	3,507,770	3,507,770
Funds pending approval	166,000	166,000
Total	62,378,865	59,393,827



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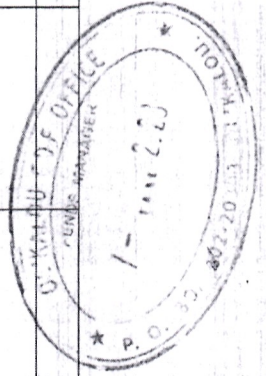
17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	27,165,700	6,453,996
Total	27,165,700	6,453,996

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Annexes
Annexes: 1 Analysis of Pending Accounts Payable

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



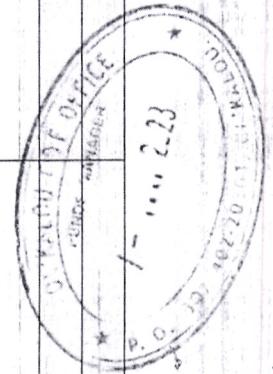
Annex 2 - Analysis of Pending Staff Payables

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Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1.NELSON WANJOHI	Driver	1st January 2014	465,000	2017-2022 Service Gratuity
2.JOSEPH KINYUA KIGOI	Security guard	1st June 2013	168,770	2017-2022 Service Gratuity
3.NAOMI WANJIKU KIIRU	Accounts clerk	1st April 2015	651,000	2017-2022 Service Gratuity
4.DAVID GACHWE	Assistant grader attendant	1st June 2013	216,200	2017-2022 Service Gratuity
5.JUSTUS MUGAMBI	Grader attendant	1st June 2013	453,350	2017-2022 Service Gratuity
6.CHARLES CHUAGA NDUNDU	Clerk of works	1st March 2018	822,120	2017-2022 Service Gratuity
7.MERCY WAMBUI KIMANI	Office assistant	1st March 2018	322,400	2017-2022 Service Gratuity
Sub-Total				
Grand Total			3,098,840	

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Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees		6,156,566	2,068,000	
Use of goods & services		3,123,863	6,746,976	
Amounts due to other Government entities				
Harambee Primary School.		3,400,000		
Kirathimo Primary School.		1,508,000		
Mlimani Primary School.		1,508,000		
Bahati Primary School.		1,508,000		
Captain Primary School.		1,508,000		
Higlands Primary School.		1,508,000		
Canaan Primary School.		464,000		
JM Primary school		1,508,000		
Matunda Primary School.		928,000		
Mirangine Primary School.		1,160,000		
Kibendera Primary School.		1,508,000		
Ac Primary School.		1,832,800		
Passenga Primary School.		1,160,000		
Githunguri Primary School.		696,000		
Githunguri Primary School.		116,000		
Mugathika Primary School.		1,160,000		
Silanga Primary School.		1,160,000		
Mukindu Primary School.		696,000		

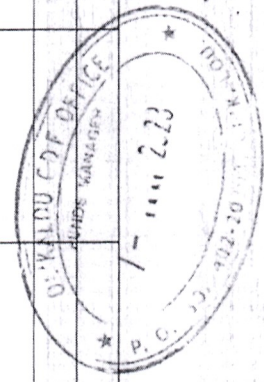


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Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Mukindu Primary School.		928,000		
Kahonge Primary School.		174,000		
Kahonge Primary School.		237,800		
Kieni Primary School.		-300,000		
Harambee Primary School.		-568,516		
Gichungo primary School		-650,000		
Ngorika Primary School.		-3,000,000		
Githima Primary School.		-406,000		
Kianda Primary School.		-1,508,000		
Mihuti Secondary School.		1,508,000		
Kiganjo Secondary School.		1,508,000		
Simba Senior Secondary School.		1,508,000		
Gichungo Secondary School		1,508,000		
Mathakwa Secondary School.		1,508,000		
Sabugo Secondary School		1,160,000		
Mirangine Secondary School.		1,832,800		
Mawingu Secondary School.		1,832,000		
Kanyiriri Secondary School.		-324,000		
Mirangine Sub county education Office		174,000		
Hospital primary school			1,200,000	
Highlands primary school			400,000	
Kianduba primary school			1,400,000	
Fassenga primary school			1,000,000	

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Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Mathakwa primary school.			-900,000	
Munyeki primary school			-400,000	
Ngorika Primary School			3,000,000	
Kahonge primary school.			1,500,000	
Mirangine secondary school			2,000,000	
Kiaduba secondary school			-1,400,000	
Passenga secondary school			-1,000,000	
Sub-Total		30,450,884	6,800,000	
Amounts due to other grants and other transfers				
Bursary-Secondary				
		15,444,000	19,437,686	
Bursary-Tertiary		830,000	15,000,000	
Bursary-Driving schools		-3,249,400	-6,000,000	
Sports		426,966	1,511,617	
Emergency		-3,427,793	1,224,552	
Environment				
Gichungo Secondary School		900,000		
Kahigu primary school		900,000		
Captain Primary School.		900,000		
Kagaa primary school			45,000	
Kanjau secondary school			45,000	
Mawingu secondary school			45,000	
Rurii primary school			45,000	
Passenga secondary school			90,000	

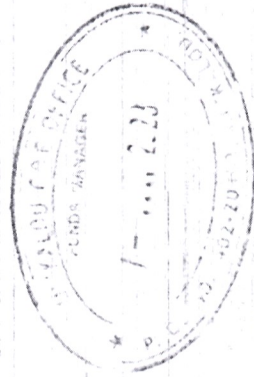


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Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Muiri primary school			45,000	
Gituamba primary school			45,000	
Rumathi primary school			45,000	
Rutara primary school			45,000	
Kanjui primary school			45,000	
Kamuyu primary school			45,000	
Security projects				
Kaimbaga Chiefs		348,000		
Rumathi Assit Chiefs		464,000		
Kandutura Police Post (existing)		580,000		
Manyatta Assistant Chief		696,000		
Olkalou Police station		1,508,000		
Kagaa Chiefs office		116,000		
Kagaa Chiefs office		58,000		
Gachwe Police Post (new)		638,000		
Gachwe Police Post		638,000		
Mundi Assistant Chief		464,000		
Mathakwa assistant chiefs office			500,000	
Kandeto police station			350,000	
Gichungo chiefs office			1,250,000	
Sub-Total		18,233,773	46,353,855	
Acquisition of assets				
Office construction		740,009	1,305,220	

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Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Others (CIH)		3,507,770	3,507,770	
CDF Office			(2,395,780)	
Furniture & Equipment			-499,000	
Roads			(2,814,000)	
Sub-Total		62,212,865		
Funds pending approval(AIA)		166,000	166,000	
Grand Total		62,378,865	59,393,821	



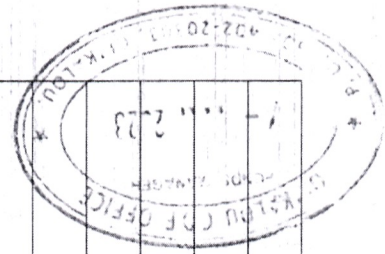
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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land				
Buildings and structures	27,451,403	0	0	27,451,403
Transport equipment	22,220,521	0	0	22,220,521
Office equipment, furniture and fittings	565,847	999,991	0	1,565,838
ICT Equipment, Software and Other ICT Assets	1,536,030	0	0	1,536,030
Other Machinery and Equipment	275,703	0	0	275,703
Heritage and cultural assets	0	0	0	0
Intangible assets	1,198,000	0	0	1,198,000
Total	53,247,504	999,991	0	54,247,495

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

PMC	Bank	Account number	Bank Balance 2017/22	Bank Balance 2021/22
HOSPITAL PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620292858125	2,146	
HIGHLANDS PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0160291474108	500	
MIRANGINE SSECONDARY SCHOOL	EQUITY BANK-OLKALOU	0620280071039	98,735	
NYAITUGA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620262018069	2	
KIENI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620294979602	61,709	
HARAMBEE PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620262886531	661	
GICHUNGO PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620297273561	751	
NGORIKA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620263861954	409	
MUNYEKI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620263144623	1,054	
ST JOSEPH PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620294029521	2,693	
GITHIMA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620264432586	238	
KIANDA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620294215165	202,080	
RURII SEC SCHOOL	EQUITY BANK-OLKALOU	0620279948117	491,900	
KIO PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620262248658	1,322	
KAIMBAGA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620297256596	1,622,493	
KAHONGE PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620262899407	7,742	
MANYATTA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620299245595	103,122	
MATURA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620262491281	2,100	

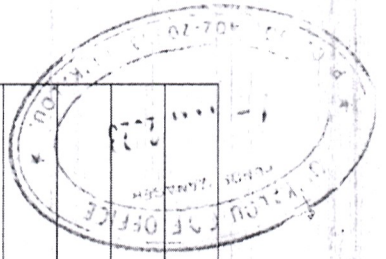


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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
ST THOMAS PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620277838017	211,451	
DUNDORI CCM PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620263264489	110	
GACHWE PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620263180562	1,638,775	
GITHUNGURI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620272938068	11,174,940	
KANJUJURI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620299292297	630	
KAMUYU PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620299367192	1,636	
MBORA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620298881206	101,083	
MIRANGINE PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620298939621	1,060	
MURINDATI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620293791606	5,243	
RUMATHI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620297242650	101,083	
TUMAINI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620262473157	10,105	
WYUMIRIRIE PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620261817179	151,460	
KANDUTURA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620298871944	151,460	
GATARWA SECONDARY SCHOOL	EQUITY BANK-OLKALOU	0620298751904	1,849,600	
MAWINGU SECONDARY SCHOOL	EQUITY BANK-OLKALOU	0620261955889	3,770,112	
KANJUJURI SECONDARY SCHOOL	EQUITY BANK-OLKALOU	0620262629963	4,280	
MLIMANI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620299293110	603,730	
MIRANGINE POLICE STATION	EQUITY BANK-OLKALOU	0620281177764	1,500	
WYUMIRIRIE CHIEFS OFFICE	EQUITY BANK-OLKALOU	0620280224261	117,320	

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PMC	Bank	Account number	Start Balance	Bank Balance
			2021/22	2020/21
NYAKIAMI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620299427429	1,037	
OLKALOU POLICE STATION	EQUITY BANK-OLKALOU	0620282123456	50,000	
CAPTAIN PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620271931311	220,340	
MUNDI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620294972148	2,805	
GIKUMBO ASSISTANT CHIEF	EQUITY BANK-OLKALOU	0620272063921	165,020	
MUNDI ASSISTANT CHIEFS	EQUITY BANK-OLKALOU	0620294972148	2,805	
KAIMBAGA SECONDARY SCHOOL	EQUITY BANK-OLKALOU	0620292845505	1,634	
RUMATHI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620297242650	102,370	
UMOJA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620263658870	2,762	
GITUAMBA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620262894359	1,793	
MAWINGU CHIEFS OFFICE	EQUITY BANK-OLKALOU	0620266035080	600,225	
HUHOINI PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620299790677	1,429	
CAPTAIN ACC OFFICE	EQUITY BANK-OLKALOU	0620271931311	220,340	
WANJURA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620271399467	600,270	
KAGAA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620264429225	545	
KANDUTURA PRIMARY SCHOOL	EQUITY BANK-OLKALOU	0620298871944	1,678,700	
MUKINDU ASSISTANT CHIEF	EQUITY BANK-OLKALOU	0620262479379	225	
MANYATTA POLICE POST	EQUITY BANK-OLKALOU	0620262527927	150,580	
PASSENKA CHIEFS	EQUITY BANK-OLKALOU	06202709000311	867,585	



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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Total			27,165,700	

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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	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

[Handwritten Signature]

.....
Name

Fund Account Manager.

